



**FOR IMMEDIATE RELEASE**

## **JER Partners Announces the Sale of the Hilton College Station**

**September 8, 2010 McLean, VA** — JER Partners (“JER”), a private commercial real estate investment management company, announced today that the firm has sold the Hilton College Station, a 303-room full-service hotel located in College Station, TX, to an affiliate of Encore Enterprises. The buyer is expected to complete a comprehensive renovation of the hotel.

JER acquired the Hilton College Station in December 2004. The property contains over 28,000 square feet of meeting space, and is the only full service hotel in the College Station market. Since 2004, JER has completed \$3.4 million of capital expenditures (\$11,000 per key), focused primarily on the renovation of the ballroom and meeting space, exterior building improvements and general FF&E replacements. In May 2007, JER refinanced the acquisition debt and, in April 2008, subsequently bought back a junior tranche of the debt at a discount to par. The debt repurchase significantly de-leveraged the asset and provided greater financial flexibility for the investment.

“The stability of Hilton College Station’s operating performance and cash flow, coupled with the improving sentiment in the lodging sector provided JER Partners with an opportunity to exit the investment at an attractive basis,” commented Jim Smith, Managing Director at JER Partners. Kevin Nishimura, Director at JER Partners added, “Our de-leveraging of the investment through the debt repurchase and opportunistic sale of the property are excellent examples of JER’s proactive approach to investing and our ability to create value for our investors.”

*JER Partners (JER) is a fully integrated private real estate investment management company with more than 29 years of experience in sourcing, underwriting and managing a broad spectrum of real estate equity investments and debt products in the U.S. and Europe. Together with its financial and operating partners, JER has purchased and managed approximately 15,000 assets totaling \$28 billion. The firm also invests in CMBS, mezzanine financing and other structured debt products. For more information, visit [www.jer.com](http://www.jer.com).*

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