

Alex. Brown Realty Joint Venture to Develop Marriott Residence Inn in Hillsboro, Oregon

BALTIMORE—A joint venture formed by Alex. Brown Realty, Inc. (ABR), Hillsboro Hotel Development (HHD) and Huntington Hotel Group (HHG) has acquired a 4.93-acre site in Hillsboro, Oregon, approximately 15 miles northwest of downtown Portland. The joint venture plans to develop a Marriott Residence Inn on the site. Upon completion of the new hotel, ABR Chesapeake Fund IV, a real estate fund sponsored by ABR, expects to have approximately \$8 million invested in the venture.

The development site is along NE Brookwood Parkway, in the northeastern section of the 320-acre Dawson Creek Business Park. The site lies one mile south of Interstate 26, a major east/west interstate that connects Portland to Oregon's Pacific coastline and two miles east of the Hillsboro Airport. In addition, the site is immediately west of Intel Corporation's Ronler Acres campus, which currently employs 7,000 and is undergoing a \$3.0 billion expansion.

The joint venture has executed a franchise agreement with Marriott and intends to develop a 140-room Marriott Residence Inn on the site. "As the center of Oregon's 'Silicon Forest,' Hillsboro is seeing strong economic growth and we anticipate Intel's expansion will generate additional lodging demand," notes Alex Jansen, manager of HHD.

The site's current zoning permits hotel development and the joint venture is working with the City of Hillsboro to complete the entitlement and permitting process. Once construction permits have been issued, the joint venture anticipates construction will take approximately 13 months. Upon opening, the hotel will be managed by the Huntington Hotel Group.

"This is a great opportunity for ABR to enter a vibrant, new market," noted Tom Burton, ABR's CIO. "The land basis is very attractive, the business plan is solid, the acquisition is conservatively capitalized and, most importantly, the ownership team is talented and experienced," concluded Burton.

Alex. Brown Realty, Inc. (ABR) is a privately-owned real estate investment manager organized in 1972 and headquartered in Baltimore, Maryland. ABR co-invests with joint venture partners in a broad spectrum of property types located throughout the United States. www.abrealty.com

Hillsboro Hotel Development, LLC is managed by Alex Jansen. Jansen owns Jansen Construction, a Portland, Oregon-based general contractor that specializes in developing hotels throughout the contiguous United States. www.jansenconstructioncompany.com

Huntington Hotel Group (HHG) is a vertically integrated hotel development, construction, and management firm headquartered in Irving, Texas. HHG and its affiliates provide management and/or financial services to more than 50 full and select service hotels in fourteen states. The Company's management portfolio consists of more than 4,400 full and select service hotel rooms. In addition to the current owned and managed hotels, the

Company has three hotels under development. For more information, please visit www.huntingtonhotelgroup.com.

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