

A Star is Born: Capella Hotels & Resorts

Legendary Hotelier Horst Schulze Creates a Unique Luxury Experience As the West Paces Hotel Group Unveils its Second New Brand

NEW YORK, NY (October 6) - Horst Schulze, CEO of West Paces Hotel Group LLC, today announced the launch of a new top-tier hotel brand – Capella Hotels & Resorts. The announcement marked the second recent brand launch by West Paces Hotel Group, which earlier this year announced the creation of Solis Hotels and Resorts.

Capella expresses the passion of a man who has come to define and lead the luxury market, and Schulze indicated that the brand would mark a clear departure for the entire luxury hospitality sector. “The needs and desires of today’s top-tier consumer have changed,” he said. “Capella will be focused on choice – and we will offer choices that no other hotel in the world can match.”

Schulze knows the luxury traveler intimately, having guided the modern incarnation of Ritz-Carlton hotels as President and COO, and then Vice Chairman of the storied company through 2002. During his tenure with Ritz-Carlton, he and his team created a style associated with the best in luxury travel. Schulze believes, however, that the very essence of luxury service must now change. “Luxury hotels today require their guests to choose in advance the type of experience they will enjoy,” Schulze said. “The hotel’s style and service

determine that experience. It's time for the customer to determine the experience.”

Schulze has assembled a team of former Ritz-Carlton executives who believe there is a unique opportunity for Capella. As existing five-star brands have looked to broaden their audience, they have left open a niche at the upper reaches of luxury travel that is going unfilled.

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 of the world's great luxury hotels and resorts. Capella is about luxury that is not contrived, for travelers who desire enriching experiences and superb service, rather than ostentatious displays of consumption.

The new brand's name itself is drawn from the star Capella, Alpha star of the constellation Auriga, the Charioteer. Capella, the sixth brightest star in the night sky, is actually one of the sky's most famous “double-stars,” or binary star formations, reflected in the double-star logo of the new brand. The double star motif reflects the overriding focus of the new brand as an intimate relationship between hotel and guest.

True to the European origins of the new brand's founder, Capella Hotels & Resorts will launch as an international brand – announcing four hotels and resorts in Ireland and Mexico initially, with other European destinations to follow soon after. Locations in major U.S. destinations will be announced in the future.

Each Capella property will provide 100 rooms or fewer, allowing for an experience in which the hotel staff operates as if from a sixth sense of the guest's needs, from the driver waiting at the airport, to an arrival at the hotel reminiscent of the way in which one is greeted at a close friend's estate. The setting itself is always at one with the destination – from stunning castles in Ireland to extraordinary beachfront property in Mexico.

Capella Resort & Spa, Pedregal de Cabo San Lucas will open in Cabo San Lucas, Mexico in 2007. The property will encompass 24 spectacular mountainside and oceanfront acres at the very point where the Pacific Ocean meets the Sea of Cortez, near the legendary rock formations known as "Land's End." The 66-room resort will be complemented by 31 shared ownership residences (Capella Residences) and 20 private, full ownership casonas (Capella Casonas). The resort will enjoy immediate proximity to the world-class Cabo Marina and is within walking distance to the shops, dining, and entertainment of Cabo San Lucas village.

Capella Resort & Spa, Punta Nizuc will be the second Capella resort to open in Mexico in 2007. The 70-suite hotel and spa will include world-class meeting facilities, 40 fractional ownership villas and 100 private, full-ownership residences. The resort will also afford access to two Jack Nicklaus-designed championship golf courses and a coral reef-protected beach. Located just 10 minutes from the Cancun International airport, the grounds of Capella Resort & Spa, Punta Nizuc are home to 20 acres of lush red mangrove.

Capella Resort & Spa, Dunboy Castle, also set to open in Ireland in 2006, will be another extraordinary castle in the Capella Hotels & Resorts collection. Located on the Beara Peninsula in the village of Castletownbere, Dunboy Castle was built by the O'Sullivan Beare Clan in the 15th century to guard the harbor of Berehaven. It served as a center for the import and export trade of Ireland until the famous siege of 1602, in which the English crown (Elizabeth I) sent an army of 2,000 soldiers to overrun the castle. A garrison of 143 men held on valiantly during a two-week siege, but the castle was eventually taken – leading to the demise of the O'Sullivan Beare Clan's stronghold. Capella Hotels & Resorts will transform the property into an 82-suite resort featuring a wine bar, cigar terrace and an intimate spa with eight treatment rooms. Such luxuries as helicopter service to and from nearby Waterville Golf Links will be offered.

The West Paces Hotel Group was founded by Horst Schulze, former president and COO of The Ritz-Carlton Hotel Company, along with several former Ritz-Carlton executives to create and operate branded hotels in several distinctive market segments. The principals of the company leverage unparalleled hospitality experience and a diverse track record of operating world-class hotels and resorts. The group's mission is to create value through superior service and luxury, world-class properties and conference centers in gateway cities and high-profile resort destinations around the world. For further information on Capella Hotels & Resorts, visit www.capellahotels.com .

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