



Capella Hotels and Resorts Teams with RAL Companies & Affiliates LLC On First U.S. Resort: Capella Telluride

TELLURIDE, CO (November 9, 2006) – When a dedicated developer and a legendary hotelier meet at a storied mountain, the result is – Capella Telluride. Robert Levine, president and CEO of RAL Companies & Affiliates LLC and Horst Schulze, president and CEO of Capella Hotels and Resorts, announced today that Capella Hotels and Resorts has been selected to operate a new 148-unit luxury hotel and residential property in the spectacularly beautiful setting of the Town of Mountain Village, above historic Telluride, Colorado.

The hospitality industry has been eagerly anticipating the announcement of the first U.S. destination for the new Capella Hotels and Resorts brand, which has previously announced plans for hotels and resorts in Austria, Germany, Ireland, Mexico, and Singapore. Telluride, known for its intimate setting and unspoiled grandeur, is a perfect fit for a brand that is committed to providing the ultimate in personal service.

RAL Companies & Affiliates president and CEO Robert Levine commented, “We evaluated every top-tier hotel flag, and determined that Capella Hotels and Resorts will offer the very best service and guest experience in the market.” “My firm built Mountain Village’s award-winning Inn at Lost Creek and it has been my family’s second home for the past 15 years,” Levine continued. “So, we exercised scrupulous and exacting standards in selecting the operator of our new hotel. We are confident that Capella Telluride will live up to the expectations of the community, its guests, and buyers of the condominium units at the property.”

Capella Hotels and Resorts president and CEO Horst Schulze set benchmarks in the industry before, during his tenure as president, COO and vice chairman of The Ritz-Carlton Hotel Company, where he established renowned luxury service standards. Schulze is convinced, however, that as existing fivestar brands have sought to broaden their audiences, they have left open a niche at the upper reaches of luxury travel that is going unfilled. Capella's uncompromising emphasis on personal service will raise the bar in the hospitality world once again, setting an entirely new standard.

Schulze said, "We are so pleased to join Robert Levine and his team in redefining the luxury travel experience at Telluride. We will honor this remarkable setting by creating an environment that affords guests and residents an unparalleled mountain experience in every season."

Town of Mountain Village Mayor Davis Fansler commented, "We are very excited to have an operating group of this caliber and with their breadth and depth of experience. We are fully confident that they will deliver a hotel experience that is not only unique to Colorado but also to the United States."

Designed by Denver-based Ivins Design Group in conjunction with CDA, a New York-based affiliate of RAL Companies, Capella Telluride will consist of 100 rooms and 48 residential units in a superb ski-in/ski-out location at the center of Telluride's Mountain Village. Capella's renowned services will be available to hotel guests and residential owners. Amenities will include a world-class spa, pool, fitness center, ice skating rink, restaurants, entertainment and retail facilities and other features, with construction scheduled for completion in the fourth quarter of 2008.

Capella Hotels and Resorts serves today's top-tier travelers and residential property owners and is setting a new standard in the hospitality industry. Capella promises the unique benefits of the finest boutique hotels, including superb architecture and interior design, privacy, individualized service and attention to detail – combined with the amenities and activities of the world's great luxury hotels and resorts. Capella, led by founder Horst Schulze, is a brand focused on customer choice, and offers choices that no other hotel company in the world can match. Capella is opening world-class properties in cities and resort destinations around the world, including: Capella Singapore; Breidenbacher Hof, a Capella

Hotel (Düsseldorf, Germany); Capella Pedregal (Cabo San Lucas, Mexico); Capella Resort & Spa, Dunboy Castle (Ireland); and Schloss Velden, a Capella Hotel (Austria). Learn more at www.capellahotels.com

RAL Companies and Affiliates LLC is a Manhattan-based developer of luxury apartment, condominium and resort communities in New York, Colorado, Texas and Maryland. The second-generation, family-owned firm exercises the utmost in quality control by offering complete real estate services in architecture, construction, landscape architecture, leasing and management. Recently its leasing and management affiliate, Spandrel Property Services, commenced thirdparty management services for other landlords.

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