

Ashford Hospitality Moves to Sell \$170 Million of Assets

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Ashford Hospitality Initiates First Phase of Deleveraging Strategy

Highlights:

- œ Initiates first phase of deleveraging strategy
- œ 16 hotels and two office buildings expected to generate at least
- œ \$170 million in gross proceeds
- œ Expects to report net gain of approximately \$33 million in 2007

Ashford Hospitality Trust, Inc. (NYSE: AHT) today stated that, in connection with its previously announced agreement to acquire a 51-hotel portfolio from CNL Hotels and Resorts for \$2.4 billion, the Company has accelerated its ongoing capital recycling efforts. The total number of non-strategic assets currently being marketed has been increased to 18, including two office buildings. The sales, some of which have already closed or are under contract or letters of intent, are expected to generate approximately \$170 million in gross proceeds and result in a net gain of approximately \$33 million, or \$0.35 per diluted share, in 2007.

The non-core assets marketed for sale include: a portfolio of seven Towne Place Suites; office buildings adjacent to the Hilton Fort Worth in Fort Worth, TX, and Embassy Suites in West Palm Beach, FL; the Doubletree Guest Suites in Dayton, OH; the Radisson Hotel Indianapolis Airport in Indianapolis, IN; the Embassy Suites in Phoenix, AZ; the Radisson Hotel in Covington, KY; the Hampton Inn in Horse Cave, KY; the Fairfield Inn in Princeton, IN; the Fairfield Inn in Evansville, IN; the Marriott Trumbull in Trumbull, CT; and the Sheraton Iowa City in Iowa City, IA. These non-core hotel assets account for a total of 2,399 rooms.

For 2007, the 18 assets are expected to generate approximately \$19 million in EBITDA and \$14.5 million in FFO, or \$0.16 per diluted share, annually. At projected sales prices, the hotel assets are expected to sell at trailing 12-month EBITDA yields of 9.8% and net operating income cap rates of 7.9%. The income tax on the gains is expected to be deferred through section 1031 tax-free exchanges.

Monty J. Bennett, President and Chief Executive Officer of Ashford, commented, "We noted at the time of our agreement to acquire the 51-hotel portfolio, that deleveraging our balance sheet would be a priority for us. In anticipation of this transaction, we've put in motion various deleveraging strategies including single asset sales, portfolio sales and joint ventures. We monitor our portfolio and select assets for sale based upon growth prospects, portfolio allocation, shifts in capital markets, capital expenditure requirements and opportunity costs. We have a high-quality portfolio that offers many capital recycling alternatives. We will continue to maximize our monetization strategies as we approach our targeted leverage levels.'

Ashford Hospitality Trust is a self-administered real estate investment trust focused on investing in the hospitality industry across all segments and at all levels of the capital structure, including direct hotel investments, first mortgages, mezzanine loans and sale-leaseback transactions.

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