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Carey Watermark Investors Announces NAV, Stock Dividend and Pricing of Common Stock Offering

New York – December 13, 2013 – Carey Watermark Investors Incorporated (CWI), a publicly registered, non-traded real estate investment trust that makes investments primarily in the lodging and lodging-related sectors, announced the following:

Estimated Net Asset Value (“NAV”)

- **CWI estimated NAV \$10.24 per share:** As of September 30, 2013, CWI’s estimated gross NAV has been determined to be \$609 million, or \$10.24 per share based on shares outstanding at November 30, 2013. This represents an increase over CWI’s initial offering price of \$10.00 per share. The NAV was calculated by CWI’s advisor, relying in part on appraisals of the fair market value of CWI’s real estate portfolio provided by PKF Consulting USA, LLC and estimates of the fair market value of its mortgage debt provided by Robert A. Stanger & Co., Inc. Both are independent consultants and service providers to the real estate industry.

Initial Offering Price for Follow-On Public Offering and Special Stock Dividend

- **CWI follow-on offering filed:** On October 25, 2013, CWI filed a registration statement with the Securities and Exchange Commission for a follow-on stock offering of up to \$350 million of shares of common stock and up to \$300 million of shares of common stock pursuant to its distribution reinvestment and share purchase plan. Shares of this offering will be priced at \$10.00 per share. After deducting selling commissions and offering costs, the per share net proceeds from the offering will be \$9.00.
- **CWI’s board declares special stock dividend:** Stockholders of record as of the close of business on December 16, 2013 will receive 0.1375 shares of CWI common stock for each share owned. Shares will be issued on or about December 19, 2013.
- **Stock dividend results in per share NAV adjustment:** As a result of the increased number of outstanding shares of CWI’s common stock due to the stock dividend, the estimated per share NAV will be adjusted from \$10.24 to \$9.00. This adjustment facilitates equivalent treatment of investors in CWI’s initial public offering and investors in its follow-on offering and enables CWI to offer its stock in the follow-on offering at a consistent price of \$10.00 per share, inclusive of commissions and offering costs.

- **Follow-on offering's DRIP and redemption plan pricing:** During the follow-on offering, shares issued pursuant to CWI's distribution reinvestment plan will be purchased at \$9.50 per share, which is 95% of the offering price of \$10.00. CWI will also use the offering price of \$10.00 as the basis for the redemption price under its redemption program.

Quarterly Cash Distributions

CWI's board of directors also approved the following quarterly cash distributions (reflecting the payment of the special stock dividend on December 19, 2013):

- **Fourth Quarter 2013:** a quarterly distribution of \$0.1375 per share for the fourth quarter of 2013 will be payable in cash on or about January 15, 2014 to stockholders of record on December 31, 2013.
- **First Quarter 2014:** a daily distribution of \$0.0015277 per share for the first quarter of 2014 will be paid on or about April 15, 2014 to stockholders of record on each day during the first quarter.

For additional information, please see the Form 8-K filed by CWI with the Securities and Exchange Commission on December 13, 2013 at www.sec.gov.

Carey Watermark Investors

Carey Watermark Investors Incorporated (CWI) is a publicly registered real estate investment trust (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 and manage its overall portfolio. www.careywatermark.com

Forward-Looking Statements

Certain statements contained herein may be deemed to be forward-looking statements under federal securities laws and the company intends that such forward-looking statements be subject to the safe-harbor provisions created thereby. In particular, the registration statement filed by CWI with regard to its follow-on stock offering remains subject to review by the Securities and Exchange Commission and there can be no assurance that CWI will actually commence the offering or that, if commenced, it will successfully sell the full number of shares registered. All forward-looking statements are qualified in their entirety by this cautionary statement and Carey Watermark Investors Incorporated and its related and affiliated companies assume no, and hereby disclaim any, obligation to update the forward-looking statements contained herein. This caution is made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.