

# Hilton Anchorage Hotel Loan Pending Maturity: A Report to Potential Lenders Considering Refinancing Columbia Sussex Corporation Debt

A follow-up report to our February 2016 Risk Analysis report to potential lenders considering refinancing debt secured by the Hilton Anchorage Hotel (Columbia Sussex Corporation Asset).

Columbia Sussex Corporation (CSC), owner of the Hilton Anchorage Hotel is likely looking to refinance the Hilton Anchorage's debt which matures in March 2017. The debt on the Hilton Anchorage is securitized in JP Morgan Chase Commercial Mortgage Securities Trust 2007-CIBC18 (JPMCC 2007-CIBC18). The property was acquired by CSC in late 2005. This report provides information on debt issues at certain CSC properties; updates on mold, lead and asbestos identified at the Hilton Anchorage property; and information on damage caused by the January 2016 earthquake that struck the Anchorage area.

- The Hilton Anchorage has been combatting persistent mold and conditions conducive to mold growth at the hotel since 2014. On April 1, 2016, a leak sprung from around a light fixture in the hotel's lobby causing water to spill down onto the lobby floor, and the hotel reported repairing water damage in some rooms as a result of the 7.1 magnitude earthquake that struck the Anchorage area in January 2016. The hotel also has asbestos and lead in various building material found throughout the hotel that must be taken into account whenever construction work is performed.
- CSC was hit hard following the last recession, having gone from 72 hotels with 24,000 rooms in 2009 to 41 hotels with 13,000 rooms by June 2012, according to press reports.<sup>1</sup>
- CSC sold what had previously been the Marriott Hotel and Convention Center in Oklahoma City to its lender Wells Fargo at a sheriff's sale in December 2015, after Wells Fargo initiated a foreclosure action against the property in Oklahoma state court in 2012. In December 2014, the court-appointed receiver reported that mold was prevalent at the hotel, and Wells Fargo amended its lawsuit in May 2015 to seek damages for alleged remediation costs. A decree of foreclosure was entered in October 2015.<sup>2</sup>
- The CSC-owned Marriott Phoenix Airport loan was reported to have been transferred to special servicing on 9/3/15 due to what was described as "imminent default."<sup>3</sup> The loan had a 6/1/2016 maturity date and a balance of around \$61 million.<sup>4</sup> On 7/5/2016, it was reported that the loan was not paid off at its June maturity date and foreclosure is being pursued.<sup>5</sup>
- A number of CSC loans were recently on a Watch List and being monitored by special servicers.<sup>6</sup> One of these hotels, the DoubleTree Orlando Airport was acquired in June 2016 by GF Management which reportedly plans to "undertake over \$8 million worth of renovations."<sup>7</sup>
- Litigation is ongoing against CSC and two other defendants by a plaintiff who alleges she was injured in an elevator malfunction at the Hilton Anchorage in September 2013. CSC has admitted that the elevator did not stop at the plaintiff's intended destination and that the doors did not open.<sup>8</sup>

## *10-Year Hilton Anchorage Loan Pending Maturity*

The mortgage on Hilton Anchorage securitized through JPMCC 2007-CIBC18 faces a March 2017 maturity. The \$95 million loan against the 606-room Hilton had an outstanding balance of nearly \$83 million as of early 2016.<sup>9</sup>

## **Debt issues at Columbia Sussex Corporation**

CSC was hit hard during the last recession. In 2009 the company owned 72 hotels with 24,000 rooms, but by 2012 it had shrunk to 41 hotels with 13,000, according to press reports. Much of the portfolio was lost as a result of debt issues.<sup>10</sup>

- In October 2010 a loan securing a portfolio of 14 CSC hotels hit “maturity default” and by December 2010, Blackstone seized the entire portfolio via a “deed in lieu of foreclosure” process.<sup>11</sup>
- In April 2011, CSC also lost the Hilton Sacramento Arden West in California and Hilton Crystal City in Washington, D.C. to debt.<sup>12</sup>
- In 2012 CSC lost the Richmond Marriott West in Richmond, VA. CSC had purchased the property in 2005, but by November 2012 CSC had stopped making its loan payments. The property had reportedly not been refurbished since it opened in 2001.<sup>13</sup> See below for additional information.
- CSC sold what had previously been the Marriott Hotel and Convention Center in Oklahoma City to its lender Wells Fargo at a sheriff’s sale in December 2015 after Wells Fargo initiated a foreclosure action in Oklahoma state court in 2012.<sup>14</sup> See below for additional information.
- A number of CSC loans had recently been on a Watch List and were being monitored by special servicers.<sup>15</sup>

## *Marriott Hotel and Convention Center, Oklahoma City, OK*

CSC sold what had previously been the Marriott Hotel and Convention Center in Oklahoma City to its lender Wells Fargo at a sheriff’s sale in December 2015. The hotel had allegedly stopped making payments on its loan and by 2012 the property had been transferred to receivership following the initiation of a foreclosure action by Wells Fargo in Oklahoma state court.<sup>16</sup> In December 2014, the receiver submitted a report on the property in conjunction with the lawsuit, asserting that:

“The hotel had major mold issues identified in July on the 6th to 9th floors caused by leaking and corroded pipes in-between the bathroom walls.”

