

## Carey Watermark Investors 2 Acquires Renaissance Atlanta Midtown Hotel

*Upscale property in central Midtown location added to portfolio*

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NEW YORK, Aug. 31, 2016 /PRNewswire/ -- Carey Watermark Investors 2 Incorporated (CWI 2) announced that it has acquired the Renaissance Atlanta Midtown Hotel. The 21-story, full-service property includes 304 guestrooms and is located in the diverse and growing Midtown submarket of Atlanta, Georgia.



### Key Facts

- **High-quality asset:** Constructed in 2009 and subsequently converted to a Renaissance in 2011, the boutique hotel features high-quality finishes and has benefited from more than \$3 million of capital improvements completed between 2011 and 2015, including a complete and reconception of the hotel restaurant, Community Smith, reopened in January 2015.
- **Central location in Midtown Atlanta:** The Renaissance is located at the northwest corner of West Peachtree Street and Abercrombie Place in Midtown Atlanta. In addition to 14.7 million square feet of Class-A and Class-B office space, Georgia Tech, the Coca Cola headquarters and the 189-acre Piedmont Park, Midtown is considered the cultural center of the city, serving as home to the one million-square-foot Woodruff Arts Center, The Fox Theatre and the Atlanta Botanical Gardens. Further, NCR Corporation is currently constructing its \$260 million, 22-story, 485,000-square-foot headquarters less than one block from the Renaissance, adding nearly 4,000 jobs to the Midtown market. As one of a select number of full-service hotels in Midtown Atlanta, the Renaissance is ideally located to take advantage of these significant demand generators.
- **Strong market:** RevPAR growth has been significant within the Atlanta market, experiencing 13.0% and 9.3% growth in 2014 and 2015, respectively. Year-to-date through June market RevPAR continues to trend positively, up 6.3% compared to the same period last year. As a result of relatively low supply additions,

growth is expected to remain strong with approximately 6.0% RevPAR growth projected over each of the next two years.

- **Strong brand affiliation:** Marriott International, Inc., is a leading global lodging company with more than 4,500 properties in 88 countries and territories. Renaissance Hotels, a distinct lifestyle brand within Marriott International, has a portfolio of nearly 170 hotels in nearly 35 countries. As a member of the Marriott International family, the Renaissance Atlanta Midtown Hotel benefits from Marriott's strong reservation system and award-winning Marriott Rewards® loyalty program as well as its superior brand recognition and demand by both domestic and international travelers. The hotel will be managed by Davidson Hotels & Resorts, an Atlanta-based hotel management company that operates 38 full-service, upper upscale and premium select service hotels and resorts throughout the United States.
- **Property and amenities:**
  - 304 spacious guest rooms including 17 suites
  - 8,600 square feet of meeting space
  - Full-service restaurant
  - Rooftop bar and lounge
  - 24 hour spa/fitness center
  - 24 hour business center

### Management Commentary

Michael Medzigian, Chief Executive Officer of CWI 2, stated: "The acquisition of the Renaissance Atlanta Midtown Hotel represents the opportunity to invest in a newly built, upper upscale hotel with a strong brand affiliation, located in one of the most significant and growing business districts in the Southeast. In addition to generating attractive initial current cash flow, we believe the property's ongoing performance and longer-term value can be improved through the implementation of strategic revenue enhancement and operating initiatives. Planned property improvements include a soft goods renovation of the guestrooms along with improvements to public areas and meeting space. We believe this investment in conjunction with the implementation of our strategic value-add initiatives will enhance the diversification of CWI 2's growing portfolio and its ability to generate solid long-term cash flow. Furthermore, we are pleased to begin a new partnership with Davidson Hotels & Resorts and expand our already important relationship with Marriott International."

### About 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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