

Hotel/ Hospitality Venue

2008 BEST IN COMMERCIAL REAL ESTATE

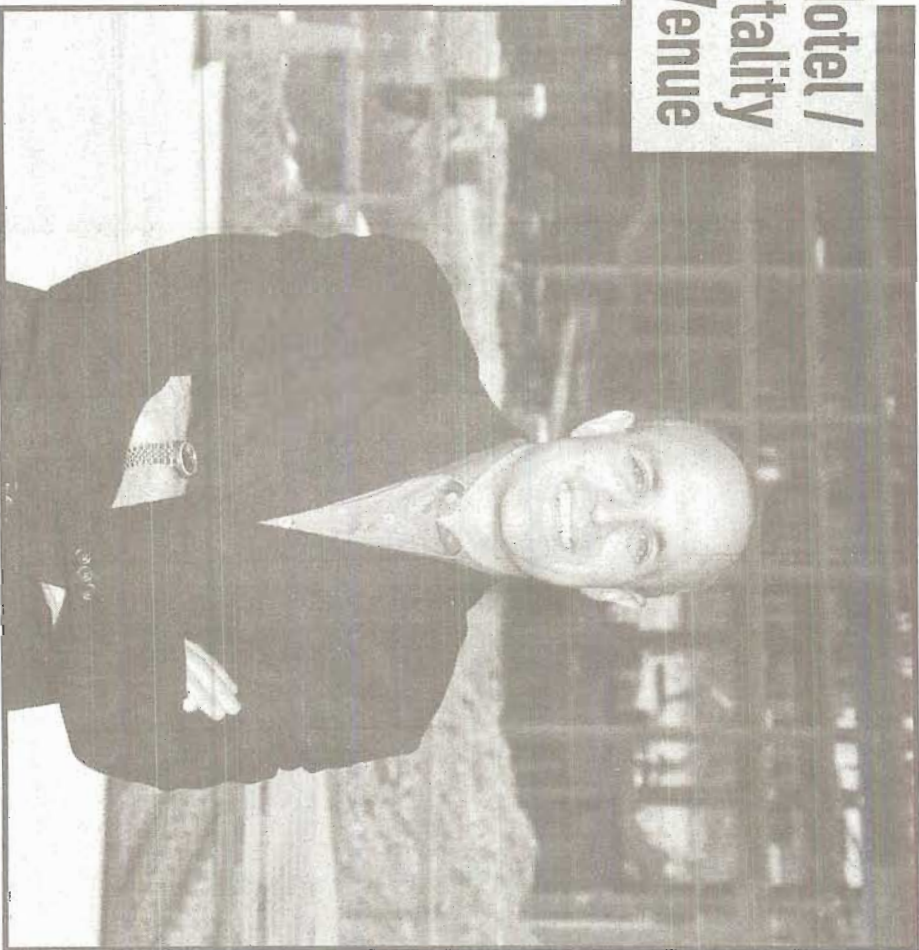
JW Marriott

Summary: Marriott's signature luxury brand, JW Marriott, chose San Antonio for its grand entrance into the Texas market. The 1,002-room JW Marriott San Antonio Hill Country Resort and Spa is under construction northeast of Loop 1604. Located in Cibolo Canyon, the sprawling luxury resort is adjacent to the two TPC golf courses being carved out of the Texas Hill Country. Company and community officials are hailing the project as one that will put San Antonio on the map for affluent global travelers, golfers and conventioners. All told, the golf course and resort project is estimated to produce \$1 billion in tax revenues, more than 2,000 permanent jobs, and 5,000 construction jobs during the next 25 years.

Award winners: Miller Global Properties LLC, hotel developer; Forrester Real Estate Group, master-plan developers; architect, HKS Inc. - Dallas; landscape architect, TBG Partners; structural engineer, Brockette Davis Drake, Inc., Dallas; Blum Engineers, Dallas, MEP engineer

Address: Pre-opening offices are located at 1717 N Loop 1604 East. The project sits north of Loop 1604 situated east of Hwy. 281 behind Lady Bird Johnson High School and is bordered by Evans Road and Bulverde Road.

Size of Deal: A 1,002-room JW Marriott San Antonio Hill Country Resort with more than 140,000 square feet of meeting space, including a 40,000 square-foot



Mike Kass is director of marketing for JW Marriott San Antonio.

ballroom and a plethora of resort amenities, including a winding river water playground. The project dovetails with the two 18-hole Tournament Players Club (TPC) San Antonio golf courses currently under construction: the AT&T Oaks Course, designed by Pete Dye, and the AT&T Canyons Course, designed by Greg Norman. The project anchors Cibolo Canyon, a larger master-planned development on 2,800 acres designed by Forrester Real Estate Group, a Temple-based company which was the brainchild behind the master-planned community.

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step makes a more powerful impression.

