



# Chesapeake Lodging Trust Acquires Hyatt Santa Barbara

6/27/2013

ANNAPOLIS, Md.--(BUSINESS WIRE)--Jun. 27, 2013-- Chesapeake Lodging Trust (NYSE: CHSP) (the "Trust") and Hyatt Hotels Corporation (NYSE: H) ("Hyatt") announced today that the Trust has acquired the fee simple interest in the [Hyatt Santa Barbara](#) and two adjoining properties totaling 200 rooms from a Hyatt affiliate for \$61.0 million, or approximately \$305,000 per key. The Trust entered into a management agreement with HEI Hotels and Resorts to operate the hotel under a franchise agreement with a Hyatt affiliate.

"We are very excited to acquire the recently renovated Hyatt Santa Barbara while we continue to grow our relationship with Hyatt," stated James L. Francis , President and Chief Executive Officer of the Trust. "The property is ideally located on the Pacific Ocean and walking distance to the shops and restaurants of downtown Santa Barbara. The city is an extremely popular travel destination with its Mediterranean climate, miles of coastline and beaches, wineries, upscale shopping and restaurants."

"We recognized the hotel's long-term potential when we acquired it and leveraged our expertise in architecture and design to further increase its market value. We are delighted to be deepening our relationship with Chesapeake and leveraging that higher market value to recycle capital while maintaining a long-term brand presence in the market," said Stephen Haggerty , global head, real estate and capital strategy for Hyatt.

The property is comprised of the 171-room Hyatt Santa Barbara, the 24-room Parkside Inn and a five-villa apartment building that is currently used for long-term, monthly lease stays. Hyatt Santa Barbara is made up of four historic, three-story Spanish colonial buildings that have been carefully restored and are primarily located across from the Santa Barbara beach along East Cabrillo Boulevard. The hotel offers well-sized guestrooms, including five suites that average over 700 square feet, 10,000 square feet of flexible meeting space, a full-service restaurant and lounge, a recently created full-service spa, a heated outdoor pool and whirlpool, a business service center and a large state-of-the-art fitness center. The Trust is still evaluating its options, but has initial plans to renovate and convert the five-villa apartment building into an all luxury suite building.

Hyatt recently completed a \$12 million renovation of the property, addressing all guestrooms, corridors, meeting spaces and the registration lobby. The Trust will reposition the restaurant and bar with a new design and service concept, drawing inspiration from the picturesque ocean front beach views. "There is minimal work to be done at the hotel following Hyatt's extensive renovations," continued Mr. Francis. "The dynamic location along the Pacific

Ocean creates the perfect opportunity to create a vibrant food and beverage venue, which will include outdoor seating spaces for both in-house guests and the Santa Barbara community.”

## ABOUT CHESAPEAKE LODGING TRUST

Chesapeake Lodging Trust is a self-advised lodging real estate investment trust (REIT) focused on investments primarily in upper-upscale hotels in major business and convention markets and, on a selective basis, premium select-service hotels in urban settings or unique locations in the United States. The Trust owns 20 hotels with an aggregate of 5,932 rooms in eight states and the District of Columbia. Additional information can be found on the Trust’s website at [www.chesapeakelodgingtrust.com](http://www.chesapeakelodgingtrust.com).

## ABOUT HYATT HOTELS CORPORATION

Hyatt Hotels Corporation, headquartered in Chicago, is a leading global hospitality company with a proud heritage of making guests feel more than welcome. Thousands of members of the Hyatt family strive to make a difference in the lives of the guests they encounter every day by providing authentic hospitality. The Company's subsidiaries manage, franchise, own and develop hotels and resorts under the Hyatt®, Park Hyatt®, Andaz®, Grand Hyatt®, Hyatt Regency®, Hyatt Place® and Hyatt House® brand names and have locations on six continents. Hyatt Residential Group, Inc., a Hyatt Hotels Corporation subsidiary, develops, operates, markets or licenses Hyatt Residences™ and Hyatt Residence Club™. As of March 31, 2013, the Company's worldwide portfolio consisted of 508 properties in 46 countries. For more information, please visit [www.hyatt.com](http://www.hyatt.com).

Certain statements and assumptions in this press release contain or are based upon “forward-looking” information and are being made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. When we use the words “will,” “may,” “anticipate,” “estimate,” “should,” “expect,” “believe,” “intend,” or similar expressions, we intend to identify forward-looking statements. Such statements are subject to numerous assumptions and uncertainties, many of which are outside of Chesapeake Lodging Trust’s or Hyatt’s control, which could cause actual results to differ materially from those expressed in or implied by the content of this document. Forward looking statements made in this press release are made only as of the date of their initial publication and neither party undertakes an obligation to publicly update any of these forward looking statements as actual events unfold.

Photos/Multimedia Gallery Available: <http://www.businesswire.com/multimedia/home/20130627006323/en/>

Source: Chesapeake Lodging Trust and Hyatt Hotels Corporation

Chesapeake Lodging Trust

Douglas W. Vicari, 410-972-4142

or

Hyatt Hotels Corporation

Amy Patti, 312-780-5620

[amy.patti@hyatt.com](mailto:amy.patti@hyatt.com)