



Holliday Fenoglio Fowler, L.P.

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**\$258 million construction loan arranged by HFF
for the W Hollywood Hotel and Residences in Hollywood, California**

DALLAS, TX – The Dallas office of HFF (Holliday Fenoglio Fowler, L.P.) has arranged a \$258 million construction loan for the W Hollywood Hotel and Residences, a luxury mixed-use development in Hollywood, California.

HFF senior managing director Trey Morsbach worked exclusively on behalf of the borrower, a joint venture between HEI Hospitality and Gatehouse Capital Corporation to secure the four-year construction loan through the New York branch of HSH Nordbank AG.

The site is at the intersection of Hollywood Boulevard and Vine Street in Hollywood, an area that has seen more than \$1.5 billion of development in the past four years including mixed-use projects Hollywood & Highland and Sunset & Vine, as well as renovations to the Egyptian Theatre, Cinerama Dome and the Capital Records building. The W Hollywood Hotel and Residences will feature a W Hotel tower, a W Residences condominium tower, 15,960 square feet of street-level retail, a three-level, 600-space underground parking garage and 19,500 square feet of advertising signage rights.

The hotel will feature 305 luxury guestrooms on 11 floors, which will include suites and two specially designed guestroom floors to cater to Hollywood's film, television and recording press junket business. Amenities will include a signature restaurant with outdoor terrace, W Living Room (lobby bar), W Cine (outdoor lounge), rooftop nightclub, rooftop pool with an outdoor lounge, business center, meeting rooms and banquet facilities. The W Hotel will also features a Bliss Spa® and fitness center with 10 treatment rooms, a sauna, steam room, and 10 specially designated guest rooms. Scheduled to open during the third quarter of 2009, the W Hotel will be managed by Starwood Hotels & Resorts Worldwide.

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The W Residences will be connected to the hotel on the lower levels but constructed as a separate tower containing 143 studio, and one-, two- and three-bedroom residential units with views of the Hollywood Hills.

“In addition to having separate entrances and private elevators, the W Residences will cater to buyers looking for upscale modern living with first class amenities,” said Morsbach.

HEI Hospitality is a hotel investment firm that has acquired an interest in 30 hotels through the United States in the last three years.

Gatehouse Capital Corporation is a Dallas-based boutique real estate development and advisory services firm that has developed W Hotels in Silicon Valley, San Diego and Dallas as well as Kimpton and Hyatt hotels.

HFF (NYSE: HF) operates out of 18 offices nationwide and is a leading provider of commercial real estate and capital market services to the U.S. commercial real estate industry. HFF offers clients a fully integrated national capital markets platform including debt placement, investment sales, structured finance, private equity, note sale and note sales advisory services and commercial loan servicing.

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