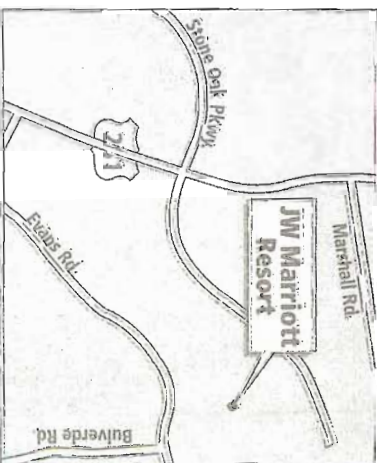
A new luxury JW Marriott San Antonio Hill Country Resort currently under construction on the city's North Side will be the largest Marriott hotel built in San Antonio to date — usurping the 1999 Marriott Rivercenter Hotel, which today is the city's second largest hotel (based on number of rooms) with 1,001 rooms and 40,000 square feet of meeting space.

With 1,002 rooms and 140,000 square feet of meeting space, the new JW Marriott will have one extra guest room and 250 percent more convention space than its Rivercenter sister — making it San Antonio's hotel with the largest amount of meeting space. What's more, the JW Marriott is the company's luxury upscale brand, offering modern, sleek surroundings and special attention to personal service. To date, there are only 12 JW Marriott hotels in the United States; San Antonio is JW Marriott's first Texas location. In March, Business Week's annual customer survey listed the JW Marriotts as one of the top 25

Timeline: Ground was broken on the resort on Oct. 18, 2007; completion is scheduled for March 2010.

BY DONNA J. TUTTLE

If it's true that everything is bigger in Texas, then the Marriott company is an official member of the Lone Star state. The company continues to expand its footprint in the San Antonio market, and each



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companies for customer service.

"San Antonio's beautiful geography, significant history and rich cultural offerings, combined with the serene setting of the Texas Hill Country make the perfect home for JW Marriott's newest premier destination," says Mike Kass, director of marketing and sales for JW Marriott. "In 2010, when the JW Marriott San Antonio Hill Country Resort & Spa opens, discerning travelers will find the ultimate PGA TOUR golf experience, a luxurious spa, a six-acre water park and world-class cuisine. The property will also boast the largest number of guest rooms and hotel conference space in the market. Inspiring landscapes and JW Marriott's signature service will afford guests a chance to restore and explore with each visit."

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CHAIN WE CONTACTED, AND THEY STAYED IN TOUCH WITH US THROUGHOUT ALL THE PHASES.'

John Pierrat

Executive vice president
Forestar Real Estate Group

Owned by Miller Global Properties LLC and Principal Real Estate Partners, the hospitality project is anchored by the PGA Tour's two new 18-hole Tournament Players Club golf courses being built adjacent to the resort project. These courses — of which there are currently only 26 — are managed by the PGA Tour, will host PGA events, and will also offer top-notch golfing to members and resort visitors only.

Exclusive golf courses. Opulent spas. Family-friendly river playground. Luxury rooms, condos and timeshares. Expansive and flexible convention space. Rolling Hill Country setting. Together, these offerings will attract the attention of the global traveler and business conventioners, project

"This project will enable San Antonio to compete on a global scale," Kass reports. "We expect to attract leisure travelers, corporate groups, and conventions that are currently going to other destinations. This results in new customers coming to our city ... dining in local restaurants, shopping throughout the city, and enjoying all of the activities and attractions that make us such a highly sought destination."

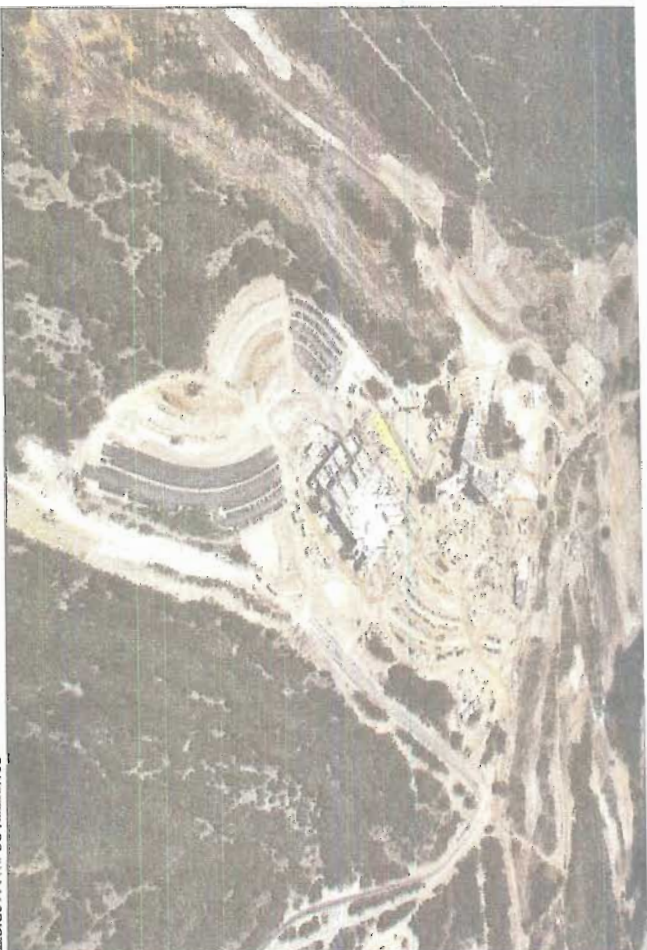
Already, the hotel has more than 40 conventions booked, including the U.S. Track & Field and Cross Country Coaches Association, Cambridge Investment Research, and multiple medical associations, financial firms and corporate incentive programs.