Receiver Report, 12/29/14

“Based on the condition of the property, Marriott developed a deficiency list of items that required immediate attention. Receiver has negotiated a Franchise Agreement with Marriott effective March 1, 2013 for a six month period expiring August 31, 2013. . . On August 16, 2013 Receiver was granted an extension to the Franchise agreement till October 31, 2013 at which time Marriott reserved the right to terminate the agreement with 30 day notice. The notice from Marriott to terminate the franchise agreement was made public in November. The hotel de-flagged and converted into an independent brand on December 12<sup>th</sup> 2013.”<sup>17</sup>

Among the key property issues reported by the Receiver in December 2014 was the alleged “mold...prevalent throughout the hotel stemming from leaking pipes, condensation and roof leaks.” (emphasis added).<sup>18</sup> The Receiver’s report asserted that,

*“The hotel had major mold issues identified in July on the 6<sup>th</sup> to 9<sup>th</sup> floors caused by leaking and corroded pipes in-between the bathroom walls. A mitigation company was hired in August to remediate the problem and a plumber was contracted out to replaced [sic] the leaking pipes. Isolated pockets of guest rooms do exist that need mitigation attention due to this same issue that can be addressed internally”*(emphasis added).<sup>19</sup>

In an amended petition filed in May 2015, Wells Fargo sought to recoup \$868,000 allegedly spent to remediate alleged “microbial growth and repair damages due to growth” (an allegation that CSC denied) and \$750,000 allegedly spent to make repairs such as a new roof, piping leaks, pool and pipe corrosion, and other issues (an allegation CSC did not deny).<sup>20</sup> CSC asserted in its defense that it had reached a settlement with the Plaintiff barring these claims and that it was not liable for the repairs, which it asserted were attributable to ordinary wear and tear. The case was closed after the court entered a decree of foreclosure in October 2015.

### *Richmond Marriott West, Richmond VA*

CSC purchased the Richmond Marriott West in Richmond, VA in 2005, but by November 2012 CSC had stopped making its loan payments. In December 2012, HVS Consulting and Valuation Services prepared an appraisal report on the property. The report asserted that:

[a]lthough the subject property is relatively young in age, the hotel has not been refurbished since opening in 2001. In order for the property to continue operating under the Marriott brand, a prospective buyer will likely need to invest additional funds to complete the necessary capital improvements to comply with current brand standards and negotiate a new franchise agreement.<sup>21</sup>

The appraisal also asserted that the guestrooms “were beginning to look dated in comparison to the competitive standard” and that “guestrooms are in need of refurbishment, and are no longer competitive with the market or in compliance with Marriott’s current brand standards.”<sup>22</sup> A few guestrooms were noted as having “wall vinyl that was peeling away from the walls due to excessive humidity levels during the summer months.”<sup>23</sup> Food and beverage and banquet facilities were similarly characterized as “dated.”<sup>24</sup> In the kitchen, a “dishwasher was observed to be leaking, causing damage to surrounding drywall and flooring.”<sup>25</sup>

The HVS appraisal was filed in conjunction with a lawsuit by the hotel’s lender U.S. Bank, N.A. against Columbia Properties Richmond Ltd (“Columbia Properties”), the Columbia Sussex entity that held the hotel. The lawsuit sought damages and the appointment of a receiver. Columbia Properties consented to the appointment of a receiver for the property, and in its response to the complaint admitted that it “has represented that it would close the Property if required to make payments on the loan.”<sup>26</sup> A receiver was appointed on December 6, 2013<sup>27</sup> and began operating the hotel on December 11, 2013.<sup>28</sup> On June 9, 2014, the Receiver and Columbia Properties executed a deed in lieu of foreclosure transferring the property out of Columbia Sussex’s hands.<sup>29</sup>

## *Foreclosure Pursued at Marriott Phoenix Airport; Other Loans on Watch List in 2016.*

The CSC-owned Marriott Phoenix Airport loan was reported to have been transferred to special servicing on 9/3/15 due to what was described as “imminent default.”<sup>30</sup> In July 2016, it was reported that the loan was not paid off at its maturity date “and so foreclosure is being pursued while remaining open to additional modification discussions.”<sup>31</sup> In September 2015 it was reported that “the property ha[d] not been renovated since it was built in 1999.”<sup>32</sup> The loan had a 6/1/2016 maturity date and a balance of around \$61 million.<sup>33</sup>

“The [Richmond Marriott West]’s aging room product and new competition contributed to a decrease in the subject’s competitive level and RevPAR penetration over the historical period reviewed.”

