

LOWE ENTERPRISES INVESTORS ACQUIRES AFFINIA HOTEL IN DOWNTOWN CHICAGO AND REBRANDS AS – MILENORTH, A CHICAGO HOTEL

Lowe affiliate Destination Hotels & Resorts will assume management and operate as an independent boutique hotel

CHICAGO – May 2, 2012 - Lowe Enterprises Investors (LEI), on behalf of an investment client, has acquired the 28-story, 213-room Affinia Chicago Hotel located at 166 E. Superior St. in downtown Chicago from Denihan Hospitality Group. Concurrent with the sale, LEI affiliate, Destination Hotels & Resorts, will take over the hotel management and implement the property's rebranding as *MileNorth, a Chicago Hotel*, a name inspired by its premier location one block from North Michigan Avenue – the Magnificent Mile.

"MileNorth presents the opportunity to invest in a well-located hotel in the heart of downtown Chicago in a steadily improving hotel market. The property is steps from one of the nation's most prominent shopping districts, the Magnificent Mile, and surrounded by a host of dining and entertainment options," said Bleecker Seaman, co-CEO of LEI. "MileNorth has recently been completely renovated allowing us to focus our resources on enhancing the property's value by repositioning it as an independent boutique hotel."

MileNorth is comprised of 213 guestrooms, 69 of which are suites, approximately 2,700 square feet of meeting space, a ground floor restaurant and popular rooftop bar offering expansive city views. The previous owner completed a top-to-bottom renovation upgrading all guest rooms including furniture and fixtures, the corridors, common areas and building systems and transforming several floors of office space into guest rooms.

The hotel's central location in the heart of Chicago's bustling business and retail district, near the city's numerous cultural and tourist attractions and just three miles from the convention center, makes it an attractive choice for business, convention and leisure travelers.

"Our team has focused extensively on the Downtown Chicago submarket, an area that we expect will grow significantly in the coming years," said Mike Everett, senior vice president of acquisitions for Lowe Hospitality Group.



LEI has made numerous investments in the Chicago area and currently operates Orrington Office Plaza in Evanston, 8501 West Higgins in Chicago and the Embassy Suites Chicago-North Shore Deerfield on behalf of pension fund clients. Previous Illinois hotel properties the firm has acquired and sold on behalf of its clients include the Doubletree Rosemont O'Hare, the Rosemont Suites Hotel, the Oakbrook Hills Hotel and the Crowne Plaza Springfield.

The seller was represented by Eastdil Secured. Lowe Enterprises Investors represented itself in the transaction.

About Lowe Enterprises Investors

Lowe Enterprises Investors (LEI) provides real estate investment management services on behalf of a select list of institutional and high net worth clients and partners through individually managed accounts, commingled fund relationships and targeted investment programs. The firm has been responsible for \$6 billion in real estate assets, including commercial, hospitality and debt investments, since inception in the late 1980s. LEI has been a leading value-added investor through multiple cycles, employing equity and structured debt in its investment strategies. The firm is based in Los Angeles and is an affiliate of Lowe Enterprises, a national investment, development and management firm that is celebrating its 40th year in real estate. For more information about LEI, please visit: www.LEInvestors.com

About Destination Hotels & Resorts

Destination Hotels & Resorts is a privately held hospitality management company headquartered in Colorado. With nearly 40 independent, luxury and upscale hotels, resorts and golf clubs, Destination is the fourth largest hospitality management company in the country. The company's portfolio features more than 9,100 guest rooms, 16 golf courses and 16 full-service spas. Destination Hotels & Resorts properties are located in key metropolitan and resort markets including Washington, D.C., Seattle, Chicago, Denver, San Diego, Santa Fe, Aspen, Austin, Phoenix, Portland, Palm Springs, Rancho Palos Verdes, Maui and Lake Tahoe. The company is a subsidiary of Los Angeles-based investment, development and management firm Lowe Enterprises.

About Denihan Hospitality Group

Denihan Hospitality Group is a privately held, full-service hotel management and development company that owns and operates 15 boutique hotels in major urban markets in the U.S. Over the past 50 years, the Denihan family has built a world-class lodging investment platform in the boutique hotel space, creating value by acquiring, repositioning and managing independent hotels. The Denihan portfolio includes hotels operating under The James and Affinia Hotels brands, as well as Manhattan luxury independents, The Surrey and The Benjamin, and independents including the Royal Palm in Miami, and The Mansfield and The Franklin in New York City. The Company's uniquely guest-centric approach, refined through three generations of Denihan leadership, has made it an industry leader in hospitality, property and restaurant development, and well as hotel operations, management and marketing. In 2011, Denihan was named to *Inc. Magazine's* 500/5000 list of Fastest Growing Companies for the third year in a row, where it topped the list of full-service hotel companies.

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