

NEWS

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For: **LOWE ENTERPRISES**

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LOWE ENTERPRISES ACQUIRES PREMIER SANTA FE BOUTIQUE HOTEL – INN AND SPA AT LORETTO

-- Lowe affiliate Destination Hotels & Resorts to manage --

SANTA FE, NM – Lowe Enterprises Investors (LEI), the investment management affiliate of national real estate company Lowe Enterprises, has acquired the Inn and Spa at Loretto, a 134-room luxury boutique hotel in the heart of downtown Santa Fe, for \$47.5 million. The firm plans to invest an additional \$6.2 million in interior and exterior renovations. LEI acquired the hotel from Noble House Hotels & Resorts, Inc., on behalf of an investment client. Another Lowe affiliated company, Destination Hotels & Resorts, will assume management of the property. The property also includes existing entitlements for additional guest rooms and ballroom/meeting space.

“The Inn and Spa at Loretto is an ideal fit with our investment profile that seeks signature, boutique properties where we can apply our firm’s extensive hotel experience to improve performance and position in the market,” said Bleecker Seaman, managing director, Lowe Enterprises Investors.

Adjacent to the historic Loretto Chapel, known for its miraculous spiral staircase, the Inn and Spa at Loretto, epitomizes classic Santa Fe architecture and style. The property design was inspired by the famed Taos Pueblo, a national historic landmark. Earth-toned stucco covers multiple blocks of flat roofed units stacked at various angles reflective of the native Pueblo Indian style which creates guest rooms that offer intimate outdoor terraces with views of the city and historic surroundings. Located one block

southeast of the main square, the hotel is steps from the area's many artist enclaves, museums and attractions.

Built in 1975, the 134 guest rooms were renovated earlier this year. Lowe plans a program of additional improvements to be implemented in the first part of 2008. Additional accent pieces from local craftsmen and native American art will be used in the guest rooms to enhance the character and warmth of the richly-hued interiors while the public spaces and meeting rooms will be refreshed with new paint, lighting fixtures and furnishings.

In keeping with the spirit and character of the region the hotel's luxurious SpaTerre is a southwestern retreat. The range of spa offerings includes massage and treatments that incorporate indigenous herbs and minerals as well as cross-cultural experiences with exotic Indonesian and Thai rituals. Other hotel amenities include an inviting lobby lounge and exceptional indoor and outdoor dining at Baleen restaurant.

With approximately 10,000 square feet of meeting space, the Inn and Spa at Loretto is an attractive option for business retreats and social events. In the warmer months, the hotel's outdoor plazas and grounds, colorfully landscaped with native plantings, extend the event options.

"The Inn and Spa at Loretto is well-located in Santa Fe's downtown district. It is a top-tier property in one of the nation's most popular high-end tourist destinations," noted Charlie Peck, president and chief operating officer, Destination Hotels & Resorts. "Destination Hotels & Resorts has extensive experience in managing distinctive hotel properties such as the Inn. Our strong network and reputation for superior quality and service will allow us to increase leisure and business visitors to this exquisite property."

Lowe's acquisition team was led by John Rosen, vice president of Lowe Hospitality Group. The seller was represented by Snyder Nationwide Real Estate.

Los Angeles-based Lowe Enterprises is a leading national real estate investment, development and management firm. Over the past 35 years, it has developed, acquired or managed more than \$8.5 billion of real estate assets nationwide. The firm is currently developing six million square feet of commercial and \$2 billion of resort and resort residential projects nationwide. Through its investment management affiliate, the firm currently manages in excess of \$3 billion in real estate assets on behalf of investment clients. In addition to its Los Angeles headquarters, Lowe Enterprises maintains regional offices in Denver, Irvine, Phoenix, San Francisco, Sacramento and Washington D.C. Destination Hotels & Resorts, a wholly owned subsidiary of Lowe, is a

lodging management company located in Englewood, Colo. With 33 independent, luxury and upscale hotels, resorts and golf clubs, it is one of the largest independent hospitality management companies in the country. The company's portfolio features more than 8,000 guest rooms. Additional information can be found at www.loweenterprises.com and www.destinationhotels.com.

Noble House Hotels & Resorts is a privately held real estate development company based in Seattle, Washington. The company owns and manages 13 boutique hotels and resorts located in six states and spanning the four coastal corners of the U.S. Founded in 1980, the Noble House collection includes such renowned properties as The Adolphus in Dallas, Texas; Little Palm Island Resort & Spa in the Florida Keys and The Edgewater in Seattle, Washington.

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