

For Immediate Release

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**MELROSE HOTELS WINS PRESTIGIOUS HSMAI ADRIAN AWARD FOR THE
COMPANY'S MULTI-PROPERTY WEB SITE**

-- Annual awards recognize the best in travel and hospitality marketing --

PHILADELPHIA, Pa. – (January 3, 2005) – John J. DePaul, president and chief executive officer of Melrose Hotels announced today that the company's website has taken silver in the annual Hospitality Sales and Marketing Association International (HSMAI) Adrian Awards competition, widely considered the largest travel competition of its kind in the world. The contest celebrates the best in hospitality and travel advertising, public relations and Web site design and development. Melrose Hotels launched a new Web site with updated graphics and enhanced functionality in May of this year.

“At Melrose Hotels, we have always had a strong commitment to remaining on the cutting edge of technological advancements,” said DePaul. “Our progressive management team worked tirelessly to build a sophisticated, user-friendly Web site and since its launch in May, results have been astounding. We are honored to have been recognized by a prestigious organization like HSMAI and to stand out among so many of our peers.”

Updated photography, online RFP's for group attendees and over 125 pages of diverse content are just a few of the features that Melrose Hotels added when it launched the new site in May 2004. Results include:

- A 200% increase in visitors to the site in 2004
- A 115% increase in room revenue through www.melrosehotel.com
- www.melrosehotel.com now averages visitors from over 25 different countries each month
- The average rate booked through www.melrosehotel.com (all three Melrose Hotel properties combined) is over \$205 for the year, up 11% from 2003

“Creatively, for Melrose Hotels, we wanted the website to immediately engage core audiences through captivating layouts, web specials and distinctive guest service functionality,” said Steven V. Seghers, president of Hyperdisk Media, Inc., the company behind MelroseHotel.com. “We

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know that approximately 50% of all hotel business is now influenced by the Internet, therefore, we felt that it was important that in 15 seconds or less with a few clicks, prospective guests would fully grasp Melrose's luxury urban hotel.”

The Adrian Awards encompass nearly every area of the travel and hospitality industry including hotels, airlines, cruise lines, car rental companies, destinations and credit card companies. The Awards will be presented at this year's annual Gala Dinner in New York on January 24 at the Marriott Marquis Hotel. The 2004 awards drew more than 1,500 entries from over 40 countries.

About Melrose Hotels

Melrose Hotels was established in 2000 with the purchase of the historic Melrose Hotel in Dallas, Texas. The company includes The Melrose Hotel, Washington D.C., The Melrose Hotel, New York City and The Westin Columbus in Columbus, Ohio. For more information or to make a reservation, visit www.melrosehotel.com.

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