

HFF

Holliday Fenoglio Fowler, L.P.

August 1, 2005

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HFF arranges \$65 million construction loan for Boston hotel development

BOSTON, MA – The Boston office of HFF (Holliday Fenoglio Fowler, L.P.) has arranged a \$65 million construction loan for the development of the Charles Street Jail into a 308-room luxury hotel located along the Charles River in Boston.

HFF executive managing director John Fowler, senior managing director Riaz Cassum and senior real estate analyst Anthony Cutone worked on behalf of a joint venture between Carpenter & Company, Inc. and Multi-Employer Hotel Partners, advised by Kennedy Associates, to secure the floating rate loan through Deutsche Bank Mortgage Capital, LLC. Carpenter & Company, Inc., founded in 1973, is involved in the development of hotels, mixed-use and retail properties.

“HFF was able to structure a very attractive construction loan that blended elements of traditional first mortgage financing with higher leverage mezzanine debt,” said Cassum.

The Charles Street Jail hotel development is comprised of a 150 year-old, five-story structure, which will be completely renovated, and a new 16-story wing. Upon completion (due for Fall 2007), the hotel will have 308 rooms, including 28 suites and one presidential suite, meeting and function rooms, restaurants, a bar and an exercise facility. In addition, an underground parking facility shared with Massachusetts General Hospital will provide up to 200 spaces for guests. Construction began in May 2005 on the 1.1-acre site at 215 Charles Street, at the intersection of Charles and Cambridge Streets in the Beacon Hill neighborhood of Boston. The site is subject to a 75-year ground lease with Massachusetts General Hospital.

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Page Two

“HFF has a national relationship with Kennedy Associates and a 25-year relationship with Carpenter & Company, one of the pre-eminent hotel developers in the country,” said Fowler. “The Charles Street Jail Hotel is another one of their outstanding projects that will do tremendously well due to the historic charm, modern amenities and excellent location.”

HFF operates 17 offices nationwide, and in combination with affiliate HFF Securities L.P. is a dominant real estate investment banking firm. HFF offers clients a full range of capital solutions and services including debt, equity, financial advisory, investment sales, note sales and loan servicing. Since 1998, the firm has completed close to \$113 billion in transactions in all markets and property types.

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