

NEWS RELEASE

October 14, 2009

FOR IMMEDIATE RELEASE

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Hospitality Ventures Enjoys Surge in Hotel Management Contracts
Experienced Investor/Owner Group, Proven Performance Formula Drive Success

Hospitality Ventures, LLC, a privately owned hotel ownership and management firm headquartered in Atlanta, is experiencing a surge in securing hotel management contracts by proving that it can consistently increase market share while simultaneously reducing operating costs even in tough economies. In the first 8 months of 2009, 13 of the 19 hotels in the Hospitality Ventures portfolio (during that timeframe) gained market share, an impressive performance that is attracting attention in a tough year for the hospitality industry. Overall, the average RevPAR Index or market share performance for a Hospitality Ventures-managed hotel is up more than 13 percentage points compared to 2008.

Since 2008, Hospitality Ventures has secured management contracts for 9 hotels with 1,298 total guest rooms—nearly doubling the size of the firm’s portfolio (based on total number of properties). Included in the recently secured management contracts are four Hilton-branded properties and three Marriott-branded hotels as well as an independent AAA Four-Diamond, beachfront resort and spa in Florida. Currently, Hospitality Ventures owns and/or operates 21 hotels (3,416 total guest rooms) in 13 states that span the country from California and Florida to Texas and Michigan.

“Historically, we have been primarily a hotel ownership firm, but our proven ability and track record of improving market share while simultaneously reducing operating expenses have generated a lot of interest among asset managers as well as other ownership groups who are seeking a higher performance management option,” says Robert Cole, Founder & CEO of Hospitality Ventures. “Our senior management team averages more than 20 years of hospitality industry experience and we have worked

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together on average for 12 years. Consequently, we have been through the ups and the downs of the inevitable industry cycles, therefore we adapt quickly to market swings and we also take a customized and creative approach to achieving individualized success at every property we manage.”

Formula for Success: Increase RevPAR Index while Cutting Costs

Cole explains that Hospitality Ventures achieves peak performance even in a down economy by focusing on what it can control—market share performance and reducing operating expenses. “We constantly reinforce to our hotel staffs that while you can’t control the economy or your local market, you can control your individual hotel’s market share performance,” says Cole. “Each week we focus heavily on every single hotel’s performance as measured by their RevPAR Index or market share as reported by Smith Travel.” This focus coupled with centralized evaluation of every property’s weekly sales calls and activities have led to Hospitality Ventures’ impressive market share performance.

Another key performance measurement tool in a down economy is cutting costs. “With creativity and sometimes very difficult decisions, we have been able to offset more than 50% of our total revenue decline through expense and labor savings the last few months,” says Cole. “As a company, our total year-to-date GOP or house profit margin is down only approximately 1% compared to 2008 and we’re very encouraged by that accomplishment given this historically deep recession.”

A Full Range of Services

Hospitality Ventures focuses on 100-300-room hotels with less than 25,000 square feet of meeting space that are in need of a performance turnaround. It is an award-winning operator of Hilton and Marriott brands with strong relationships with virtually every major franchisor.

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The firm offers a full range of turnkey services such as:

- property management, receiver and accounting services
- renovations and purchasing
- all phases of due diligence
- brand repositioning
- franchise relations

About Hospitality Ventures, LLC

Hospitality Ventures, LLC is a privately owned, fully-integrated Atlanta-based hotel ownership and management firm. The principals of Hospitality Ventures are the previous principals and founders of Impac Hotel Group. During their time at Impac, they successfully owned and operated more than 150 hotels in every size and service category. Hospitality Ventures currently owns and/or operates 21 hotels in 13 states (coast to coast) that collectively have 3,416 guest rooms. Eighteen of the 21 hotels operate under Hilton or Marriott franchise agreements. Visit www.hospitalityventures.com for more information.

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