

BROUGHTON

— H O S P I T A L I T Y —

BROUGHTON HOSPITALITY INKS CONTRACTS TO MANAGE THREE CHICAGO HOTELS

- California Company to Provide Management Services to The Willows, The Majestic & City Suites Hotels in Lakeview Area of Chicago -

NEWPORT BEACH, CA, February 19, 2008 – Broughton Hospitality, the Newport Beach, CA-based hospitality management and development organization, announced today that it has been awarded the management contracts to operate three boutique hotel properties in Chicago, IL. The three hotels, The Willows Hotel, The Majestic Hotel, and City Suites Hotel, which are located in the Lakeview and Lincoln Park areas, near Wrigley Field, were purchased from an affiliate of Transcontinental Realty Investors, Inc. (NYSE: TCI) of Dallas, TX.

“We are honored to have been awarded these prestigious contracts,” said Larry Broughton, President and CEO, Broughton Hospitality. “It’s significant for us because it marks the first step of our expansion outside of California. We’ve explored many markets over the last two years, and believe Chicago is an enormous growth area. We’re thrilled to be managing these outstanding properties in one of the country’s most amazing cities.”

Built in the 1920’s, this collection of historic boutique hotels have been restored and renovated in recent years. Ideally located in the exclusive Lakeview section of the city, they are minutes away from downtown Chicago’s business, financial and shopping districts by cab or “El.” All are located within a ten minute walk of the Wrigley Field.

Each hotel features its own charm, personality and warmth. The Willows evokes a sense of the French countryside, with an airy color scheme and European-inspired details. The Majestic offers the tranquility and dignity of an English country estate. And the City Suites has been restored to its Art Deco splendor with period furnishings and sophisticated decor. Each will undergo renovations during the coming year with new soft goods and updated amenities.

Broughton Hospitality, founded by Larry Broughton in January, 2001, has been named among the top 100 hospitality management companies in the USA by industry publications. Larry Broughton was awarded Ernst & Young’s prestigious *Entrepreneur of the Year*® award for 2006. And a former U.S. Army Green Beret, Broughton was also named *Vetpreneur of the Year*® for 2007 by the National Veteran-Owned Business Association. Broughton Hospitality owns and operates properties in Chicago, IL, and in Santa Monica, Santa Barbara, San Simeon, Solvang, Palm Springs and Lake County, CA. For more information, visit www.BroughtonHospitality.com.

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