

NEWS

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For: **LOWE ENTERPRISES**

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LOWE ENTERPRISES EXPANDS HOTEL PORTFOLIO WITH ACQUISITION OF HISTORIC DRISKILL HOTEL

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

LOS ANGELES – Lowe Enterprises Investors has acquired the 188-room Driskill Hotel in Austin, Texas, on behalf of an investment client. The historic luxury hotel, purchased from Brothers Property Corporation and Great American Life Insurance, will be managed by Lowe’s affiliate company Destination Hotels & Resorts.

“The Driskill Hotel is an irreplaceable property in an ideal location. It is close to both the Austin Convention Center and major business centers as well as the cultural attractions and nightlife located along 6th St.,” said Bleecker Seaman, managing director, Lowe Enterprises Investors (LEI). “It is an ideal fit with our acquisition strategy that focuses on distinctive properties that stand out in the market.”

The Driskill Hotel, built in 1886, has been refurbished numerous times over the years. It most recently underwent a \$30 million restoration in the late 1990s adding modern luxuries and repositioning the property as a high quality, top-rated hotel. Located on the corner of West 6th Street and Brazos Street in the heart of Austin’s entertainment and business district, the hotel is a few blocks from the State Capital and Colorado River. The 188-room hotel features the five-star Driskill Grill restaurant, the charming 1886 Café and Bakery, an elegant lobby lounge and separate bar, along with an exercise facility and a small spa. It offers 14,837

square feet of meeting and function space. Lowe is considering possible renovations that would add to the amount of function space.

The hotel was originally developed by a successful cattle rancher, Jesse Driskill, who envisioned a luxurious grand hotel to serve the Texas state capitol. Over the years The Driskill has hosted inaugural balls for many Texas Governors and lavish events for international dignitaries. It was a favorite of President Lyndon Johnson who held many election night events at The Driskill, and where he took the future Lady Bird Johnson on their first date.

Destination Hotels & Resorts, with its national marketing and meeting and convention planning programs, will bring a new level of management resources to the hotel. "Occupancies have been generally very strong but with our national booking network we believe we can increase both business and leisure visitors to this classic hotel," said Charlie Peck, president and chief operating officer for Destination Hotels & Resorts.

CB Richard Ellis marketed the properties on behalf of the seller.

"Just as The Driskill has a long standing tradition of providing great Texas hospitality to our guest, Destination Hotels & Resorts has a reputation for providing unique, distinctive experiences to its customers," noted Jeff Trigger, general manager of The Driskill.

Los Angeles-based Lowe Enterprises is a leading national real estate investment, development and management firm. Over the past 33 years, it has developed, acquired or managed more than \$7 billion in real estate assets nationwide. Through LEI, its investment advisory affiliate, the firm currently manages in excess of \$2 billion in real estate assets on behalf of its investment clients. The firm maintains regional offices in Denver, Phoenix, Sacramento San Francisco, Irvine and Washington, DC. 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.

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