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DESIRES HOTELS CELEBRATES GRAND OPENING OF HOTEL MELA IN NEW YORK

Boutique Hotel Becomes First Hotel to Open in New York in 2007

Miami, Jan. 08, 2007 – Desires Hotels, the boutique division of Tecton Hospitality, today announced that it held a ribbon-cutting ceremony to celebrate the grand opening of Hotel Mela. The hotel is the first new construction to be erected on what is considered New York City's "Hotel and University Club Row" in more than 20 years, and the first hotel in New York City to open in 2007. This is Desires Hotels first New York venture in which they teamed up with O&O Properties.

Located on West 44th Street, the 229-room Hotel Mela is within a short walking distance to Times Square, Broadway and is surrounded by the city's cultural, historic and entertainment landmarks. With a revolutionary approach to concept and design, the hotel's overall philosophy is to deliver service based upon the guests' desires which far exceed their expectations. Desires Hotels has created "Your Desires", a signature program that supports this concept and is offered at designated hotels within the Desires boutique division. Highlighting the "Your Desires" program is a POD-cast program available for downloading by guests and featuring hotel information as well as the latest news on cultural events and entertainment happenings in the city during their visit.

"We are very excited about the opening of Hotel Mela and our partnership with O&O Properties," said Richard Millard, CEO of Tecton Hospitality. "The hospitality industry continues to thrive in New York City, and we are confident that guests of Hotel Mela will enjoy our first class service and accommodations."

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Tecton Hospitality provides a wide range of management services to both institutional and individual owners of hotels in the United States and Caribbean. The Miami-based company operates branded hotels, including full-service properties and resorts under the Sheraton, Marriott, Hampton Inn, Holiday Inn and Best Western names, as well as boutique hotels through the Desires boutique-hotels division. The Desires portfolio currently includes the award-winning 84-room San Juan Water & Beach Club Hotel in San Juan, Puerto Rico, the 93 room Sagamore Hotel, the 66-room Wave Hotel, the 83-room Circa 39, the 40-room Hotel Astor, the 61-room Betsy Ross Hotel and the 87-room condo hotel The Strand Ocean Drive in Miami Beach, Fla., the 110-room Glenn Hotel in Atlanta, Ga., and the 235-room Hotel Mela in New York. For more information about Tecton Hospitality, call (305) 577-8484 or visit www.tectonhospitality.com or www.desireshotels.com.