



## Carey Watermark Investors 2 Acquires Seattle Marriott Bellevue

*Expands into Pacific Northwest with high-quality, recently developed asset in a high growth market*



NEW YORK – January 25, 2016 – Carey Watermark Investors 2 Incorporated (CWI 2), a non-traded real estate investment trust (REIT) focused on investing in lodging and lodging-related properties, announced that it has acquired the Seattle Marriott Bellevue. The newly developed hotel includes 384 guestrooms and is located in Bellevue, Washington, which has evolved from a Seattle suburb into a vibrant, independent city as a result of the high-tech boom.

### Key Facts

- **Newly developed, high-quality asset:** The 17-story, state-of-the-art hotel opened in July 2015, representing the newest addition to the Bellevue lodging market. The hotel has been developed with a highly efficient layout to maximize operational efficiencies in accordance with Marriott's latest brand standards, including the brand's newly redesigned guestroom concept, M Club Lounge and Greatroom lobby concepts, as well as technologically advanced meeting and event spaces.
- **Strong greater Seattle lodging market:** The greater Seattle lodging market has seen exponential growth in recent years as a result of its close ties to the high-tech sector, with many major technology employers (including Microsoft, Expedia and Amazon) headquartered in the region. As a result of increased corporate office occupancy fueled by the growing high-tech sector, the greater Seattle market, and specifically the Bellevue lodging market, have experienced strong

growth trajectories over the last several years. Bellevue, which is situated approximately 10 miles east of Seattle, comprises 4,284 hotel rooms in 22 lodging properties. From 2009 to 2014, the Bellevue submarket experienced a RevPAR compound annual growth rate (CAGR) of 9.3%, outpacing the overall U.S. CAGR of 6.8% for the same period. Year-to-date through November 2015, Bellevue experience continued strong RevPAR growth of 8.1% year over year.

- **Attractive downtown Bellevue location:** Outside of the Seattle central business district, downtown Bellevue has the highest density of residential and office uses of any sub-market in the greater Seattle area and is home to companies such as T-Mobile, Verizon, Eddie Bauer, Puget Sound Energy and PACCAR. Microsoft currently occupies more than 1.1 million square feet of office space within a two-block radius of the hotel and the high-end retailers of The Shops at the Bravern are only two blocks away. The planned East Link light rail expansion project (which will connect Redmond, Bellevue, Downtown Seattle and Sea-Tac Airport when completed in 2023) will benefit the overall Bellevue market and Seattle Marriott Bellevue in particular, as the hotel is situated within five blocks of two planned light rail stations.
- **Strong brand affiliation and management:** The Seattle Marriott Bellevue represents the only full-service Marriott product in the Bellevue market. As a member of the Marriott International family, the hotel benefits from Marriott's strong reservation system and loyalty program, as well as its superior brand recognition and demand among both domestic and international travelers. The hotel will remain under the management of HEI Hotels & Resorts, a hospitality owner and operator that operates 53 full-service, upper-upscale, luxury and premium select-service hotels and resorts throughout the United States, including eight that are owned by Carey Watermark Investors and CWI 2.
- **Property and amenities:**
  - 384 guestrooms
  - 21,000 square feet of meeting and event space
  - One food & beverage outlet
  - M Lounge
  - Fitness center
  - Business center

### **Management Commentary**

- Michael Medzigian, Chief Executive Officer of CWI 2, said: "The opportunity to acquire a recently developed, high-quality urban asset in the Pacific Northwest is a unique opportunity to expand our portfolio into a vibrant growing market. We believe the hotel's downtown Bellevue location will position the property to benefit from the strong, technology driven growth fundamentals in the greater Seattle lodging market. The acquisition allows us to invest in an attractive location in one of the fastest growing regions of the country, while providing CWI 2 the opportunity to geographically diversify its portfolio with an acquisition in the Pacific Northwest. Additionally, we are extremely pleased to continue to expand on our already important relationships with both Marriott International and HEI Hotels & Resorts."

### **Carey Watermark Investors 2**

Carey Watermark Investors 2 (CWI 2) is a publicly registered REIT that was formed to make investments primarily in the lodging and lodging-related sectors. Affiliates of W. P. Carey Inc. and Watermark Capital Partners advise CWI 2 and manage its overall portfolio. [www.careywatermark2.com](http://www.careywatermark2.com)

*This press release contains forward-looking statements within the meaning of the Federal securities laws. The statements of Mr. Medzigian are examples of forward-looking statements. A number of factors could*

*cause CWI 2's actual results, performance or achievement to differ materially from those anticipated. Among those risks, trends and uncertainties are the general economic climate; the supply of and demand for hotels; interest rate levels; the availability of financing; other risks associated with the acquisition and ownership of hotels; and risks related to CWI 2's offering of shares. For further information on factors that could impact CWI 2, reference is made to its filings with the Securities and Exchange Commission. Statements about past performance (including regarding RevPAR growth), are presented for informational purposes only and are not a guarantee of future results.*

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