

# NEWS

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For: **LOWE ENTERPRISES**

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## **LOWE ENTERPRISES PROVIDES PREFERRED EQUITY FOR SBE'S LUXURY SLS HOTEL AT BEVERLY HILLS**

LOS ANGELES – Lowe Enterprises Investors (LEI) announced today that Lowe Structured Investment Fund, a discretionary investment fund managed by LEI, has provided \$33 million in preferred equity to SBE for development of its 297-room SLS Hotel at Beverly Hills, set to open in November 2008. Lowe Structured Investment Fund offers mezzanine debt and preferred equity for commercial, residential and hospitality properties throughout the U.S. and Canada.

“SLS Hotel at Beverly Hills is the first property to debut under the SLS Hotels brand created by SBE. Located at the crossroads between Beverly Hills and Los Angeles, it has a prime position in the heart of a desirable shopping, dining and entertainment district,” said John Lustgarten, vice president of LEI, who represented the fund. “This is a market we know well and one where the luxury hotel sector continues to thrive.”

Located at 465 La Cienega Boulevard, the hotel was formerly operated as the Le Meridien at Beverly Hills. SBE purchased the property in November 2005 and has undertaken a top-to-bottom redevelopment of the property to create a new paradigm in luxury hospitality that will appeal to the discriminating traveler as well as attract a local clientele. SLS Hotel at Beverly Hills will feature a Philippe Starck design, innovative culinary program by chef José Andrés and premier guest services. The hotel will be

managed by Starwood Hotels & Resorts Worldwide, Inc. as part of The Luxury Collection.

“This property is a solid fit with the loan criteria established for our fund. It has a prominent position in one of the country’s top hotel markets and a respected local ownership group,” noted Philip Peters, executive vice president of LEI and portfolio manager for the fund. “SBE is the creator of some of the finest and most popular restaurants and nightlife destinations in the Los Angeles area. The company is renovating an existing hotel in an irreplaceable location, thus significantly increasing the value of what was an underperforming property.”

The SLS Hotel at Beverly Hills also will feature The Bazaar by José Andrés, a pioneering collection of dining experiences which redefines the concept of hotel lobby; a rooftop pool and bar offering panoramic views, and a premier 5,000-square-foot spa. For groups, SLS will offer over 30,000 square feet of indoor and outdoor banquet and meeting space, in a flexible design to serve a host of business and social functions.

Through its affiliates, LEI has previously bought or originated more than \$500 million of structured debt investments, primarily on hospitality properties.

### **About SBE**

Founded in 2002, the Los Angeles-based SBE brings exquisite balance to the worlds of hospitality, real estate development and independent film production. As a privately held company founded and helmed by CEO Sam Nazarian, SBE acquires, develops and manages exceptional projects through its divisions –Hotels, Restaurant and Nightlife, Real Estate, Bolthouse Productions and Element Films. With a mission to redefine standards of excellence and innovation, SBE has harnessed the creativity and innovation of the best minds in the business, including design visionary Philippe Starck, with whom the company has an exclusive agreement for the creation of hotels, restaurants and lounges in the U. S., Canada, Caribbean and Mexico. SBE’s Restaurant and Nightlife division constantly stays ahead of the curve, creating and expanding trend-setting restaurant and nightlife concepts, which currently include Katsuya, Foxtail, The Abbey, Hyde Lounge, S Bar, Area and, this fall, XIV restaurant with chef Michael Mina. As the cornerstone of its synergistic approach, SBE has also completely rethought and re-imagined the luxury hotel experience. SBE will debut its first luxury hotel brand, SLS Hotels, with the November 2008 opening of SLS Hotel at Beverly Hills featuring a Starck design and innovative culinary program by chef Jose Andres. Also in the SBE Hotel collection are Miami’s Ritz Plaza hotel, to debut in late 2009, and Las Vegas’ Sahara Hotel & Casino, which will undergo a complete redevelopment for completion in early 2011.

**About Lowe Enterprises**

Los Angeles-based Lowe Enterprises is a leading national real estate investment, development and management firm. Over the past 36 years, it has developed, acquired or managed more than \$9 billion of real estate assets nationwide. The firm is currently developing \$3 billion of commercial and resort residential projects nationwide. Through its investment management affiliate, the firm currently manages in excess of \$4 billion in real estate assets on behalf of institutional and investment clients. In addition to its Los Angeles headquarters, Lowe Enterprises maintains regional offices in Denver, Irvine, San Francisco, Sacramento and Washington, D.C.

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