



For Immediate Release

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Davidson Hotel Company Retained to Manage Hilton University of Florida Conference Center

Eleventh Management Contract Added in 18 Months

GAINESVILLE, Fla./MEMPHIS, Tenn., October 2, 2007—Davidson Hotel Company (DHC), one of the nation’s 10 largest independent hotel management companies, today announced that it has been retained to manage the 248-room Hilton University of Florida Conference Center in Gainesville. The property, which opened in 2000, was recently purchased by Inland American Lodging Corporation, a subsidiary of Inland American Real Estate Trust, Inc.

Located at 1714 SW 34th Street, the Hilton is on the southwestern corner of the University of Florida campus. The hotel is an IACC-approved conference center with 25,000 square feet of meeting space. Key amenities include a fitness center, swimming pool, business center, concierge service and high-speed Internet access.

“This premier, first-class, full-service hotel in Gainesville is both a high-quality destination for business and leisure travelers and the city’s primary meeting facility, and we look forward to building upon its strong reputation in the marketplace,” said Marcel Verbaas, president and CEO of Inland American Lodging Corporation. “We like the dynamics of the Gainesville

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market and the opportunities presented by the hotel's relationship with a venerable institution such as the University of Florida. We selected Davidson to manage this property based on their exemplary track record operating similar assets, and we look forward to establishing a mutually beneficial relationship with Davidson."

"This is our first management contract with Inland American Lodging, and we look forward to further growth opportunities with them," said John Belden, Davidson president and chief executive officer. "Since acquiring Davidson from the founder in January of 2006, we have met or exceeded aggressive growth goals we set for ourselves. In the past 18 months, we have added 11 new management contracts, six as a joint-venture partner, for properties affiliated with major international brands. We also have completed 11 renovations with an aggregate value of \$72.3 million."

Belden pointed out that the new management contract keeps Davidson on track to achieve its stated growth objective of doubling in size by 2011. In the past 18 months, Davidson has increased the size of its managed portfolio by over 25 percent and has helped to facilitate the placement of more than \$500 million in hotel real estate acquisitions.

"Internally, our operating group continued to significantly outperform the industry with a portfolio RevPAR increase of more than 23 percent for the last six quarters," he added. "Overall, we expect our revenues to increase to \$450 million in 2007. This growth has bumped us up two places in the national management company rankings from 12th largest in 2005 to 10th largest in 2006."

Third-party Management

“Third-party management remains an integral part of our core growth strategy,” Belden noted. “In August, we added the second Westin-branded hotel to our management portfolio in Annapolis, Maryland. We also were one of the first third-party operators approved by Hyatt and now manage the Hyatt Regency Newport, Rhode Island, that we acquired in a joint venture last year.

“We continue to aggressively seek management contracts,” he said. “We believe the current significant turnover in hotel ownership, particularly in the upper-upscale sector, will continue at a very high rate, which will create more growth opportunities for Davidson. We continue to build relationships with institutional investors, and have expanded from seven to 10 major institutions in the past 18 months. We continue to reach out to institutional investors who want to work with experienced hoteliers who can optimize their bottom line.”

Acquisitions

Belden noted that hotel acquisitions, either in joint-venture partnerships or wholly owned, also remain an important source of growth for the company. “We have always operated with an owner’s mentality and have the capacity to co-invest with majority owner-partners when appropriate.”

In the past 12 months, Davidson acquired interests in six major, full-service hotels in joint ventures with a diverse group of institutional investors.

About Inland American Lodging

Inland American Lodging Corporation, headquartered in Orlando, Florida, is focused on the acquisition and asset management of strategic urban lodging assets with strong industry brands and management companies.

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 operates 31 upscale hotels with nearly 9,100 rooms across the United States, including such brands as Westin, Sheraton, Hyatt, Hilton, Hilton Garden Inn, Embassy Suites, Doubletree, Marriott, Renaissance, Crowne Plaza and Holiday Inn. Additional information on Davidson may be found at the company's Web site, www.davidsonhotels.com.