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For Immediate Release

CONTACT: Susanne Voeltz for Sage Hospitality Resources

Phone: 608/284-0848 susi@mailbag.com

***Sage Hospitality Resources Buys \$72 million Luxury Hotel
Adds Full Service Hotels in Arizona, Colorado and Utah to Management
Portfolio***

Denver, CO-October 31, 2006- Sage Hospitality Resources, the Denver, CO based hospitality company specializing in developing and managing full service and luxury hotels, has been tapped to operate three full service hotels located in Tempe, Arizona; Pueblo, Colorado and Ogden, Utah. The company also formed a joint venture partnership with JP Morgan for the \$72 million purchase of the JW Marriott Denver at Cherry Creek. With the addition of these key properties to its portfolio, Sage will own and operate 47 hotels in 21 states. During the past five years, Sage has completed more than \$1.1 billion in hotel acquisitions and developments.

The Properties:

JW Marriott Denver at Cherry Creek

The AAA Four-Diamond ***JW Marriott Denver at Cherry Creek*** features 196 luxury guestrooms and suites, over 5,500 S.F. of meeting space, a 9,000 square-foot spa and Mirepoix, an award winning restaurant. Sage Hospitality formed a joint venture with JP Morgan to purchase the hotel from CDS Hotel Investors, LLC last month. Since Sage Hospitality was selected to assume management of the property in June of 2005, the hotel has consistently ranked No. 2 in guest satisfaction for all Marriotts in the U.S.

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Sheraton Phoenix Airport Hotel

JER Partners recently acquired the 210-room ***Sheraton Phoenix Airport Hotel***, in Tempe, AZ. Located two miles from the Phoenix Sky Harbor International Airport and near Arizona State University and downtown Tempe, the hotel features over 10,000 square feet of function space, a business and fitness center, outdoor swimming pool as well as a full service restaurant. JER plans a comprehensive renovation of the hotel to enhance guest rooms, lobby and conference facilities.

Pueblo Marriott

Located on the scenic Riverwalk in the heart of historic downtown Pueblo, CO, the ***Pueblo Marriott*** is directly connected to the Pueblo Convention Center and offers more than 21,000 square feet of first-class event and meeting space. The hotel features 164-guest rooms and suites, a heated indoor pool, whirlpool, state-of-the-art health club and authentic Western cuisine at Charlie B's Restaurant in the lobby.

Ogden Marriott

Located near corporate, government and aerospace facilities and adjacent to Historic 25th Street with its collection of specialty restaurants and shops, the ***Ogden Marriott*** is the only full service hotel in northern Utah. The hotel features 292-guest rooms and suites and over 16,000 square feet of function space, including a grand ballroom that can accommodate up to 1,200 guests for receptions and special events.

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About Sage Hospitality Resources

Founded in 1984, Sage Hospitality Resources has strategically grown into the largest privately held hotel management and development company in the nation and is recognized as a leading innovator in the field. During the past five years, the Denver, CO-based firm has completed over \$1.1 billion in acquisition and development projects, using some of the most unique financing structures in the industry. Sage Hospitality's comprehensive management portfolio includes major international brands as well as independent boutiques and hotels.

In 1997, Sage Hospitality pioneered the company's urban redevelopment initiative converting the blighted Joslin's department store in downtown Denver into a showplace Courtyard by Marriott. Since then, Sage Hospitality has preserved and transformed five additional, underutilized national landmark buildings into award-winning hotel properties that serve as an important catalyst for downtown revitalization.

Currently, Sage is in the process of completing the \$87 million dollar restoration of the historic Masonic Temple in Providence, RI into the 272-room Renaissance Providence Hotel.

Sage is also in the initial stages of a \$112 million renovation of the 22-story, Beaux-Arts Blackstone Hotel, located on Chicago's stylish Michigan Avenue. The redeveloped Blackstone, to open in fall of 2007, will be a luxury Renaissance hotel featuring 335 guest rooms and 16,000 sq. ft. of meeting and pre-function space as well as a destination restaurant and bar.

This fall, Sage started construction on the \$115million renovation of the landmark Meier and Frank Department Store into The Nines, a 331-room Starwood Luxury Collection hotel in Portland, Oregon. Sage will provide comprehensive management services for the properties.

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