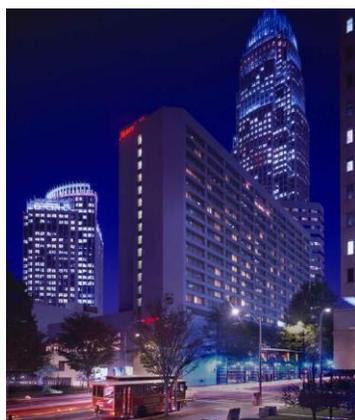


Carey Watermark Investors 2 Acquires the Charlotte Marriott City Center

Transformative renovation reinvents upscale property as M Beta travel innovations lab

Company Release - 06/02/2017 07:30

NEW YORK, June 2, 2017 /PRNewswire/ -- Carey Watermark Investors 2 Incorporated (CWI 2), a non-traded real estate investment trust (REIT) focused on investing in lodging and lodging-related properties, announced that it has acquired the Charlotte Marriott City Center, located in Uptown, Charlotte's central business district (CBD).



Key Facts

- **Newly renovated, high-quality asset:** Over \$40 million of capital improvements to the property were completed in 2016 to reposition it as the most technologically advanced full-service property within the Marriott Hotels system. Now dubbed the “Beta Hotel” for its cutting-edge concepts, the recent renovations have transformed the upscale property into an ultra-modern hotel, featuring innovative guest rooms, public space, event space and programming. The property functions as a real-time platform for guest feedback and ideas to enhance all aspects of the hotel experience. The comprehensive renovation added eight guest rooms, five unique food and beverage outlets, a state-of-the-art fitness center, a newly programmed M Club Lounge and lobby core.
- **Strong lodging market:** Charlotte's Uptown market has been one of the fastest growing lodging markets in the US, achieving a 5.8% RevPAR compound average growth rate (CAGR) since 1990 versus the US average of 3.1%. The 2016 RevPAR for the Charlotte CBD increased 5.5% year-over-year, further illustrating the strong demand in the Charlotte marketplace.
- **Central location:** The Charlotte Marriott City Center sits at one of the busiest intersections in Charlotte's CBD, surrounded by 16 million square feet of office space. Several Fortune 500 companies, including Bank of America, Duke Energy and the East Coast operations of Wells Fargo, are located in the CBD. The area is also home to major sports teams with stadiums within one mile of the hotel. Other nearby demand generators include the NASCAR Hall of Fame, the 280,000-square foot Charlotte Convention Center and EpiCentre, Charlotte's primary mixed-use entertainment and dining attraction. Over two million square feet of office space, 600,000 square feet of retail space and 3,400 residential units are currently under construction or are in planning in the immediate area.
- **Strong brand affiliation and management:** CWI 2 has entered into a long-term management agreement with Marriott International and the hotel will continue to benefit from its Marriott brand affiliation and management.
- **Property and amenities:**
 - 19-story institutional quality building
 - 446 guest rooms including 4 suites, 23 stay/well rooms with full access to the Cleveland Clinic Wellness Programs and 3 concierge levels
 - 20,000 square feet of meeting space and 13 breakout areas, including a 9,100-square foot ballroom
 - Five unique food and beverage outlets, including Stoke Restaurant, an immersive kitchen concept featuring locally sourced ingredients, and the M Club Lounge
 - 24-hour, state-of-the-art fitness center
 - Business center

Management Commentary

Michael Medzigian, Chief Executive Officer of CWI 2, said: “We are extremely pleased to continue to expand on our already important relationship with Marriott International and to support them as they continue to embrace hotel innovation and shape the future of travel. With the transformative renovation of the property incorporating Marriott’s latest design and technology concepts, the Charlotte Marriott City Center is now recognized as one of the flagship Marriott properties throughout the country. With the strength of its location in the heart of the CBD, one of the highest growth lodging markets in the US, we believe the property is not only well positioned to deliver attractive current cash flow but also to benefit from the ongoing strength of the local economy. Given our own focus on continuing to develop product and service concepts to enhance the guest experience, the property’s designation as M Beta made it a strategic acquisition for the CWI 2 portfolio.”

Carey Watermark Investors 2

Carey Watermark Investors 2 (CWI 2) is a publicly registered REIT that was formed to make investments primarily in the lodging and lodging-related sectors. Affiliates of W. P. Carey Inc. and Watermark Capital Partners advise CWI 2 and manage its overall portfolio. www.careywatermark2.com

This press release contains forward-looking statements within the meaning of the Federal securities laws. The statements of Mr. Medzigian are examples of forward-looking statements. A number of factors could cause CWI 2's actual results, performance or achievement to differ materially from those anticipated. Among those risks, trends and uncertainties are the general economic climate; the supply of and demand for hotels; interest rate levels; the availability of financing; other risks associated with the acquisition and ownership of hotels; and risks related to CWI 2's offering of shares. For further information on factors that could impact CWI 2, reference is made to its filings with the Securities and Exchange Commission. Statements about past performance (including RevPAR growth) are presented for informational purposes only and are not a guarantee of future results.

Company Contact:

Anna McGrath
W. P. Carey Inc.
212-492-1166
amcgrath@wpcarey.com

Press Contact:

Guy Lawrence
Ross & Lawrence
212-308-3333
gblawrence@rosslawpr.com



SOURCE Carey Watermark Investors 2