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HOTEL DEVELOPMENT, RENOVATIONS AND EXPANSIONS CONTINUE TO KEEP FOCUS ON SERVING PUERTO RICO'S THRIVING MEETINGS MARKET

SAN JUAN, June 6, 2006 -- With the opening of the new Puerto Rico Convention Center in November 2005, Puerto Rico continues to expand and improve its tourism product. From new hotel construction to major renovation projects and expansions, Puerto Rico remains committed to providing meeting planners and attendees with a wide-range of premier accommodation options, as well as superior meeting space and amenities to serve the needs of this discerning market.

Puerto Rico kicked off 2006 with more than 1.2 million square feet of meeting space following the opening of the new Puerto Rico Convention Center. In addition to the Center, groundbreaking on a 500-room headquarter hotel to serve the Puerto Rico Convention Center is scheduled to take place in June 2006.

The \$175-million facility, to be located in the heart of the Puerto Rico Convention Center District is projected to open in late 2008. **Starwood Hotels & Resorts Worldwide**, under its **Sheraton** banner, will manage the new Convention Center's flagship property. The hotel's contemporary "urban resort" design includes a large, open lobby, casino and entertainment complex with music hall for live performances. Two ballrooms, banquet and meeting rooms, a full-service spa, restaurants, shops and parking is also included in the plan. The rooftop will feature a pool with cabanas, tropical gardens and views of Old San Juan and the harbor. Described as a "beach without sand," the area is designed to bring the Caribbean into the Convention Center District for conventioners. In addition to the hotel, the District's fountains and promenades which includes much of the landscaping in the area, is scheduled to be completed by August 2006.

In addition to the developments at the Puerto Rico Convention Center District, following is an overview of several other major property projects that have recently been completed or are currently underway throughout the Island:

Openings:

- The **Hotel Cervantes** opened early this year in Old San Juan. The luxury, exclusive hotel includes a 2,000 sq. ft. Presidential Suite along with 11 additional luxury suite rooms, a spa, café and restaurant.

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- The new **Courtyard by Marriott San Juan Miramar** opened in March 2006. The property, which was formerly known as the Excelsior, offers 136 standard king and double rooms.
- Also in the Condado area, the **Renaissance La Concha Hotel & Casino** is expected to open by the end of 2006 with 248 rooms in its first phase. The second phase will be finished when the Vanderbilt opens in 2008 and will include 250 additional rooms. The property will offer 15,000 sq. ft. of meeting space, as well as a 15,000 sq. ft. casino, three restaurants, oceanfront pool and a 5,000 sq. ft. fitness center located on the beach.
- The **Condado Vanderbilt Hotel** is scheduled to open the third quarter of 2008. The 300-room luxury property will feature 20,000 sq. ft. of meeting space, a gourmet restaurant, bistro, spa and two oceanfront pools.

Expansions:

- **The Embassy Suites Hotel Dorado** added a new ballroom to the property in March 2006. The Las Palmas Ballroom offers 5,530 square feet of meeting space that can be divided into four smaller sections, bringing the total amount of meeting space at the property up to 12,800 square feet.
- The **Paradisus Puerto Rico Hotel & Resort** in Río Grande has converted 144 of its 486 rooms into condo-hotel properties. In addition, the property will begin construction on a new \$15 million ocean development of the Sol Meliá Vacation Club (SMVC) to include 27 timeshare units. The project is scheduled for completion by the end of 2007.
- The **Horned Dorset Primavera**, a Relais & Chateaux Hotel, has nearly completed remodeling and construction on 17 new exclusive condo-villas on the property. The villas offer oceanfront, ocean view, and ocean view with garden views and all but one of the units have a private exterior dipping pool. Each villa features teak and mahogany furnishings, imported rugs and lamps in the Spanish Mozarabic tradition.
- **LXR Luxury Resorts**, which now owns the **El Conquistador Resort & Gold Door Spa** in Las Croabas, has broken ground on the construction of a new \$27 million conference center at the property. Scheduled to open in March 2007, the property will feature two adjacent conference areas, with a total of four ballrooms, providing meeting planners with more square feet of indoor meeting space per available sleeping room than any other resort in the Caribbean. The new, 22,650 sq. ft. ballroom (divisible into three equal-size sections) will be complemented with up to 16 additional breakout rooms ranging from 815 sq. ft. to 1,619 sq. ft. **LXR** also owns the **Condado Plaza Hotel & Casino** and the **El San Juan Hotel & Casino** (both formerly Wyndham properties) and has more than \$200 million earmarked for upgrades and expansions in their portfolio of Puerto Rico properties (see below).

