

PRESS RELEASE



For Immediate Release

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CBRE | HOTELS DEBT & EQUITY FINANCE TEAM ADVISES ON RESTRUCTURING OF THE HOTEL MINNEAPOLIS

SAN DIEGO, CALIFORNIA – June 4, 2010 - CBRE Hotels|Finance Team, in conjunction with the debt and equity finance team of CBRE Capital Markets in Minneapolis, acted as the exclusive financial advisor to Hempel Properties in the restructuring and recapitalization of The Hotel Minneapolis with HEI Hotels & Resorts. The 222-room hotel, which opened in August 2008, is the conversion of the historic Midland Bank office building in downtown Minneapolis. The 10-story hotel includes the award winning restaurant Max, a lounge, fitness center and over 6,000 square feet of meeting space. Upon closing, the ownership group will convert The Hotel Minneapolis to Marriott's newest brand, The Autograph Collection. The hotel will be managed by HEI Hotels & Resorts.

The Minneapolis debt and equity finance team of Joel Torborg and Murray Kornberg, who arranged the original construction financing for The Hotel Minneapolis on behalf of Hempel Properties, collaborated with Stan Kozlowski and Gavin Davis of CBRE Hotels|Finance for the restructuring and recapitalization to take advantage of the full breadth of the CBRE platform to arrive at the best solution to meet the client's objectives.

"Hempel Properties, like many similar sponsorship groups, executed on a comprehensive value-add hotel conversion and repositioning at an inopportune time given the global economic crisis and its significant impact on domestic travel. In this recapitalization, HEI was able to see the vision that Jon and his team had for the asset; to recognize the attractive attributes of the downtown Minneapolis market; and to work as a team player to best understand the end goals of all the stakeholders involved," commented Stan Kozlowski, Senior Vice President of the CBRE Hotels|Finance Team.

"As an intermediary, CBRE is often called upon to see through the granular elements of complex transactions and devise sensible solutions that meet a variety of seemingly divergent interests," commented Gavin Davis, Senior Vice President of CBRE Hotels|Finance. "Our analysis and structuring depends on the unique circumstances of each specific transaction. Our restructuring goal is typically to reach a common ground and has included write-offs, paydowns, forbearance, interest rate relief, term

extensions, discounted pay-offs, equity subordination and recasting promoted cash flow waterfalls and capital accounts to achieve our desired results.”

Hempel Properties was founded in 2000 by Jon Hempel. Since its inception, Hempel has continued to grow through developing long term successful relationships. Hempel Properties now has over 1.4 million square feet of office, retail, and multi-housing property either in their portfolio or under development and has ongoing expansion plans in select markets in the continental United States. Hempel Properties currently focuses on turning around under-performing assets, developing new property, and providing quality turnkey development services.

About HEI Hotels & Resorts

HEI Hotels & Resorts, headquartered in Norwalk, Conn., is a leading hospitality investment firm that acquires, develops, owns and operates full-service, upper upscale and luxury hotels and resorts throughout the United States under such well-known brand names as Marriott, Sheraton, Westin, Le Meridien, Embassy Suites, and Hilton. For more information about HEI, visit the company’s website, <http://www.heihotels.com>.

CBRE Hotels | Finance is a hospitality centric practice that works within CB Richard Ellis, Inc (NYSE: CBG) global leading Capital Markets Debt and Equity Finance platform, which provides debt and equity financing from approximately 200 sources in any given year. CBRE Hotels | Finance is headed by Gavin Davis (Senior Vice President) and Stan Kozlowski (Senior Vice President) combining over \$4.0 billion of experience and over 100 completed hospitality transactions in providing a wide breadth of hospitality financing services to its clients including, senior mortgages, mezzanine financing, preferred equity, joint-venture equity, interest rate hedging and advisory services. CBRE Hotels | Finance plays an integral role within CBRE Hotels by supporting its 30 investment professionals within the U.S., Mexico, Canada and the Caribbean.

About CB Richard Ellis

CB Richard Ellis Group, Inc. (NYSE:CBG), a Fortune 500 and S&P 500 company headquartered in Los Angeles, is the world’s largest commercial real estate services firm (in terms of 2009 revenue). The Company has approximately 29,000 employees (excluding affiliates), and serves real estate owners, investors and occupiers through more than 300 offices (excluding affiliates) worldwide. CB Richard Ellis offers strategic advice and execution for property sales and leasing; corporate services; property, facilities and project management; mortgage banking; appraisal and valuation; development services; investment management; and research and consulting. CB Richard Ellis has been named a BusinessWeek 50 “best in class” company for three years in a row. Please visit our Web site at www.cbre.com.

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