

For Immediate Release

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International Hotel Brokerage Expected to Increase Rapidly

Hotel Brokers International Steps up Recruiting Program

ROME, Italy/KANSAS CITY, Mo., USA, October 18, 2007—Hotel Brokers International (HBI), a U.S.-based hospitality brokerage organization with more than 30 offices, today said that international hotel brokerage is expected to increase significantly through the remainder of this decade and that HBI intends to recruit new brokers to meet this growing demand.

“As recently as the turn of this century, most international brokerage was the exclusive purview of major investment firms dealing with institutional investors on four- and five-star trophy hotels,” said Charles H. Fritsch, HBI president and president of MBA Hotel Brokers based in suburban Washington, D.C.. “International hotel brand companies have dramatically accelerated their expansion, which is rapidly knocking down the barriers for smaller companies that own between five and 20 hotels to now participate in global ownership.

“The conventional wisdom used to be that smaller ownership groups could not survive in a foreign market because they did not understand local customs, the language and, especially, non-branded hotels,” he noted. “With the major hotel brands moving rapidly into Europe and Asia focusing largely on the mid-market segment with and without food and beverage, these

owners now are confident they can compete effectively. They see owning hotels in multiple markets as an effective way to spread their risks and improve their returns.

“In the ‘80s and early ‘90s, owners tended to keep their portfolios within a close radius of their home base. In the ‘90s, many owners went nationwide. Now they are reaching out globally. I know of dozens of U.S. companies that were once considered regional, now looking seriously at Europe, Latin America and the Far East, and just as many overseas hoteliers looking at the U.S.”

Fritsch noted that HBI has had international brokerage relationships for more than 20 years. “Previously, it was largely a one-way street with buyers coming to the U.S. That has changed significantly. Hotel buyers, regardless of their country of origin, want the comfort and confidence of knowing there is a hotel broker involved who understands the conditions and business practices of the local market. Sellers are demanding brokers with global reach for properties selling for as little as \$5 million, compared to \$50-plus million as recently as five years ago.

“By offering our clients greater international professional services, we will better serve our existing clients and will attract new ones. Building an international network will allow HBI broker colleagues to refer clients and properties to one another in virtually every market,” he said.

Fritsch added that HBI will seek brokers who focus primarily on first-class and mid-market properties in their respective markets, which is in line with the properties represented by the current, largely U.S.-based membership. The organization will seek out elite firms that specialize and have in-depth expertise in hospitality real estate.

Fritsch said that HBI is aggressively reaching out internationally and establishing connections in Europe, the Middle East and Central Asia. HBI currently is in discussions with brokers in Dubai, Italy, Greece, Pakistan and Canada. HBI also has had preliminary contact with brokers from Sweden, Israel, the U.K. and Germany.

About Hotel Brokers International

Founded in 1959, Hotel Brokers International (HBI) is the world's largest and oldest hospitality real estate organization, with a rich heritage of experience and expertise in hotel real estate valuation, transactions, and other essential services. Comprised of over 75 hotel real estate broker specialists, HBI provides the hospitality industry with the most powerful hotel real estate marketing force, creating greater visibility through a unified and inclusive advertising and marketing approach. For more information, please visit, www.hbihotels.com.