

STRATEGIC HOTEL CAPITAL INC

Form FWP

January 12, 2006

Issuer Free Writing Prospectus

Filed Pursuant to Rule 433

Registration Statement No. 333-126314

January 11, 2006

**STRATEGIC HOTEL CAPITAL, INC.**

**SERIES B CUMULATIVE REDEEMABLE PREFERRED STOCK**

**Final Term Sheet**

**Issuer:** Strategic Hotel Capital, Inc.

**Security:** 8.25% Series B Cumulative Redeemable Preferred Stock

**CUSIP:** 86272T403

**Size:** 4,000,000 shares; \$100,000,000

**Over-allotment option:** 600,000 shares

**Type of security:** SEC Registered Registration Statement No. (333-126314)

**Public offering price:** \$25.00 per share

**Underwriting discounts and commissions:** \$0.7875 per share; \$ 3,150,000 total (\$3,622,500 if over-allotment option is exercised in full)

**Proceeds to the Company, before expenses:** \$24.2125 per share; \$96,850,000 total (\$111,377,500 if over-allotment option is exercised in full)

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**Expected net proceeds after deducting underwriting discounts and commissions and estimated transaction expenses payable by us:**  
\$96,350,000 (\$110,877,500 if over-allotment option is exercised in full)

<b>Sole Bookrunner:</b>	Wachovia Capital Markets, LLC	2,200,000
<b>Joint Lead Manager:</b>	Raymond James & Associates, Inc.	600,000
<b>Co-managers:</b>	A.G. Edwards & Sons, Inc.	400,000
	RBC Dain Rauscher Inc.	400,000
	Stifel, Nicolaus & Company, Incorporated	400,000

**Dividend rate:** 8.25% of the liquidation preference per annum; \$2.0625 per annum per share, cumulative from January 31, 2006 (subject to the dividend rate step-up to 9.25% as described in the prospectus supplement)

**Redemption:** On or after January 31, 2011 (subject to the special optional redemption right described in the prospectus supplement)

**Settlement and delivery date:** January 31, 2006

**Selling concession:** Not to exceed \$0.50 per share

**Reallowance to other dealers:** Not to exceed \$0.45 per share

**The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at [www.sec.gov](http://www.sec.gov). Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling toll-free 1-800-326-5897 or you may e-mail a request to [syndicate.ops@wachovia.com](mailto:syndicate.ops@wachovia.com).**