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## W hotel to open in Midtown

Atlanta Business Chronicle - May 5, 2006 by [Rachel Tobin Ramos and Bryan Long](#) Staff Writer

A new W hotel will open in Midtown in 2007, bringing even more panache and energy to the already booming business and entertainment district.

Atlanta-based Noble Investment Group will spend \$100 million to purchase the aging Sheraton Colony Square Hotel at Peachtree and 14th streets and transform it into a sleek, ultra-modern W.

The new W hotel could be Atlanta's third -- giving the city the most W hotels in any U.S. market other than New York. A W is planned in developer Hal Barry's mixed-use project at Ivan Allen Plaza downtown, and there is an existing W hotel at the northeast Perimeter.

The purchase of the 32-year-old Colony Square hotel was led by 36-year-old Noble President and CEO Mit Shah, an Atlantan whose company has been growing rapidly.

Shah said he's been working on the deal for more than a year, sealing the deal over dinner at New York's St. Regis Hotel with Steven J. Heyer, the CEO of Starwood Hotels & Resorts Worldwide Inc. (NYSE: HOT), as well as a former Coke president and Turner Broadcasting System Inc. executive.

Shah said they didn't know each other when Heyer headed those companies, but forged a relationship over the Starwood deals.

Heyer, reached at a board meeting in Chicago, said of Noble, "They see what we see in the location. From a design and development point of view, what we will have is a standard-bearer for the W brand. It will really help our brand and be great for Atlanta."

Ted Darnell, Starwood's head of real estate, had three other interested buyers, but chose Noble because it wanted to aggressively invest in the Starwood brand.

Noble also is developing the first Aloft, a select service hotel, in Charlotte, N.C., with a Prime steakhouse by Atlantan Tom Catherall.

The W will be Noble's 12th hotel in Georgia, including four lodging properties at Callaway Gardens.

The W deal also gives Shah exclusivity in the Midtown region, meaning there will be no W in Atlantic Station, where some hospitality insiders mused a W could be a good fit. But the 10-year contract does leave room for a W in Buckhead, where Darnell said Starwood owns land and is also looking at some other locations.

The purchase of the Sheraton marks the culmination of a \$240 million buying spree of Starwood assets, using a \$1.5 billion Noble fund.

The buys included the Westin Atlanta North at Perimeter Center, near the King & Queen buildings for \$61.5 million and the Westin Long Beach in California for \$88.4 million.

The 32-year-old Colony Square hotel will undergo a complete renovation to debut as a W in the fall of 2007.

Shah and his team will add four restaurants, including two lobby bars and a Bliss spa. The guest rooms will feature feather-topped mattresses and 350-thread-count Egyptian cotton sheets.

"It will not be so 'boutique-y' that you feel out of place, but at the same time, it will not be cookie-cutter," said Noble Chief Operating Officer Bob Morse.

Commercial Realtor Bob Hunter, who specializes in hotels, said he thinks the new W in Midtown will be fantastic.

"I think the community will love it. I think it's the right hotel in the right place in our town. But the real question will be, will both of the Ws (downtown and Midtown) come to fruition or will one of them pull back?"

Shah believes there is a market for both Ws intown, or he wouldn't have invested \$100 million in the project.

"We clearly believe that Midtown and downtown are very separate markets," said Shah. "Heyer also didn't fear the hotels would cannibalize each other."



Byron E. Small  
Another W: Mit Shah's Noble Investment Group will spend \$100 million to transform the Sheraton Colony Square into a W hotel.  
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Darnell emphasized that the downtown W, which is close to breaking ground, will have 225 rooms plus a condo element, making it a different kind of property. *All contents of this site © American City Business Journals Inc. All rights reserved.*

With restaurants like Shout, clubs like Vision Night Club & Lounge and new office towers housing law firms like King & Spalding LLP at 1180 Peachtree, Shah said his investment validates Midtown as Atlanta's new center.

"Midtown is quickly becoming the center of entertainment in Atlanta," he said.

"We believe that this hotel will be the epicenter of all that is happening."

The 467-room W hotel in Midtown will maintain the 36,000 square feet of meeting space, a plus, said hotel consultant Mark Woodworth.

With that many rooms, the new W will still have to court the group meeting business, said Woodworth, with PKF Hospitality Research in Atlanta.

The Colony Square Sheraton is the 15th-largest hotel in Atlanta, according to the most recent Book of Lists.

Built in 1974 for \$21 million, the 28-story hotel opened as the ritzy Fairmont Hotel, with 14 chefs from Europe to maintain the quality of the food served in the hotel's four French restaurants.

But the recession forced the Fairmont to remove its name in 1977, after which the hotel operated without a flag until 1990, when it became the Sheraton Colony Square Hotel.

In 1995, the hotel was bought by Starwood for \$34 million, and was renovated for the 1996 Olympics.

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