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STARWOOD CAPITAL GROUP ANNOUNCES LAUNCH TIMELINE FOR TWO NEW HOTEL BRANDS: BACCARAT HOTELS & RESORTS AND 1 HOTELS & RESORTS

Five Hotel Openings Scheduled Over Next Twenty-Four Months:

Baccarat Hotel & Residences New York, NY; Baccarat Hotel Rabat, Morocco;

1 Hotel & Residences South Beach, FL; 1 Hotel Central Park, NY; and 1 Hotel Brooklyn Bridge Park, NY

Greenwich, CT (February 6, 2013) – Starwood Capital Group today announces the launch of two new hotel brands, the luxury brand Baccarat Hotels & Resorts, and the lifestyle eco-brand 1 Hotels & Resorts, with five hotel openings scheduled under the group’s hotel brand management company, SH Group. The initial five hotel openings will occur over the next twenty-four months and include: Baccarat Hotel & Residences New York, NY; Baccarat Hotel Rabat, Morocco; 1 Hotel & Residences South Beach, FL; 1 Hotel Central Park, NY; and 1 Hotel Brooklyn Bridge Park, NY.

"What was once just an idea will soon be a reality," said Barry Sternlicht, Chairman and CEO of Starwood Capital Group. "With two revolutionary hotel brands entering the marketplace and five hotel openings in the next two years, we are confident that Baccarat and 1 Hotels will place Starwood Capital Group at the very forefront of the dynamic hospitality industry."

Baccarat Hotels will position the venerable crystal company as a leader in luxury lifestyle. Originally created by decree from King Louis XV, Baccarat is renowned for unmatched craftsmanship, innovation and stunning design since 1764, matching the desires of its illustrious customers such as Czar Alexander the Great, the King of Thailand and Coco Chanel. The company still operates and manufactures its products in the picturesque town of Baccarat in the Alsace-Lorraine region of France. Only absolutely perfect crystal creations are allowed to bear the Baccarat name. The same will be true at Baccarat Hotels where the hotels will strive for the perfection of customer service in every facet of its operation. The hotels’ distinctive design will celebrate the brand’s heritage reflecting the shimmering richness of its nearly 250-year history.

Poised to be one of Manhattan’s most prestigious addresses, Baccarat Hotel & Residences New York is located on 53rd Street just off Fifth Avenue directly across from the Museum of Modern Art and its sculpture garden. The striking 50-story glass tower will feature 114 guest rooms including 26 suites, as well as 61 private residences ranging from one- to four-bedrooms, including four full-floor units and a five-bedroom penthouse duplex with an outdoor terrace. The hotel will feature a stand alone “crystal bar” atop the base podium surrounded by an outdoor “tuileries” terrace, a gorgeous spa, indoor pool and fitness facility, and a beautiful bar and restaurant entered at street level. Sales of the Baccarat Residences New York are expected to begin in March 2013. The Baccarat Hotel & Residences will open in 2014, coinciding with the brand’s 250th anniversary.

Future Baccarat locations are planned in some of the world's most exciting urban and resort destinations, including Rabat, Dubai, Marrakech, and other locations in the Middle East and Asia. Baccarat, the crystal company, which is majority owned by a subsidiary of Starwood Capital Group, will also unveil their newest flagship store in New York City on Madison Avenue in June 2013. The distinctive design concept for the 2,000-square-foot store will become a new global retail prototype for the brand.

1 Hotels, the first ground up luxury eco-design and living hotel concept will marry responsible travel with sophisticated taste. Starwood intends to celebrate nature in its interior and exterior design and offer farm-to-table dining and other ecologically responsible amenities as well as distinctive green services. Each property will be built using LEED-certified building standards, including the adaptive re-use of raw materials wherever possible. 1 Hotels will begin its journey with three unique properties: The 1 Hotel & Residences South Beach, opening early 2014; The 1 Hotel Central Park, located on 58th Street and Sixth Avenue, opening in the spring of 2014; and, The 1 Hotel Brooklyn Bridge, opening in the summer 2015. Additional 1 Hotel properties will open internationally with the first location expected opening in Marrakech, Morocco.

"The 1 Hotel name reflects my belief that there is only one world; that together we have a responsibility to take care of our planet for the benefit of future generations," said Mr. Sternlicht.

The 1 Hotel & Residences South Beach is expected to open in the first quarter of 2014. The 1970's building is being gut renovated and completely redesigned inside and out with new systems in an effort to achieve LEED certification. While being respectful of the iconic South Beach design sensibility, the exterior and interior design will celebrate nature and light. The building's clean, simplified architecture will enhance its natural advantages such as sweeping water views from most rooms and one of the widest beaches in all of Miami. The 1 Hotel & Residences South Beach will feature 417 hotel rooms, four swimming pools including the largest pool in South Beach and famous rooftop pool, lush landscaping, a spa and very large fitness center, private beach amenities and a variety of entertainment and dining destinations, including a new signature farm-to-table restaurant. As the first branded residential property tied to the new 1 Hotel brand, the project will also include 163 private residences ranging from one-to-four-bedrooms, as well as distinctive duplex homes. Residence owners will have access to a private lobby and arrival courtyard and concierge, as well as access to a full-range of 1 Hotel services. Sales for The 1 Residences South Beach are slated to begin in April 2013.

ABOUT STARWOOD CAPITAL GROUP

Starwood Capital Group is a private, U.S.-based investment firm with a core focus on global real estate. Since the group's inception in 1991, the firm has raised \$14 billion of equity capital, and through its various funds, has invested \$12 billion representing over \$32 billion in assets. Starwood Capital Group currently has more than \$19 billion of assets under management. Starwood Capital Group maintains offices in Greenwich, Atlanta, San Francisco, Washington, D.C. and Los Angeles, and affiliated offices in London, Luxembourg, Paris, Mumbai and Sao Paulo. Starwood Capital Group has invested in nearly every class of real estate on a global basis, including office, retail, residential, senior housing, golf, hotels, resorts and industrial assets. Starwood Capital Group and its affiliates have successfully executed an investment strategy that includes building enterprises around core real estate portfolios in both the private and public markets. In 2009, Starwood Capital launched SH Group, a hotel brand management company to operate hotels under the Baccarat and 1 Hotels brands. Professionals within SH Group also act as Starwood Capital's in-house design and hotel operations experts. Additional information about Starwood Capital can be found online at www.starwoodcapital.com.

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