

TUNGSTEN

Contact: Tungsten Partners, Investor Relations, Tim Dooley
Tel: (212) 343-7330
Fax: (212) 343-3955
E-mail: acehotels@tungstenpartners.com

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NYTIMES TMAGAZINE CITES ACE AS "COUNTRY'S MOST ORIGINAL NEW HOTEL." ACE SEEKS INVESTORS, NEW LOCATIONS

Tungsten Partners, A Partner in the Ace Hotel Group, is Seeking Potential Ace Properties and Investors

PORTLAND, March 27th, 2007/ Ace Hotels/ -- With the launch of their second hotel, the Ace Portland, the Ace Hotel Group has established its unique foothold in the hotel industry. Formerly known as the Clyde Hotel, the historic property features 79 rooms, 3 retail spaces, including 2 restaurants and an event space.

The Ace Portland has recently been lauded in Made Magazine, Hotel Business Magazine and many local Portland publications for its cost-efficient, chic design. On March 25th 2007, T Magazine (the style magazine of the NY Times) cited the Ace Portland as "...the Country's Most Original New Hotel."

The Ace Hotel Brand:

Ace originally received international plaudits for its first hotel, the Ace Seattle. Wallpaper magazine described the Ace Hotel Group as "... a mega-chain waiting to happen" and Time Magazine deemed Ace "the next wave" of hoteliers on its list of top 100 business innovators.

Ace considers a location's pre-existing cultural characteristics to create unique, memorable sites, often drawing local and national acclaim. Additionally, Ace works in association with its equity partner NeverStop Public Relations to create fresh, cost-effective marketing plans.

The Ace Hotel Group's partners are Alex Calderwood, Wade Weigel, Doug Herrick, Jack Barron and Tungsten Partners and Neverstop Public Relations. Mr. Calderwood is the founder of NeverStop PR, a marketing and event promotion company whose clients include Nike, Armani and Uniqlo. Messrs. Calderwood and Weigel are partners in Rudy's Barbershop, an 18 store chain located in several of Andre Balazs' hotels. Mr. Weigel founded the renowned Baltic Room in Seattle and The Cha Cha Lounge in Los Angeles among other successful F&B operations. Doug Herrick, founding partner and general manager of the Ace Seattle location, is responsible for the day-to-day operations of the hotel. Jack Barron has a Master's degree in architecture and specializes in hotel development for the Ace Group. An additional equity partner in the Ace Hotel brand is Tungsten Partners, a Manhattan-based real estate investment firm that assists in sourcing, underwriting, and funding transactions globally.

Seeking New Sites:

Ace is presently negotiating projects in New York, Minneapolis and San Francisco but is seeking new locations both domestically and internationally. Ace's ideal property is 75-250 rooms and notable architecture and/or location. Ace is also willing to explore ground-up developments and will consider management contracts, long-term leases, acquisitions, or other joint transaction opportunities as well.

Seeking Portland Investors:

Tungsten and Ace are currently offering a syndication of the Ace Portland Hotel. Investors who provide one source financing to Ace would be granted the right of first refusal for investment on future Ace transactions for a fixed period. There are also investment opportunities available in various increments.

Contact: Tim Dooley, Investor Relations, +1 (212) 343-7330 x51 - acehotels@tungstenpartners.com

NY Times T Magazine Article (PDF): <http://www.tungstenpartners.com/pdfs/AcePortlandTMag.pdf>

NY Times: <http://travel.nytimes.com/2007/03/25/travel/tmagazine/03well.ace.t.html?ref=tmagazine>

Other Ace Press: <http://www.tungstenpartners.com/press.html>