HVS Consulting, December 2012

A number of CSC’s other CMBS loans were reported to have been placed on a servicer watch list in 2016.<sup>a</sup> Several properties had 6/2016 loan maturity dates; one has an outstanding loan that will mature in 2016. No information was available as to why these loans were placed on a watch list: the loan payment status was described as current or within the grace period. No information was available as to the disposition of the loans as of maturity date except where indicated:

- Hilton Head Marriott Resort, One Hotel Circle, Hilton Head Island, SC (JPMCC 2007-CIBC18). Loan will mature 12/1/2016.
- DoubleTree Orlando Airport (Previously Crowne Plaza – Orlando Airport) 5555 Hazeltine National Dr., Orlando, FL (JPMCC 2006-CIBC15) with a 6/1/2016 maturity date. The hotel was reportedly recently acquired by GF Management, which has to undertake over \$8 million worth of renovations to take place over the next year and half. The “renovation planned for the property will focus on improvements to the public space, guest rooms, and most importantly, the overall guest experience.”<sup>34</sup>
- East Lansing Marriott, 300 Mac Avenue, East Lansing, MI (BACM 2006-2). Loan matured 6/1/2016.<sup>35</sup>
- Indianapolis Marriott - North, 3645 River Crossing Parkway, Indianapolis, IN (COMM 2006-C7). Loan matured 6/1/2016.<sup>36</sup>
- Tampa Marriott Westshore, 1001 North Westshore Blvd., Tampa, FL (WBCMT 2006-C26). Loan matured 6/11/2016.<sup>37</sup>
- Marriott – Jackson, 200 East Amite St, Jackson, MS (JPMCC 2006-CIBC15). Loan matured 6/1/2016.<sup>38</sup>
- Marriott Knoxville, 501 South East Hill Avenue, Knoxville, TN (JPMCC 2006-CIBC15). Loan matured 6/1/2016.<sup>39</sup>

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a. Loan information collected from <https://pro.cmbs.com>. Information current as of 6/8/2016.

# Mold, Lead, Asbestos, and Earthquake damage at the Hilton Anchorage

## Mold

In 2014, the Hilton Anchorage Hotel performed air sampling in conjunction with guest room repairs described below. The sampling detected certain strains of mold (*Stachybotrys*, *Chaetomium*, *Pencillium/Aspergillus*) that Hotel documents characterized as “potential water intrusion/indicator mold capable of mycotoxin production.” The same hotel documents reported that: “Molds can produce toxic substances called mycotoxins. More than 200 mycotoxins have been identified from common molds, and many more remain to be identified. Some of the molds that are known to produce mycotoxins are commonly found in moisture-damaged buildings. Exposure pathways for mycotoxins can include inhalation, ingestion, or skin contact. Although some mycotoxins are well known to affect humans and have been shown to be responsible for human health effects, for many mycotoxins, little information is available, and in some cases research is ongoing. Some molds can produce several toxins, and some molds produce mycotoxins only under certain environmental conditions. The presence of mold in a building does not necessarily mean that mycotoxins are present or that they are present in large quantities.”<sup>40</sup>

In May 2014 employees at the Hilton Anchorage filed a complaint with the Alaska Occupational Safety and Health Office (AKOSH) citing health concerns due allegedly to working around mold without adequate training and protective equipment. In the spring of 2014, the Hotel reported that 48 guest rooms had been found with either mold or the “possibility of water damage.”<sup>41</sup> On October 10, 2014, the Hotel stated that it had completed repairs to all 48 potentially water-damaged guest rooms in mid-September of that year.<sup>42</sup> But on October 23rd—less than two weeks later—the Hotel found an elevated mold score in a room listed as having been previously repaired.<sup>43</sup> In December 2014, AKOSH issued citations against the Hilton Anchorage alleging a failure to comply with Alaska OSHA rules governing hazard assessment and protective equipment. AKOSH itself reported finding “the presence of mold to various levels of count” during three sampling protocols it conducted “at various times throughout the hotel” in 2014.<sup>44</sup> The Hilton Anchorage settled the AKOSH citations in January 2015, paying a fine.<sup>45</sup> In September 2015, the Hotel reported that mold remediation had been performed on a room in May 2015.<sup>46</sup>

