



Hotel Development Partners, LLC (HDP) is an Atlanta-based joint venture formed by IRE Capital and Hotel Equities for the purpose of acquiring and developing premier-branded, select service hotels. The principals of HDP include Chairman Bob McCarthy, former COO of Marriott International. Bob's 38 years of service at Marriott provide a foundation of knowledge and industry network that enhances HDP's opportunity for investment. Allen O'Brien is the founding principal of IRE Capital, a private equity and development firm founded in 1993, with over \$2.7B of investment

experience and serves as CEO of HDP. Fred Cerrone is Chairman and CEO of Hotel Equities ("HE") and COO of HDP. Fred's 40 years of hospitality experience has culminated in a management company with 50+ hotels and is considered a best-in-class operator of select service hotels. Fred is one of Marriott's earliest and most highly regarded franchisees, as well as a Hilton franchisee. HE has received the prestigious Partnership Circle Award twice from Marriott and is also the recipient of the Connie Award from Hilton. The skill sets of these principals and additional team members provide a formidable combination designed to identify, underwrite and execute unique investment opportunities in hospitality.

HDP Investment Fund I, LLC was formed to allow private investors the opportunity to participate in institutional-quality hospitality properties. With the closing of HDP Investment Fund I, LLC, it concludes its investment with a portfolio of 13 hotels representing 1,309 hotel rooms. With total capitalization of \$187M, the portfolio includes the acquisition and renovation of existing hotels, as well as ground-up development. Construction projects include a 175-room Residence Inn by Marriott in Miami Beach and Sterling Pointe, a mixed-use project in the Perimeter Center area of Atlanta that will include a 132-room Hampton Inn & Suites. The balance of the Fund portfolio involves the acquisition and repositioning of six hotels in the Atlanta metro area, one hotel in Macon, Georgia and four in Charleston, South Carolina. All but one of these hotels are Marriott brands; five Fairfield Inn & Suites, two TownePlace Suites, one SpringHill Suites and one Residence Inn. The tenth hotel is a Sleep Inn by Choice Hotels located between the Residence Inn and the Fairfield Inn & Suites in Charleston. Each of these hotels was acquired directly through the relationships of the HDP principals. This off-market approach enhances HDP's ability to deliver above-market returns to its Fund investors.

With the opening of HDP Investment Fund II, LLC, HDP will continue its focus on creating value through the development and opportunistic acquisition of premium-branded select service hotels. NOI margins between 35% and 45% from proven brands will help provide unique returns on investment. Fund II has already begun with Marriott's approval of the ground-up development of a Residence Inn in the central Perimeter area of Atlanta and a Courtyard in Alpharetta, Georgia. The Residence Inn will be located within a mile of over 22 million SF of office, over 2 million SF of retail and the largest medical complex in the Southeast. This hotel will break ground in August. HDP continues to cultivate established relationships for opportunities to acquire existing hotels and is currently underwriting the conversion of three independent hotels into Marriott brands.



Additional information on HDP and its projects can be obtained by contacting Bette Cox at [bc Cox@hdpfunds.com](mailto:bc Cox@hdpfunds.com) 404-842-1422 ext. 104.