

NEWS



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Molinaro Koger Advises Ashford in Disposition of Sheraton Hotel Iowa City

Chicago, Illinois; April 29, 2008 — Molinaro Koger (MK) announced today the firm's Chicago office facilitated the marketing and sale of the Sheraton Hotel Iowa City, Iowa, on behalf of Ashford Hospitality Trust (AHT). The central business district hotel has been purchased by a joint venture of Davidson Hotel Company and RockBridge Capital, LLC. The property will retain the Sheraton flag and be managed by Davidson Hotel Company, one of the nation's largest hotel management companies, following the sale.



“As Ashford selectively trims non-core assets from its portfolio the company significantly recycles capital for new ventures. We were pleased to source a highly capable acquirer for this property following a competitive bidding process,” commented John Jameson, Managing Director of MK's Chicago office, who marketed the asset and structured the transaction.

The acquisition is consistent with Davidson Hotel Company's plans to double its existing collection of five university-related hotels within the next two to three years.

“Our expertise with university markets and the lack of noticeable industry focus on this unique niche makes it a logical and attractive expansion vehicle for us,” said John Belden, Davidson’s President and Chief Executive Officer. “We have a strong, proven track record of improving profitability for these special-market hotels. College towns tend to be very stable, predictable markets that attract a combination of meeting, business and leisure guests, each requiring highly targeted marketing and service programs. We have in-depth expertise in optimizing revenues while holding down costs.”

Located adjacent to the University of Iowa, the Sheraton Hotel, Iowa City, enjoys an excellent downtown location in the city’s affluent urban core.

“Having sold Davidson their very first University-based hotel, the Hilton University of Oregon, several years ago I believe this asset will nicely complement their portfolio and niche growth strategy,” Jameson said.

Davidson’s five other university-related hotels are located either on or adjacent to university campuses. These properties cater to the university’s academic and athletic departments, administration, alumni groups and student families. The five properties are: the Hilton University of Florida Conference Center-Gainesville (University of Florida); Marriott Chicago at Medical District/UIC (University of Illinois/Chicago); Hilton Eugene Hotel & Conference Center (University of Oregon); Hilton Garden Inn Austin Downtown (University of Texas); and the Westin Annapolis (U.S. Naval Academy).

The 234-room hotel has more than 26,000 square feet of flexible meeting space and two restaurants with combined seating of 520. Hotel amenities include a full-service business center, locally managed fitness center (Iowa City Fitness), room service, indoor heated swimming pool and whirlpool, arcade and guest shuttle.

During the last 18 months MK has structured more than \$5 billion in hotel real estate transactions worldwide. For further information about this transaction and current hotel property offerings, please contact MK at 703.760.9600 or via www.mkhotels.com.

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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 31 upscale hotels with nearly 8,800 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.

ABOUT MOLINARO KOGER

Founded in 1959, Molinaro Koger (MK) is the world's leading hotel-exclusive real estate brokerage, advisory and capital markets firm. MK provides clients with unparalleled service and commitment. During the past four decades the company has closed more than \$15 billion in hotel property sales. Headquartered in Washington, DC, MK's offices are located in Atlanta, Chicago, Cincinnati, Dallas, Los Angeles, New York, Phoenix, San Francisco, London, Mumbai, Beijing, and Shanghai.

MK structures the transactions of luxury hotels and resorts, in addition to urban and mid-scale properties throughout the Americas, Europe, and the Far East. During the last 12 months MK has completed more than \$4.2 billion in hotel transactions. The firm closes, on average, more than 75 hotel transactions each year. Each member of the MK team possesses a unique perspective and invaluable insight. Together they have leading-edge expertise in every aspect of the hospitality business.

For further information about this transaction and current hotel property offerings, please contact MK at 703.760.9600 or visit www.mkhotels.com.