In February 2016, another guest room was observed under repair for the apparent effects of mold:

Figure 1: Room 727,  
February 2016

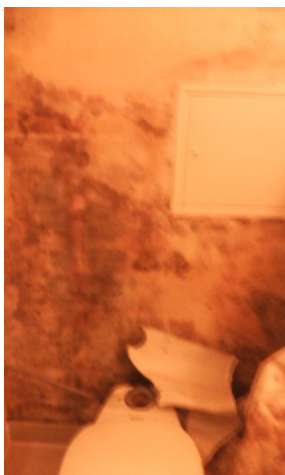


Figure 2: Room 727, February 2016





## Asbestos

Asbestos-containing materials (“ACM”) and presumed asbestos containing materials (“PACM”) have been documented at various locations in the Hilton Anchorage. It is known or presumed to be found to differing degrees in the Old West Tower (constructed in 1958-1959 and expanded in 1964), the Anchorage Tower (constructed in 1970), and the New West Tower (constructed in 1982-1984).

For example, the Hotel reports that “[a]sbestos-containing materials are present at essentially all finishes and surfaces in the Anchorage Tower” whereas in the most recently constructed New West Tower, “[t]he non-friable duct sealants were found to contain asbestos, but wall and floor finishes, and the fireproofing of the New West Tower did not contain asbestos where sampled, however the sampling to date has not been exhaustive.” With respect to the Old West Tower, the Hotel reports that “[i]t is recommended that any plaster walls or ceilings in the Basement to floor 7, be assumed to contain asbestos, and that no bulk sampling of the plaster would be necessary” whereas “[t]he plaster in the upper floors of the Old West Tower from floor 8 to 15 has not been found to contain asbestos in any of the previous sampling.”<sup>47</sup>



Figure 3: Asbestos Caution Sign Posted at Hilton Anchorage

The Hotel issued an Operations & Maintenance Plan (OMP) in 2007 and re-issued a similar document in September 2015.<sup>48</sup> The 2007 OMP called for the Hotel to “include a system to control all work that could disturb ACM.” It provided an example of such a system that would allow the facility’s “asbestos coordinator” to “determine the potential for asbestos containing materials to be impacted, arrange for the sampling and analysis of suspect asbestos containing materials and arrange for the removal of confirmed asbestos containing materials that may be adversely impacted by proposed work activities.”<sup>49</sup>

However, a review of documents provided by the Hotel revealed no evidence that the Hotel analyzed building material for ACM and PACM prior to engaging in any construction/repair work between 2010 and April 2015 except for on a single occasion in 2012, notwithstanding that the Hotel engaged in various projects during this period to repair mechanical systems or the effects of mold and water damage.<sup>b</sup>

## Lead

In October 2015, EHS-Alaska conducted a survey at the Hilton Anchorage in order “to identify and test materials suspected of containing lead; to assess the condition of these materials; and to evaluate the potential for lead exposure to building occupants.” EHS-Alaska found lead in 16 out of 174 locations tested in what was described as a “limited survey.” Of the three bathtubs tested, two were found to contain lead in the glazing: one at 36.6 mg/cm<sup>2</sup> and the other at 24.8 mg/cm<sup>2</sup>. EHS-Alaska reported lead-based paint varying from a trace amount to 8.30 mg/cm<sup>2</sup>.

b. The Hotel performed certain sampling starting in April 2015; sampling of a closet wall and a pipe were confirmed positive for asbestos later in the year. In January 2016, the Hotel provided results of analyses performed in November and October 2015 showing that employees performing cleanup of wallboard debris from a limited size penetration in an Anchorage Tower room ceiling as well as routine maintenance/light repair tasks were not exposed to asbestos fibers in excess of the permissible exposure limits set out by law. Analyses on file with union.

