



Carey Watermark Investors Acquires Le Méridien Dallas, The Stoneleigh

Adds historic AAA Four Diamond hotel to portfolio



New York – November 23, 2015 – Carey Watermark Investors Incorporated (CWI 1) announced that it has acquired Le Méridien Dallas, The Stoneleigh. The historic hotel includes 176 guestrooms and is located in the chic Uptown Dallas district.

Key Facts

- **Newly renovated, historic building:** Originally built in 1923, Le Méridien Dallas, The Stoneleigh is an iconic, AAA Four Diamond Art Deco hotel that is listed on the National Register of Historic Places. The hotel underwent an extensive \$36 million renovation in 2008, which fully repurposed and repositioned the property as an upper-upscale lodging facility. Since 2008, \$4.5 million has been spent to further upgrade the property and in early 2016, an additional \$4 million renovation is planned for guestroom and corridor updates, the addition of an outdoor courtyard event space, a pool and other enhancements.
- **Strong downtown Dallas lodging market:** Dallas is an attractive growth market, evidenced by its 6.4% population growth from 2010 to 2014, which also places it in the top five growth cities in the United States. From 2009 to 2014, the downtown Dallas lodging market achieved an 8.4%

compound annual growth rate in RevPAR, significantly above the U.S. average of 6.8% for the same period.

- **Attractive location in Uptown Dallas:** The hotel benefits from its attractive location in the Uptown Dallas district, directly north of downtown Dallas, offering a diverse mix of office, residential and retail demand drivers. The hotel is within walking distance of numerous dining, nightlife and entertainment options for locals and leisure travelers alike.
- **Strong brand affiliation and management:** Le Méridien, a Starwood Hotels & Resorts brand, is a global hotel brand with a portfolio of more than 100 luxury and upper-upscale hotels across more than 50 countries worldwide. The hotel will continue to be managed by Merritt Hospitality, an affiliate of HEI Hotels & Resorts, a hospitality owner and operator that owns and manages 48 full-service, upper-upscale, luxury and premium select-service hotels and resorts throughout the United States. Merritt Hospitality currently manages the Westin Pasadena, Westin Minneapolis, Sheraton Austin at the Capitol and the Boca Raton Marriott at Boca Center for CWI 1.
- **Property and amenities:**
 - 176 rooms
 - 8,900 square feet of meeting and event space
 - Full-service, American-style three-meal restaurant
 - Lobby bar/lounge
 - Outdoor pool and event space
 - Fitness center
 - Business center

Management Commentary

Michael Medzigian, Chief Executive Officer of CWI 1, said: "The acquisition of Le Méridien Dallas, The Stoneleigh represented the opportunity to secure a fully-renovated, iconic asset in the one of the most attractive locations in the Dallas Metroplex, a region where economic growth is amongst the strongest in the nation. As a top-ranking property in Dallas, we expect the hotel to continue to benefit from the strength of the local economy, as well as the diverse corporate and leisure attractions in the area. Although Dallas-Fort Worth is already the fourth largest metro area in the country, it continues to diversify and grow at a considerable pace and we are very excited about its continued and long-term growth potential."

Carey Watermark Investors

Carey Watermark Investors Incorporated (CWI 1) 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 1 and manage its overall portfolio. www.careywatermark.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 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; and other risks associated with the acquisition and ownership of hotels. For further information on factors that could impact CWI 1, reference is made to its filings with the Securities and Exchange Commission. Statements about past performance, which are presented for informational purposes only, are not a guarantee of future results.

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