

Record \$48 billion of US hotel sales predicted by year-end 2007

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'U.S. hotel deal activity to June has already reached \$32 billion, higher than we initially predicted. This represents more than half of the global volume of \$56 billion for the same period,' said Kristina Paider, senior vice president of research and marketing for Jones Lang LaSalle Hotels. 'One half of the sales of this period were driven by REITs being taken private, and another third was private equity groups buying up real estate as well as management and brands, as seen with Blackstone's recent purchase of Hilton Hotels Corporation.'

The 14th edition of Jones Lang LaSalle Hotels' Hotel Investor Sentiment Survey ('HISS') highlights investors' ongoing enthusiasm for the hotel sector. It shows that Americas' buyers outnumber sellers by 5:2. Investors indicated upscale hotels as their preferred asset type in 26 of the 29 surveyed markets. The survey also shows that 18.5% of respondents are now expecting to build hotel assets, indicating that investors are being pushed to consider development due to the shortage of available investment stock.

'With continued confidence in trading performance we are expecting balanced growth going forward. Our survey results demonstrate that yields are still tightening and investors' expectations for leveraged IRRs have tapered slightly as interest rates rise due to the recent credit crunch. While the credit markets are showing signs of weakness, the strength of the economy, resulting in increased business and leisure travel, combined with constrained supply will continue to create an attractive investment environment,' said Arthur Adler, managing director and CEO-Americas for Jones Lang LaSalle Hotels.

About Jones Lang LaSalle Hotels

Jones Lang LaSalle Hotels, the first and leading global hotel investment services firm, is uniquely positioned to provide both the depth and breadth of advice required by hotel investors and hotel companies, through a robust and integrated local network. In 2006, Jones Lang LaSalle Hotels provided sale and purchase advice on 186 hotel transactions globally; representing a combined value of US\$9.3 billion, a total of 43,272 hotel rooms in 78 cities. In addition advisory and valuation services were provided on 589 assignments globally for 136,270 rooms across approximately 280 cities.

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