Overall (including the tub glazing), materials reported as containing lead ranged in lead content from 1.2 mg/cm<sup>2</sup> to 36.6 mg/cm<sup>2</sup> with most between 1 and 2 mg/cm<sup>2</sup>. EHS reported that “[r]elatively high concentrations of lead were found in the glazing of ceramic wall tiles, as well as glazing of ceramic and metal plumbing fixtures. The concentrations of lead in ceramic glazing compounds should not be compared to lead-based paint criteria, as the glazing is inherently less likely to cause lead to be present in dusts or on surfaces, where it can be ingested. Lead in ceramic tile glazing may not pose a hazard to occupants, or workers performing renovation or maintenance if lead-safe work practices are followed. All ceramic tiles and fixtures in the facility should be assumed to contain lead.”<sup>50</sup> In January 2016, the Hotel issued a report for contractors whose work might disturb lead-containing material, and now advises that “lead containing materials are located throughout the building.”<sup>51</sup>

EHS-Alaska’s survey results were included in the Hotel’s Operation and Maintenance Plan for Lead Containing Materials (Lead OMP) issued in October 2015.<sup>52</sup> The Lead OMP requires employee exposure assessments in conjunction with work that might disturb lead-containing material.<sup>53</sup> However, the Hotel performed various construction/repair projects for several years prior to issuing the Lead OMP, including repairs and replacement of leaking pipes, and there is no evidence that it assessed whether lead-specific safety controls were necessary with respect to this work. It reported three instances of lead testing in 2001 (under prior ownership), but reported no lead testing results between then and until the October 2015 testing.

In January 2016, the Hilton Anchorage performed lead testing on paint disturbed by the January 2016 earthquake. Documents obtained from the Hotel indicate that 16 samples of paint were tested on the 5<sup>th</sup> and 6<sup>th</sup> floors. Room 602B had a lead score of 1100 ppm.

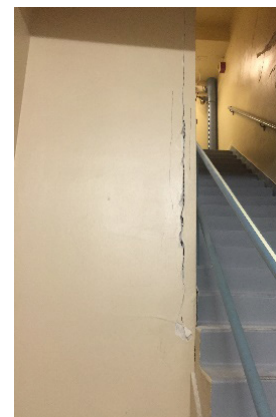
## *Earthquake, 2016*

On January 24, 2016, a 7.1 magnitude earthquake struck the Anchorage area, causing damage to the Hilton Anchorage consisting mostly of cracked ceilings in guest rooms and bathrooms. See Appendix A. The hotel reported “wet carpet” and/or “water damages on wallpaper” in a number of rooms. As of March 28, 2016, the hotel reported that numerous repairs had by then been effectuated. This is the most current information in the union’s possession.

Events such as earthquakes and floods have the potential to disturb asbestos- and lead-containing materials. The Hotel performed lead analyses in 16 areas and asbestos sampling in 24 areas as of March 28, 2016. It reported “limited positive results for lead,” with sampling from Room 602B showing a lead score of 1100 ppm.<sup>54</sup> No asbestos was reported to be found in the rooms analyzed. See Appendix A.



*Figure 4: Damage caused by earthquake*



*Figure 5: Damage caused by earthquake*

## *Water Leak in Lobby, 2016*

On April 1, 2016, a leak sprung from around a light fixture in the hotel's lobby causing water to spill down onto the lobby floor.

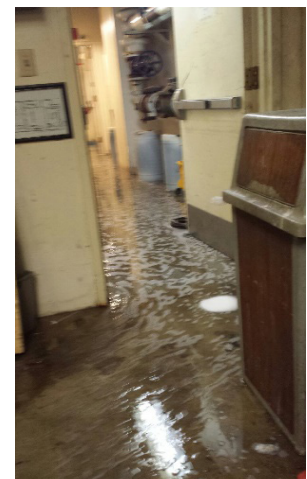


*Figure 6: 2016 Water Leak*

## *Laundry Room Flooding, 2015*

In June 2015, the laundry room flooded three separate times owing to a combination of factors including a pump malfunction and a failed weld.<sup>55</sup>

Following the incident, AKOSH conducted an inspection and in August issued a citation alleging ten separate violations of Alaska safety law, including an electrocution hazard for blocking access to an electrical panel, a fire hazard due to propping open a fire door, and a failure to post warning signs around two machines that workers could get caught in. The Hotel settled the citation in September; eight of the ten alleged violations remained classified as “serious” after the settlement.<sup>56</sup>



*Figure 7: June 2015 Laundry Room Flood*

## *Elevator Malfunction, 2013*

On September 8, 2015, a lawsuit was filed against CSC and two other defendants over an elevator incident that occurred at the Hilton Anchorage in September 2013. The plaintiff claimed that, while attending an event at the hotel, she suffered various injuries after the elevator allegedly descended abruptly and she was trapped.<sup>57</sup> In answering the plaintiff's allegations, CSC wrote that it “admits that while she was riding the elevator it stopped before arriving at her intended destination and the doors did not open.” but the company “denies that the elevator



‘plunged’ from the 14<sup>th</sup> floor to the 5<sup>th</sup> floor or that the elevator experienced a ‘free fall’ or anything of that sort.”<sup>58</sup>  
The case remains in litigation in federal court in Anchorage.

