

For Immediate Release

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CHM Wins Public Approval from the Baltimore Hotel Corporation

Capital Hotel Management Selected As Asset Manager of the Hilton Baltimore Convention Center Hotel

BEVERLY, Mass., December, 2006—Capital Hotel Management (CHM), a leading hotel investment advisory and asset management firm, today announced that it has been awarded the asset management contract for the Hilton Baltimore Convention Center Hotel on behalf of the Baltimore Hotel Corporation (BHC), a non-profit corporation established by the City of Baltimore.

Following a rigorous RFP and selection process, CHM was selected as asset manager of Baltimore's future convention center headquarter hotel. "We selected CHM as a result of their proven track record in asset managing similar properties, particularly their ability to work with the management team during the pre-opening phase, laying the ground work for a successful operational ramp up and beyond. Our goal is to protect BHC's interests and we believe selecting CHM will help us achieve that goal", said Jay Brodie, Chairman of the BHC.

The 757-room, Hilton Baltimore marks one among several asset management relationships between the public sector and CHM. "We are proud to have been selected to advise the BHC with this very exciting project and are pleased to gain continued recognition for our asset management services within the public sector. These deals require a detailed understanding of the unique provisions and circumstances that surround them, from financing with public funds, to marketing and operating in conjunction with the local Convention &

Visitor's Bureau, in tandem with the convention center", commented Ken Wilson, CHM's Chief Executive Officer.

"Like the private sector, public agencies are increasingly recognizing and experiencing first hand the value that a quality hotel asset management team can bring to ensure City objectives are met, aligning and protecting the interests of the owner to optimize performance, said Chad Crandell, CHM President.

The Hilton Baltimore Convention Center Hotel, slated for completion in August 2008, will be situated within Baltimore's Inner Harbor and physically connected via enclosed pedestrian sky bridge to the Baltimore Convention Center. The hotel will include 757 guestrooms, more than 60,000 square feet of state-of-the-art meeting and convention space, a three-meal-a-day restaurant and lobby lounge. CHM will be working in partnership with King & King Associates, a Baltimore-based accounting firm and Minority Business Enterprise (MBE), on the asset management of the Hilton Baltimore.

CHM has enjoyed a successful track record since inception in 2000, and steady, controlled growth, has afforded the company an extremely loyal clientele base, which presently entrusts CHM with hotel assets representing approximately 13,500 guestrooms, collectively valued at over \$5.0 billion, marking a 300% growth in asset value under CHM's control from when the company was originally founded.

Chad Crandell, President of CHM comments, "Our strategy has been to grow our business with a select base of clients, including public agencies, pension funds, public companies and private equity investors, representing ownership interests in high-profile properties in major destination markets. Hotel ownership in today's marketplace requires a strategic and entrepreneurial approach in order to truly maximize investment returns. This approach is what CHM is all about, and the results speak for themselves."

Capital Hotel Management LLC, is an SEC registered investment advisor, a Qualified Professional Asset Manager (QPAM), an active PREA member and the largest independent hotel asset and investment management company operating in the U.S. today. CHM is a privately-held hotel investment and asset management company, providing a full-range of acquisition and disposition expertise for its investors, as well as customized strategies proven to optimize asset/portfolio value and increase overall hotel investment returns. CHM today, actively overseeing hotel portfolio and single-asset investments representing approximately 13,500 guestrooms, collectively valued at over \$5.0 billion. Hotel investments are comprised of urban landmark properties, high-profile destination resorts and convention headquarter hotels operating in major markets across the U.S. and in Aruba. For more information on CHM, visit their website at www.chmhotel.com or contact them at (978) 522-7000.