History

Although this Marriott hospitality project is new, the idea for a PGA golf course and resort property has been in the works for about nine years, facing significant hand-wringing and opposition from local environmentalists. The reason: The project is located over the Edwards Aquifer Recharge Zone, San Antonio's primary drinking water source. The initial plan for a PGA Village San Antonio designed by the PGA of America, an organization separate from the PGA Tour, was shelved after some serious public backlash.

Developers came back with new partners from the PGA Tour Inc. and improved plans to better protect the drinking water. (The rock at the golf courses will be capped with a clay seal and eco-friendly irrigation will be used.) Then, in November 2004, Bill Marriott, the chairman of Marriott International, scheduled a lunch appointment with local officials. In his new book, "Transforming San Antonio," Bexar County Judge Nelson Wolff says that Marriott announced to local civic leaders "half way through the entire" at the Marriott Rivercenter that he liked San Antonio and wanted to build a resort.

John Pierrat, executive vice president of Forestar Real Estate Group (formerly Lumbar's Investment Corp.), the original



An aerial photo of the JW Marriott under construction.

land, says Marriott had its toe in the water with the project since Aug. 7, 1999 — when his company was first designing the Cibolo Canyon master-planned community. "Marriott was the first chain we contacted, and they stayed in touch with us throughout all the phases," Pierrat says. "We've had a good relationship with them."

Marriott's involvement, coupled with improved environmental standards promised by the PGA Tour, led the San Antonio City Council to approve the proposal in 2005. There were several more delays on the project, including the renegotiation of a Cibolo Canyon Special Improvement District (in which the city agrees not to annex the property for 29 years and forgoes taxes during that time), and a last minute state Senate bill before shovels hit the dirt on the resort project in October 2007.

Today, construction is well under way on the lobby, ballrooms, retail stores, Starbucks, the convention space, the main restaurant and the lobby bar. The resort will also feature expansive outdoor water playgrounds, more than 140,000 square feet of flexible indoor meeting space, three out-

square-foot spa, a multi-media sports bar, a six-acre pool and river experience, seven restaurants, walking trails, and bicycling.

Using green construction techniques has been top of mind for Marriott executives. During construction of the hotel, the designers, engineers and contractors are making sure the building does not go beyond the natural tree line. In addition, the hotel giant is also unveiling a menu of eco-friendly green meeting products and services that will enable groups of all sizes to save water and energy, reduce waste and recycle during their stays. Some of the ways Marriott will be making meetings green include offering recycle bins in the meeting room, using green products such as pens and notepads made from recycled material, decorating with organic flowers, linen-less tables, name tag reuse and donating leftover food, the company reports.

Accommodations

The decor of the 1,002 rooms, 85 of which are suites, is modern Hill Country comfort, sporting custom-designed furni-

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MARRIOTT: Resort hotel to offer luxury, views, and 'smart' technology to save energy

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ture in "vibrant colors of the sunset" and textures that include hand-tooled leather, copper, carved wood, and hewn stone-work. Each 460-square-foot room will offer the signature Marriott Revive Bed, a plug-in panel for wireless devices and a 32-inch LCD HDTV. Balconies will overlook the Texas Hill Country's streams, cedar trees and rolling hills. In addition, a "smart" heating and cooling system will recognize when balcony doors are open and shut down to conserve energy.

Average nightly rates for the hotel rooms are estimated to be between \$239 and \$459 per night. "The JW customer is ... looking for casual luxury, on their terms. Unobtrusive but attentive," Kass says. "Spacious, uncluttered rooms, fine restaurants serving healthy cuisine, and well-equipped fitness centers allow the JW Marriott guest to minimize stress and maintain their personal well-being on the road."

Kass says some of the resort's highlights will be found in the spa, which will offer 30 rooms, including two couple's

treatment suites with fireplaces. "A complete fitness center and studio will feature the latest in cardio-training equipment, free weights, and stationary weight training equipment as well as yoga and other fitness classes," he adds. "Between treatments, guests will enjoy the peaceful serenity of the private, lagoon-like pool, healthy refreshments at the spa's café or shop at the spa's boutique."

Each of the seven bars and restaurants will have a "distinct personality," Marriott reports, including everything from

a fine steakhouse, looking out over the 18th greens of the two golf courses to a high-tech sports bar with wall-to-wall flat screens.

"The first bid-set of drafts for this project came out shortly after 9/11. When you think about how much time has passed since 9/11, you realize how much history this project has," Forestar's Pierrat says. "Marriott knows what these kind of deals take, they know how to run a group hotel of this caliber, and we couldn't have asked for a better partner relationship."