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- Following the completion of a \$120 million upgrade and expansion at the **Ponce Hilton**, which included the addition of the **Costa Caribe Golf & Country Club**, the property will be adding a 60-unit condo-hotel, followed by the addition of 200 timeshare suites. The project is expected to take ten years to complete.

Renovations & Amenity Upgrades:

- More than \$16 million in renovations to the 600 guest rooms at **The Westin Rio Mar Beach Golf Resort & Spa** were recently completed. The property, which is celebrating its tenth anniversary this year also recently announced that it is now a smoke-free resort.

***Special Meeting Package Alert:** As part of the **Westin Rio Mar Beach Golf Resort & Spa's 10th Anniversary**, groups get incredible savings on Fall meeting dates from August through December at the luxurious 500-acre Caribbean paradise. Rates as low as \$129 per night PLUS groups get one complimentary room for every 35 paid rooms, 15% off banquet menus and a V.I.P. Value Card for every attendee offering discounts on the property's most popular amenities. For more information, call 800-4-RIOMAR or visit www.westinriomar.com*

- **The Water Club** has officially changed its name to **San Juan Water & Beach Club Hotel**. A luxury beachfront boutique hotel, the property's latest amenities including newly renovated bathrooms featuring bath and spa products from H2O Plus sea-derived skin care as well as clock radios with MP3 player connections and Wi-Fi access.
- Starwood is investing \$200 million to expand and renovate the **Martineau Bay Resort** in Vieques to transform the property in the first W Hotel in the Caribbean. Scheduled to be completed by the end of 2006, the **W Vieques-Martineau Bay** will offer 156 guest rooms, two restaurants and an 8,000 sq. ft. spa. The resort will also feature 20 luxurious private villas with access to W's 24-hour concierge service, in-room dining, and other top amenities.
- The **Condado Plaza Hotel & Casino** will begin a \$65 million renovation this month to include upgrades to the property's 570 rooms, as well as renovation of the hotel's pool, lobby and restaurants. This is part of LXR 's \$200 million renovation project taking place at its properties on the Island.
- Also an LXR property, the **El San Juan Hotel & Casino** is beginning a \$52 million renovation project to include complete refurbishment of the resort's 382 rooms to be followed by upgrades to the pool, lobby and casino.

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Other Infrastructure Updates:

- A new food court at **Terminal B** of the **Luis Muñoz Marín (LMM) Airport** opened in late 2005. Some of the new food offerings include a Caribbean Bar & Grill, David's Cookies, Domino's Pizza, El Mesón, Harry's Taco, Martins BBQ, McDonald's, Starbucks, Subway and Wendy's, among others. To-date, Puerto Rico's main airport located in San Juan has undergone \$237 million in expansions and growth.
- The long-anticipated Route 66 opening, which links the greater San Juan area to the east end of Puerto Rico opened in March 2006. The modern highway allows for quicker travel to some of the Island's top resorts, including the **El Conquistador Resort & Gold Door Spa**, the **Paradisus Puerto Rico Hotel & Resort**, and the **Westin Rio Mar Beach Golf Resort & Spa**.

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Editor's Note:

The Puerto Rico Convention Bureau (PRCB) is a non-profit organization established in 1962 to drive meetings, conventions, trade shows and incentive groups to Puerto Rico. With offices in San Juan, Chicago, New York, Miami, and Washington DC, the Bureau strengthens Puerto Rico's competitive position in the Americas and abroad by increasing awareness of the Island's outstanding meeting facilities and services, and produces approximately \$92 million to the local economy. The Bureau can be reached electronically through the Internet at info@prcb.org or at its website www.meetpuertorico.com. The PRCB is the official marketing and sales agent for the new Puerto Rico Convention Center (PRCC) opened November 2005. For more information on the new Convention Center visit www.prconvention.com. The Puerto Rico Convention Bureau, representing the capital city of San Juan, has been granted full membership as of January 2005 into BestCities, a global alliance of Bureaus that represent the highest standards of service in the meetings and convention industry. For more information, visit www.bestcities.net.