## Conclusion

The age and condition of the Hilton Anchorage Hotel as described present questions that potential lenders may find important in assessing whether to refinance the property’s debt, particularly in light of what may become a challenging financial environment for the hotel industry in general.

Link to previous report: <http://unitehere.org/wp-content/uploads/LenderReport.pdf>

## Appendix A

### 2016 Earthquake Damage, Hilton Anchorage<sup>59</sup>

The information below is based upon a correspondence received from the Hilton Anchorage on March 28, 2016. The Hotel reported at that time numerous repairs had by then been effectuated. This is the most recent information in the union's possession.

Location/Room	Damage	Lead Testing Analysis Date	Lead Sample Collection	Asbestos Results	Asbestos Sample Collection Date
176		No reported testing		No reported testing	
501	cracked ceiling in room and bathroom	110 ppm	1/27/2016	None detected	1/29/2016
501 B	cracked ceiling in bathroom	<95 ppm	1/27/2016	None detected	1/29/2016
514	Room	No reported testing		None detected	2/11/2016
514 B		No reported testing		No reported testing	
602	cracked ceiling in room and bathroom	<96 ppm	1/27/2016	None detected	1/29/2016
602 B	cracked ceiling in bathroom	1,100 ppm	1/27/2016	None detected	1/29/2016
603	cracked ceiling in room and bathroom	<87 ppm	1/27/2016	None detected	1/29/2016
603 B	cracked ceiling in bathroom	<87 ppm	1/27/2016	None detected	1/29/2016
604	cracked ceiling in room and bathroom	<72 ppm	1/27/2016	None detected	1/29/2016
604 B	cracked ceiling in room and bathroom	<99 ppm	1/27/2016	None detected	1/29/2016
606	cracked ceiling in bathroom	<84 ppm	1/27/2016	None detected	1/29/2016
606B	cracked ceiling in bathroom	<100 ppm	1/27/2016	None detected	1/29/2016
607	Crack	No reported testing		None detected	2/19/2016
609	cracked ceiling in room and bathroom	<79 ppm	1/27/2016	None detected	1/29/2016
609 B	cracked ceiling in bathroom	<100 ppm	1/27/2016	None detected	1/29/2016
610	cracked ceiling in room and bathroom	<72 ppm	1/27/2016	None detected	1/28/2016
610 B	cracked ceiling in bathroom	<100 ppm	1/27/2016	None Detected	1/28/2016
611	Crack	No reported testing		None Detected	2/19/2016
614	Bathroom	No reported testing		None detected	2/11/2016
663		No reported testing		No reported testing	
702	cracked ceiling in room and bathroom	No reported testing		No reported testing	
702 B	cracked ceiling in room and bathroom	No reported testing		No reported testing	
703	cracked ceiling in room and bathroom	No reported testing		No reported testing	
703 B	cracked ceiling in room and bathroom	No reported testing		No reported testing	

Location/Room	Damage	Lead Testing Analysis Date	Lead Sample Collection	Asbestos Results	Asbestos Sample Collection Date
704	cracked ceiling in room and bathroom	No reported testing		No reported testing	
704 B	cracked ceiling in room and bathroom	No reported testing		No reported testing	
706	cracked ceiling in room and bathroom	No reported testing		No reported testing	
706 B	cracked ceiling in room and bathroom	No reported testing		No reported testing	
722		No reported testing		No reported testing	
727	cracked ceiling in room and bathroom	No reported testing		No reported testing	
727 B	cracked ceiling in room and bathroom	No reported testing		None detected	1/28/2016
811	cracked ceiling in room and bathroom	No reported testing		None detected	2/19/2016
811 B	cracked ceiling in room and bathroom	No reported testing		No reported testing	
822	damaged ceiling, wet carpet , water damages on wallpaper, outside the room the area joining old west and new west have major damages	No reported testing		No reported testing	
824	damaged ceiling, wet carpet , water damages on wallpaper	No reported testing		No reported testing	
826	damaged ceiling, wet carpet , water damages on wallpaper	No reported testing		No reported testing	
828	damaged ceiling, wet carpet , water damages on wallpaper	No reported testing		No reported testing	
829	floor tile came off	No reported testing		No reported testing	
904		No reported testing		No reported testing	
922	wet carpet , ceiling needs touch up in room and bathroom, outside the room the area joining old west and new west have major damages	No reported testing		No reported testing	
922 B	ceiling needs touch up in bathroom	No reported testing		No reported testing	
924	damaged ceiling, wet carpet, bathroom ceilings have cracks, water damages on wallpaper	No reported testing		No reported testing	
924 B	bathroom ceilings have cracks				
926	damaged ceiling, wet carpet , water damages on wallpaper	No reported testing		No reported testing	
928	wet carpet , ceiling needs touch up in room and bathroom	No reported testing		No reported testing	
928 B	ceiling needs touch up in bathroom				
1005		No reported testing		No reported testing	

