



*For Immediate Release*

Contact: Jerry Daly or Chris Daly  
(703) 435-6293  
chris@dalygray.com

**Hersha Hospitality Management Adds 1,000-plus Rooms to Portfolio,  
Outlines Aggressive Growth Plans Via Third-Party Management/Joint Ventures**

***Expansion Includes Upper Upscale, Luxury Boutique and Focused Service Segments***

PHILADELPHIA, October 5, 2009—Hersha Hospitality Management (HHM), a leading hotel management company that operates approximately 70 premium limited service, upscale, upper upscale and luxury lifestyle hotels and asset manages an additional 19 hotels, today announced that it has added more than 1,000 hotel rooms to its management portfolio, divided between third-party contracts and joint-venture hotels. The company noted that it expects to double the size of its management portfolio in the next three years and detailed aggressive growth plans to achieve its goal, via third-party management, joint ventures and asset management assignments.

Among the company's most notable recent additions are:

**The reflagging and opening of the Renaissance Woodbridge Hotel**—HHM oversaw an \$18 million complete make-over of an existing 312-room hotel and conversion to the Renaissance brand. “We literally took the hotel back to the walls and redesigned and programmed it to be state-of-the-art, introducing ground-breaking concepts for the Renaissance brand,” said Naveen Kakarla, HHM executive vice president. “We consolidated three

restaurants into a single concept with two private dining rooms, expanded the fitness center, and totally revitalized 20,000 square feet of meeting space, while simultaneously creating a new social gathering space.

“Renaissance is Marriott’s global lifestyle brand,” Kakarla said. “Guests want to have a new experience at each Renaissance that allows them to discover the unique character of their destination. The Renaissance Woodbridge more than delivers on that brand promise.

“We have managed the Sheraton JFK in New York City since its opening last year and have been asset managers of two Marriott full-service properties and a Hilton,” he added. “But with the Renaissance Metropark we were able to bring together our emerging expertise in upper scale with our relationship with joint venture partner American Properties Realty. The project came in on time and on budget and is outperforming its competitive set within months of opening.”

**The opening of three Times Square hotels as third-party manager**—HHM recently took over management of three new Times Square Hotels. The hotels, aggregating 582 rooms, include the Hampton Inn Times Square South, Candlewood Times Square and Holiday Inn Express Times Square.

“We came on board just as the construction crews were finishing up several weeks before opening,” said Michael W. Murray HHM’s chief operating officer. “We put together a comprehensive taskforce involving more than 20 hotel experts who took the hotels on in stride and brought them on line without a hitch. We have the capacity to take on individual hotels and portfolios because of our proprietary operating systems and deep management team. Each of the

three hotels has a different personality and client base and is ramping up quickly in a tough market.”

In addition to the three Times Square hotels, the company recently began managing the 151-room Hilton Garden Inn TriBeCa. The property offers chic finishes and amenities, including Bar Artisanal, the downtown location of Chef Terrence Brennan’s acclaimed French restaurant that focuses on the use of artisanal, sustainable and organic products.

Kakarla noted that the company expects to achieve record growth in 2010 through multiple avenues, including:

- **Third-party management**—“We expect about half of our future growth will come from third-party management contracts,” he said. “We intend to expand well beyond our current geographic concentration in the Northeastern and Mid-Atlantic corridors and are looking at opportunities with several owners and lenders in Florida and on the West Coast. We expect to see accelerated growth in our full-service managed portfolio.”
- **Joint ventures**—“We have the financial strength and interest to co-invest with hotel owners when appropriate and are looking at both development and acquisition of existing hotels especially,” he commented. “We expect about half of our 2010 growth to come from joint ventures.”

The company will open shortly the 127-room element Hotel, Ewing, near Princeton, New Jersey. It will be the first element Hotel in the state and will be LEED-certified. The hotel’s airy lobby will offer a 16-foot-high window wall and water feature.

HHM is a joint venture partner in three other projects that have opened in the last 12 months, including the 98-room Hampton Inn West Haven, Conn., the 95-room Hilton Garden Inn, Dover, Del., and the 134-room Comfort Inn and Suites in Washington, D.C. The company is a co-investor on nine hotels with five different joint venture investor groups.

In addition to multiple domestic investors, HHM is establishing relationships with foreign investment groups, ranging from Middle Eastern to Asia to South America, such as IRSA Inversiones y Representaciones Sociedad Anonima (NYSE: [IRS](#); BCBA: IRSA), the leading real estate company in Argentina.

- **Independent luxury boutique hotels**—Recently, HHM launched a new luxury lifestyle hotel concept called the Independent Collection (IC Hotels). “Each property is locally inspired and offers authenticity as well as luxury,” Kakarla said. “IC hotels are designed for the independent-minded traveler seeking unique neighborhoods and indigenous culture. The hotels are highly regarded and have received critical acclaim from guests, international media and their local communities.”

Three properties have opened to rave reviews, and two additional hotels located in Manhattan, the Union Hotel in Greenwich Village and the 48 Lex in Mid-town, will open in 2010. “The design and service levels set these hotels apart,” he said. “The two under construction properties will be even more special and will quickly become iconic

Manhattan hotels. The Lex with its curtain glass façade and the Union with a rooftop bar and signature restaurant will quickly become the new standard in a city with the highest of standards. We see substantial growth opportunities with this platform over the next several years.”

Additional information about the Independent Hotel Collection may be found at [www.indepedentcollection.com](http://www.indepedentcollection.com).

### **About Hersha Hospitality**

Hersha Hospitality Management currently operates approximately 70 hotels in the nation’s leading markets. The company provides turnkey hotel management and asset management for properties with leading brand affiliations, including Marriott, Hilton, Hyatt, Starwood, and InterContinental Hotel Group, and the newly launched collection Independent Collection ([www.independentcollection.com](http://www.independentcollection.com)). Including hotels under construction, HHM operates hotels under 20 brands. The company’s clients include publicly traded companies, joint ventures, institutional real estate owners and private investors. Additional information about HHM may be found at [www.hershahotels.com](http://www.hershahotels.com).