



For Immediate Release

Contact:

Cyndi Norwood

Davidson Hotel Company

(901) 821-4155

cnorwood@davidsonhotels.com

Jerry Daly, Chris Daly (media)

Daly Gray Public Relations

(703) 435-6293

jerry@dalygray.com

**Sheraton Iowa City Hotel Commences \$11 Million-Plus Renovation
with Wall Breaking Ceremony**

Mayor Regenia Bailey, CVB President Josh Schamberger in Attendance

MEMPHIS, Tenn., February 6, 2009—The 234-room Sheraton Iowa City Hotel today began an \$11 million-plus renovation, expected to be completed by mid-August 2009. To mark the occasion, a number of local dignitaries attending the event, including Mayor Regenia Bailey, CVB President Josh Schamberger and City Manager Michael Lombardo, participated in a ceremonial wall breaking. Davidson Hotel Company, one of the nation's largest independent hotel management companies, operates the hotel on behalf of joint venture owners, RockBridge Capital and Davidson.

“When we acquired the Sheraton in early 2008, it was clear that the property was not living up to its potential as a high-quality hotel for visitors to Iowa City and the University of Iowa. Nor did it possess the physical condition that would allow it to become an economic

-more-

catalyst for the Pedestrian Mall and downtown area businesses,” said John A. Belden, Davidson’s president and chief executive officer. “By working with civic and business leaders in the community, however, we were able to craft an extensive renovation plan that would completely transform the hotel. Despite the extraordinary economic downturn gripping our country, I am proud to say that our ownership group has fulfilled its commitment to the city, and with this wallbreaking ceremony, we mark a new beginning for the Sheraton Iowa City.”

The renovation will touch virtually all aspects of the hotel, from guestrooms to public space, to back-of-the house. All guestrooms will receive new 37-inch flat screen, high-definition televisions, the new Sheraton Sweet Sleeper^(SM) Bed, all new furnishings and enhancements. Additionally, meeting space will be upgraded with new decorative finishes including wool carpet, lighting and accessories. The restaurant will be completely redesigned to incorporate a new wine lounge/small plates bistro and multi-purpose meeting space. The upgraded lobby will feature the Link@Sheraton[®].

Located at 210 S Dubuque Street in Iowa City, the nine-story hotel features 13,000 square feet of meeting space (including 2,000 square feet of additional space being added to the lobby level), high speed Internet access throughout the property, indoor heated pool, indoor whirlpool, 24-hour fitness center, tanning salon, and state-of-the-art business center. Additionally, guest rooms provide a refrigerator, coffee maker with Starbucks coffee, sofa bed and oversized work space. Located on preferred floors, Sheraton Club guestrooms offer upgraded amenities, plush robes, a deluxe marble bath, free bottled water, and complimentary fitness center access. Club guests also have special access to the Club Lounge, a relaxing,

upscale space that features complimentary breakfast, afternoon hors d'oeuvres and a variety of beverage options.

About RockBridge

RockBridge provides capital to the hospitality industry through its RockBridge Hospitality Funds and First Mortgage Investment Program. The principals of RockBridge have formed and managed nine investment funds totaling nearly \$1 billion, across multiple platforms with both institutional and private investors. Focused on creating value for their hotel operating partners, RockBridge invests first mortgage, mezzanine, and equity capital in hotels throughout the U.S. Since 1992, RockBridge has invested in over 325 assets nationwide with aggregate transaction capitalization of nearly \$5 billion. For additional information about RockBridge, visit 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 36 upscale, independent and branded hotels with nearly 10,200 rooms across the United States, including such affiliations 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.