Location/Room	Damage	Lead Testing Analysis Date	Lead Sample Collection	Asbestos Results	Asbestos Sample Collection Date
1022	damaged ceiling, wet carpet, bathroom ceilings have cracks, water damages on wallpaper, outside the room the area joining old west and new west have major damages	No reported testing		No reported testing	
1022 B	bathroom ceilings have cracks	No reported testing		No reported testing	
1024	damaged ceiling, wet carpet, bathroom ceilings have cracks, water damages on wallpaper	No reported testing		No reported testing	
1026	damaged ceiling, wet carpet, bathroom ceilings have cracks, water damages on wallpaper	No reported testing		No reported testing	
1026 B	bathroom ceilings have cracks				
1028	damaged ceiling, wet carpet , water damages on wallpaper	No reported testing		No reported testing	
1108	cracked ceiling in room and bathroom	No reported testing		No reported testing	
1108	cracked ceiling in bathroom				
1120		No reported testing		No reported testing	
1122	damaged ceiling, wet carpet, bathroom ceilings have cracks, water damages on wallpaper, outside the room the area joining old west and new west have major damages	No reported testing		No reported testing	
1122 B	bathroom ceilings have cracks	No reported testing		No reported testing	
1124	wet carpet , ceiling needs touch up in room and bathroom	No reported testing		No reported testing	
1124 B	ceiling needs touch up in bathroom				
1126	damaged ceiling, wet carpet , water damages on wallpaper	No reported testing		No reported testing	
1128	damaged ceiling, wet carpet , water damages on wallpaper	No reported testing		No reported testing	
1140		No reported testing		No reported testing	
1222	wet carpet , ceiling needs touch up in room and bathroom, outside the room the area joining old west and new west have major damages	No reported testing		No reported testing	
1222 B	needs touch up in bathroom	No reported testing		No reported testing	
1224	damaged ceiling, wet carpet , water damages on wallpaper	No reported testing		No reported testing	
1226	damaged ceiling, wet carpet, bathroom ceilings have cracks, water damages on wallpaper	No reported testing		No reported testing	
1226 B	bathroom ceilings have cracks				
1228	damaged ceiling, wet carpet, bathroom ceilings have cracks, water damages on wallpaper	No reported testing		No reported testing	

Location/Room	Damage	Lead Testing Analysis Date	Lead Sample Collection	Asbestos Results	Asbestos Sample Collection Date
1228 B	bathroom ceilings have cracks				
1401 B	Bathroom	No reported testing		None detected	2/19/2016
1407		No reported testing		No reported testing	
1420	N/A	No reported testing		No reported testing	
1421		No reported testing		No reported testing	
1422	damaged ceiling, wet carpet, bathroom ceilings have cracks, water damages on wallpaper, outside the room the area joining old west and new west have major damages	No reported testing		No reported testing	
1422 B	bathroom ceiling have cracks	No reported testing		No reported testing	
1424	damaged ceiling, wet carpet , water damages on wallpaper	No reported testing		No reported testing	
1426	bathroom and room ceilings had small cracks with water damages on carpet and wallpaper	No reported testing		No reported testing	
1426 B	bathroom ceiling had small cracks				
1428 B	bathroom ceilings need to be fixed	No reported testing		No reported testing	
1440	Staircase had a pipe which was high rust	No reporting testing		No reported testing	
12th floor maid closet	maid closet had a huge crack above linen chute	No reported testing		No reported testing	
4th floor hall	Baseboards need to be reattached	No reported testing		No reported testing	
5th Floor Stairway landing		190 ppm	1/27/2016	None detected	1/29/2016
6th Floor Stairway Landing		<80 ppm	1/27/2016	None detected	1/29/2016
7th floor hall	Baseboards need to be reattached	No reported testing		No reported testing	
Lobby	staircase going to basement had a crack	No reported testing		No reported testing	
top of the world	high damages between links, roof parts hanging, mirrors damaged	No reported testing		No reported testing	
1407		No reported testing		No reported testing	
1761		No reported testing		No reported testing	
7TH FL to 14 <sup>th</sup> FL	Expansion Joints	No reported testing		No reported testing	
Conference Area	Leak	No reported testing		None detected	2/19/2016
15TH FL/ Penthouse		No reported testing		No reported testing	
15th Floor	Sprinkler pipe and fire system				
West Tower Expansion Joint		No reported testing		No reported testing	



