

For Immediate Release

Media Contact:

Jess Petitt
HEI Hotels & Resorts
203-849-2228
jpetitt@heihotels.com

HEI Hotels & Resorts' Receives AEE's Corporate Energy Manager of the Year Award

Company Outlines 2010 Sustainability Goals

NORWALK, Conn., January 11, 2010—HEI Hotels & Resorts (HEI), the nation's fastest growing private owner/operator of hotel real estate, announced that it has received the prestigious Corporate Energy Management award from the Association of Energy Engineers (AEE) at the 32nd World Energy Engineering Congress 2009. One of the nation's premier energy management and renewable energy events, the AEE Corporate Energy Management award is presented to companies and individuals who make important strides in energy conservation, sustainability efforts and/or products. HEI joins Toyota, General Motors, US Postal Service and McDonald's as past winners of the award.

“Since launching our energy management programs in 2005, HEI has invested more than \$6.5 million in energy-related capital improvements to its portfolio of full-service, upper scale and luxury hotels and resorts throughout the U.S.,” said Gary Mendell, HEI's chairman and chief executive officer. “Those initial capital upgrades already are resulting in more than \$2 million in annual energy savings, and we continue to explore and implement additional programs. In 2009, we launched the ‘Energy Looking Glass (ELG)’, a proprietary energy monitoring dashboard, which maximizes our energy use across the portfolio. HEI firmly believes that not only is sustainability important for the welfare of the planet, but also can yield meaningful cost savings for companies who invest wisely.”

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The company has set additional benchmarks for further energy and waste reduction for 2010. HEI plans to reduce energy consumption company-wide by five percent in the coming year by continuing its 2009 programs targeting operational awareness and conservation. While 2009 focused largely on the efforts of its general managers and chief engineers, new programs will be added to include executive chefs, executive housekeepers and banquet managers. Additionally, the company is in the planning stages to renovate an existing hotel to achieve LEED-EB certification by the U.S. Green Building Council (USGBC).

“To achieve true success in sustainability, however, we knew we would have to get our associates engaged and motivated to help,” added Bob Holesko, VP of facilities. “At the beginning of 2009, we began a competition amongst our hotels, divided by brand. Prizes ranging from gift cards to flat-screen televisions were awarded to hotel associates for reductions in energy usage, assisting the \$1 million in energy savings from our ELG program. Through October, we have observed a reduction in consumption of approximately 8 percent to 2008, irrespective of additional monetary savings experienced through decreases in energy rates.”

In an effort to further empower associates to get involved, HEI launched a social responsibility program in September, 2009. Entitled “We CARE,” the program focuses on four parts: Communities, Associates, Relationships and Environment. The company will embark on “E(nvironment)” programs this year, focusing on trash & recycling programs to determine what can be done to reduce waste and improve recycling.

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“While a number of companies give lip service to sustainability efforts, HEI has implemented meaningful programs to reduce the carbon footprints of its hotel portfolio,” said Richard G. Lubinski, regional chapter president of the AEE and president of Think Energy Management LLC. “Other hospitality companies can learn from their success - HEI has proven that ‘going green’ can result in meaningful gains to the bottom line.”

About HEI Hotels & Resorts

HEI Hotels & Resorts, headquartered in Norwalk, Conn., is a leading hospitality investment firm that acquires, develops, owns and operates full-service, upper upscale and luxury hotels and resorts throughout the United States under such well-known brand names as Marriott, Sheraton, Westin, Le Meridien, Embassy Suites, and Hilton. For more information about HEI, visit the company’s website, www.heihotels.com.