



*For Immediate Release*

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**Davidson Hotel Company/RockBridge Partners Joint Venture  
Acquires Hyatt Regency Suites in Palm Springs, Calif.**

***Davidson Will Manage Hotel and Coordinate \$18.5 Million Renovation***

MEMPHIS, Tenn., June 11, 2008—RockBridge Partners, an affiliate of RockBridge Capital, LLC, and Davidson Hotel Company, one of the nation’s largest hotel management companies, today announced the joint-venture acquisition of the 194-room Hyatt Regency Suites in Palm Springs, Calif. from PSH Holdings, Inc. for an undisclosed amount. Davidson holds a minority interest in the partnership and took over management of the property on June 1. The hotel will undergo a comprehensive \$18.5 million renovation, scheduled to begin summer 2009, which Davidson will coordinate.

“The Palm Springs Hyatt is our 10th acquisition with RockBridge and our third acquisition this year,” said John A. Belden, Davidson’s president and chief executive officer.

“We now have ownership interests in 16 properties, and we have the financial capacity to opportunistically co-invest with our partners.

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“Davidson was one of the first independent management companies to be designated by Hyatt as an ‘Approved Operator,’ and we believe the Hyatt brand fits perfectly within our portfolio,” he added. “This is our second Hyatt-branded hotel, both of which are in resort locations. The Palm Springs Hyatt Regency Suites is also our fifth property in Southern California, a key growth area for Davidson.”

Located at 285 North Palm Canyon Drive, the property is situated in what many regard as the ultimate desert resort destination in the U.S. The hotel’s 194 one-bedroom suites overlook a dramatic six-story atrium, and the hotel’s amenities include private balconies, spectacular mountain/desert views, high-speed Internet access, a full-service dining room, a putting green, pool, spa, 9,200 square feet of flexible meeting space and access to more than 40 nearby golf courses.

In summer 2009, the property will begin an \$18.5 million renovation that will touch virtually every aspect of the hotel. The lobby, atrium, restaurant, and lounge will be completely re-concepted and upgraded. The guest suites will be fully refurbished with luxury-quality finishes and materials, all new Hyatt-standard bed sets and 37” flat panel TVs in the bedroom of the suites and 42” flat panel TVs in the parlor. An all-new fitness center and full-service spa will be added. The meeting rooms will undergo a complete renovation, while the pool and outdoor lounge area will be completely re-developed to enhance the resort experience with cabanas, fire pits, and multiple lounging areas around a new pool.

“We believe this property has significant growth potential, and with the completion of its dramatic renovation, will be a formidable, four-star competitor in this premier resort

destination,” said Steve Margol, Davidson’s executive vice president, business development.

Both the buyer and seller were advised on this transaction by Newport Beach-based Maxim Hotel Brokers.

### **About RockBridge Partners**

RockBridge Partners was formed as the equity platform of RockBridge Capital, LLC. RockBridge provides capital to the hospitality industry through its Hospitality Funds and focuses on both debt and equity investments. RockBridge invests first mortgage, mezzanine, and equity capital in hotels throughout the U.S. with a focus on creating value for its hotel operating partners. Since 1992, RockBridge has invested nearly \$2.5 billion in more than 300 assets nationwide with aggregate transaction capitalization of more than \$4 billion. For additional information about RockBridge Capital, contact James T. Merkel at (614) 246-2505 or visit [www.rockbridgecapital.com](http://www.rockbridgecapital.com).

### **About Davidson Hotel Company**

Headquartered in Memphis, Tenn., Davidson Hotel Company is an award-winning, full-service hotel owner and third-party management company that provides management, development/renovation, acquisition, consulting and accounting expertise for the hospitality industry. The company currently owns and/or manages 33 upscale, independent and branded hotels with more than 9,200 rooms across the United States, including such affiliations as Hyatt, Westin, Sheraton, Hilton, Hilton Garden Inn, Embassy Suites, Doubletree, Marriott, Renaissance, Crowne Plaza and Holiday Inn. For additional information about Davidson Hotel Company, contact Steven A. Margol at (954) 450-6322 or visit [www.davidsonhotels.com](http://www.davidsonhotels.com).