## Endnotes

- 1 “Columbia Sussex slowly climbing out of slump,” <http://www.bizjournals.com/cincinnati/print-edition/2012/06/15/columbia-sussex-slowly-climbing-out-of.html>. June 15, 2012.
- 2 Oklahoma County District Court Case No. CJ-2012-5693, see Receiver’s Report filed December 29, 2014 and Second Amended Petition filed May 27, 2015. Pleadings available at <http://www.oscn.net/dockets/GetCaseInformation.aspx?db=oklahoma&cmid=2908685>.
- 3 Bank of America Commercial Mortgages Inc., Series 2006-3. Distribution Date Statement. Wells Fargo Bank, N.A, CTSLink.com July, 2016, p. 23.
- 4 Bank of America Commercial Mortgages Inc., Series 2006-3. Distribution Date Statement. Wells Fargo Bank, N.A, CTSLink.com July, 2016, p. 17.
- 5 Bank of America Commercial Mortgages Inc., Series 2006-3. Distribution Date Statement. Wells Fargo Bank, N.A, CTSLink.com July, 2016, p. 23.
- 6 “Banc of America Commercial Mortgage Inc. Commercial Mortgage Pass-Through Certificates Series 2006-3; Distribution Date Statement.” Wells Fargo. Obtained via [ctslink.com](http://ctslink.com) 3/4/16
- 7 Marketwired. “GF Management Builds Florida Presence with Acquisition of the Double Tree by Hilton Hotel Orlando Airport.” <http://www.marketwired.com/press-release/gf-management-builds-florida-presence-with-acquisition-doubletree-hilton-hotel-orlando-2131570.htm> 6 June 2016
- 8 *Roberta Urena v. Schindler Elevator Corporation, Columbia Sussex, Otis Elevator Company*, (U.S. District Court for the District of Alaska Case Number 3:15-cv-00223-RRB, complaint filed 09/08/15).
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- 13 HVS Consulting and Valuation Services. Self-Contained Appraisal Report – CWCapital Loan #208-26, Marriott Richmond West, P. 12. (Exhibit G of Case: 313-cv00499-REP, U.S. Bank, N.A v. Columbia Properties Richmond, Ltd. 2013 July 30).
- 14 Oklahoma County District Court Case No. CJ-2012-5693 Receiver Report Filed. Feb 26, 2015
- 15 “Banc of America Commercial Mortgage Inc. Commercial Mortgage Pass-Through Certificates Series 2006-3; Distribution Date Statement.” Wells Fargo. Obtained via [ctslink.com](http://ctslink.com) 3/4/16
- 16 Oklahoma County District Court Case No. CJ-2012-5693. Pleadings available at <http://www.oscn.net/dockets/GetCaseInformation.aspx?db=oklahoma&cmid=2908685>.
- 17 Oklahoma County District Court Case No. CJ-2012-5693 Receiver Report Filed. Dec. 29, 2014
- 18 Oklahoma County District Court Case No. CJ-2012-5693 Receiver Report Filed. Dec. 29, 2014
- 19 Oklahoma County District Court Case No. CJ-2012-5693 Receiver Report Filed. Dec. 29, 2014
- 20 Oklahoma County District Court Case No. CJ-2012-5693 Second Amended Petition.
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- 23 HVS Appraisal Report, p. 30.
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- 26 Answer of Columbia Properties Richmond, Ltd., Case 3:13-cv-0049-REP, Document 22 Filed 11/27/13.
- 27 Consent Order Appointing Receiver. Case 3:13-cv-0049-REP Document 27 Filed 12/06/13.
- 28 Receiver’s Notice of Termination of Receivership, Final Report and Request For Order Approving Final Report, Approving Compensation of Receiver, and Discharging Receiver. Case 3:13-cv-0049-REP Document 49 Filed 8/25/14.
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- 42 Letter from Hilton Anchorage to UNITE HERE Local 878, Oct. 10, 2014, available at [moldreportak.org](http://moldreportak.org).
- 43 Letter from Hilton Anchorage to UNITE HERE Local 878, Dec. 3, 2014, available at [moldreportak.org](http://moldreportak.org).
- 44 Letter from AKOSH to UNITE HERE Local 878, Dec. 12, 2014, on file with union.
- 45 Citations and settlement available at [moldreportak.org](http://moldreportak.org).
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