

*For Immediate Release*

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## **Joseph Smith Joins Chesapeake Hospitality as Executive Vice President**

### ***Marks Planned Expansion in Third-Party Hotel Management***

GREENBELT, Md., April 22, 2010—Officials of Chesapeake Hospitality today announced that Joseph Smith has joined the company as executive vice president. In his new role, he will be responsible for owner relations and new business development.

“Our roots as operators go back more than 50 years,” said Kim Sims, Chesapeake president. “We currently operate more than 2,900 rooms as a third-party manager and now have the infrastructure in place to accommodate planned growth, with Joe adding his experience in new business development as the final piece.

“Hiring Joe signals a new growth direction for the company,” he noted. “We have focused most of our attention in the past few years on turning around and ramping up hotels acquired by our largest owner, MHI Hospitality Corporation, a publicly traded real estate investment trust (REIT), and on operating all of our managed hotels through the severe recession.

“Over that period, we compiled a pretty successful track record. In 2009, all but one of the hotels we managed for the full year gained market share. The bulk of our managed portfolio enjoyed market share premiums over their respective competitive sets. Now, we’re widening our focus to accommodate more third-party management to take advantage of our experience.

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“As operators, our senior management group has been together for more than 25 years,” he added. “That experience as a team and through multiple business cycles gives us a competitive edge. We have strong relationships with the major brands, having won numerous awards in the past few years for operating excellence. We also have a long, successful history operating independent hotels. Another key advantage is our in-depth experience repositioning and turning around hotels to optimize revenues, critical expertise as the hotel industry bottoms out from the worst downturn since the Great Depression.”

As third party managers, Chesapeake Hospitality will continue to focus its growth on both full- and select-service hotels, as well as enter the extended-stay sector. “Our goal is to add about six to eight properties a year on a planned basis,” Smith said. “We are ranked among the top 50 largest management companies, which gives us the size to have the sophisticated, proprietary systems and economies of scale of larger firms, yet we are small enough that our senior management team is closely involved with each property we operate.”

Prior to joining Chesapeake Hospitality, Smith was president of Raleigh-based Alliance Hospitality where he oversaw the company’s 53 hotels, located in 19 states. Previously, Smith was president of Boykin Management Company where he managed a portfolio of 62 full-service properties. Other upper management positions in his career include senior vice president of asset management for Boykin Lodging, a publicly traded REIT, regional vice president of operations, corporate director of food and beverage and hotel general manager. His background also

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includes positions with TGI Friday's and American Airlines. Smith holds a Bachelor of Science degree in hotel and restaurant management from the University of Wisconsin and has been a member of both of IACC (International Association of Conference Centers) and HAMA (Hotel Asset Managers Association).

“We have considerable expertise in work-out situations and in repositioning hotels,” Smith said. “We seek to build long-term relationships with our owners because we can add value throughout the hotel economic cycle.”

#### **About Chesapeake Hospitality**

Headquartered in Greenbelt, Md., just outside of Washington, D.C., Chesapeake Hospitality is a mid-sized, third-party hotel management company with a proven track record in both full- and select-service hotels. Ranked in the top 50 largest independent operators, the company manages properties under the Hilton, Starwood and InterContinental Hotel Group brand families. For additional information, visit the company's website:

[www.chesapeakehospitality.com](http://www.chesapeakehospitality.com).