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San Francisco Ritz-Carlton expected to hit market

San Francisco Business Times - by [J.K. Dineen](#)

Host Hotels & Resorts is preparing to put the Ritz-Carlton Hotel in San Francisco on the market, an offering that could generate \$165 million or \$500,000 a room, according to market sources.

While the real estate investment trust has not yet hired a broker, industry insiders expect the 336-room Nob Hill property will be on the block before the end of March.

The possible sale comes as San Francisco's hotel market is the strongest in the country. Hotel revenues rose 18 percent in 2011 and hotel consultant [Rick Swig](#) expects 2012 will bring a further 8 to 11 percent growth. Swig said the hotel market looks a lot like it did in 1997 and 1998 as the last tech boom was taking off.

"We are doing a direct imitation of that," said Swig. "This is the real deal, and it's not going away. If you want to take money off the table, it's a great time to do it."



Host Hotels & Resorts, a Bethesda, Md., real estate investment trust, recently completed a multi-million remodel of the lounge, fitness center and restaurant at the Nob Hill Ritz-Carlton.

"San Francisco has an amazing story right now -- more so than New York, Chicago or L.A.," said [Anwar Elgonemy](#), director of acquisitions for Equinox Hospitality Group. "And it all trickles down to the hotel sector."



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