

**GRAVES HOTELS RESORTS ANNOUNCES ITS  
NEWEST HOTEL WILL BE PART OF ‘MOZAIC’ IN UPTOWN**

*The Graves Uptown Hotel Will Be Key Component to the New Ground-Up, Mixed-Use  
Development Near Hennepin Ave./Lake St. Intersection*

**For Immediate Release**

**MINNEAPOLIS – Oct. 12, 2006** – Graves Hotels Resorts, a Minneapolis-based hotel ownership, development and management company, today announced that it will co-own, brand and manage the hotel portion of Mozaic, a mixed-use development project slated for construction a half-block west of the Lake St./Hennepin Ave. intersection in the Uptown area of Minneapolis. Mozaic will bring first-of-its-kind offerings to Uptown, including modern residential condos, a luxury hotel, expanded Lagoon Theater and “outdoor living room” plaza connecting the buildings. The development, including the Graves Uptown Hotel Minneapolis, is co-owned by the Ackerberg Group of Minneapolis and will cost an estimated \$150 million to complete. The ground breaking is scheduled for January 2007.

The seven-story, 140-room Graves Uptown Hotel Minneapolis will be a sister property to the Graves 601 Hotel Minneapolis, and offer the same signature sophisticated, modern luxury accommodations and services that have become the hallmark of the Graves’ brand.

“The Mozaic project and our hotel are unique as the design approach not only reflects the physical site, but also the urban spirit, energy and artsy character of the Uptown area,” said James J. Graves, CEO of Graves Hotels Resorts. “Since the launch of our hotel brand just over one year ago, we’ve been diligent in selecting only those projects that fit our distinct standards. This project is an ideal fit because it encompasses edgy, yet upscale design, luxury amenities, service excellence and a distinctive setting – all of which convey the essence of the Graves’ brand. Mozaic is destined to be *the* destination to experience in Uptown in the coming years.”

In addition to the hotel, Mozaic will also consist of an adjacent condominium residence tower, restaurants, an art gallery and expanded Lagoon Theater. The two buildings will be connected via a half-acre urban courtyard that will include water features, a fire element, amphitheater-style stairs, and a pedestrian bridge over the Greenway walking/biking trail that will serve as the gateway to Uptown.

Interior design elements throughout the project will include clean lines, slate flooring, contemporary fixtures, stainless steel appliances, large soaking tubs, textured walls and an earthy color palette.

“Both buildings will slope inward and have a series of steps creating the opportunity for green roofs,” said Stuart Ackerberg, principal owner of the Ackerberg Group. “These design elements will not only soften the buildings’ clean edges, but provide spectacular views of Uptown, downtown and the surrounding lakes. The interesting architecture of Mozaic and the Graves Uptown Hotel Minneapolis will offer an immediately visible point of difference, setting it apart from typical developments that pepper urban skylines.”

Ackerberg added that Minneapolis-based CAG Development is responsible for the residential construction design; BKV Group of Minneapolis has designed the architecture and aesthetics of the project; and St. Paul-based McGough Construction has been selected as the builder.

### *About the Graves Uptown Hotel Minneapolis*

Each of the 140 rooms in the Graves Uptown Hotel Minneapolis tower will offer a range of sizes to allow for a wide variety of guest experiences. The unique design of the rooms will evoke a spa-like environment. Key elements will include spacious bedroom/living areas, marble flooring throughout, a warm inviting color palette – and a large soaking tub as the focal point in every room. About half of the rooms will offer outdoor terraces.

The hotel portion of the project is estimated to cost \$45 million and features a continuous indoor/outdoor flow throughout the property’s public spaces. On one of the rooftop levels, a 5,800 square-foot ballroom will open to the serene garden area that offers an outdoor swimming pool and an outdoor lounge. On that same level, a 6,000 square-foot luxury spa is planned. In addition, a 150-seat, fine-dining restaurant will open to an outdoor terrace for a distinctive, open-air dining experience. At the street level, guests and the general public will be invited to enjoy a contemporary urban lounge that will flow into onto an outdoor patio.

All guests will have access to a wealth of amenities, including around-the-clock concierge service, 24-hour room service, access to the spa and health club, laundry service and a business center.

Benjamin Graves, president of Graves Hotels Resorts, said the new Graves Uptown Hotel Minneapolis will appeal to those who are seeking an uncommon, yet upscale hotel experience.

“Mozaic in general, and the Graves hotel tower in particular, will cater to individuals who have their finger on the pulse of what’s new and happening in the urban scene,” said Benjamin

Graves. “We see our guests as urban professionals and well-to-do baby boomers who are drawn to Uptown for its edgy, eclectic nature and pedestrian appeal.”

For more information on the Mozaic, visit online at [www.uptownmozaic.com](http://www.uptownmozaic.com). Information about the Graves Hotels Resorts organization or the luxury Graves 601 Hotel Minneapolis can be found online at [www.graveshotelsresorts.com](http://www.graveshotelsresorts.com)

### ***An Independent Hotel with Global Reach***

The Graves Uptown Hotel Minneapolis will be an independent hotel and a Deluxe Collection member of WORLDHOTELS, a leader in the global hotel sales, marketing and distribution industry.

“As a member of the WORLDHOTELS consortium, our hotel will be as easy to book via telephone, online or through 600,000 travel agent terminals worldwide as hotels affiliated with large franchise operations,” said Benjamin Graves.

Guests will also earn frequent flier mileage points through Graves Luxuries, the brand’s guest loyalty program. Airline partners include Air China, Air France/KLM, Alitalia, American Airlines, All Nippon Airways, Asiana Airlines, Czech Airlines, Delta Airlines, Lufthansa, Malaysia Airlines, Northwest Airlines, SN Brussels Airlines, Thai Airways, United Airlines, US Airways and Varig.

Future Graves-branded hotels are planned for downtown Chicago, New York City, San Diego and Scottsdale.

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#### ***About Graves Hotels Resorts***

James Graves founded Graves Hotels Resorts in 1979 as a real estate development and management company. Within the first two years, the company founded AmericInn® Lodging International and, under Graves Hotels Resorts direction, grew that brand to more than 40 properties in 10 years.

In the mid 1990’s, Graves Hotels Resorts narrowed its focus and began cultivating niche markets of development in upscale urban core and leisure destination markets. Propelled by success and experience developing major brands such as Marriott, Radisson and Holiday Inn, in 2003, Graves Hotels Resorts’s opened the sophisticated modern luxury hotel that is today branded the Graves 601 Hotel Minneapolis. This flagship hotel has earned Graves Hotels Resorts many awards, including Best Roll Out Concept Hotel by *Hospitality Design*, the Gold List Reserve of Top Hotels in the World by *Condé Nast Traveler*, and three Gold Key awards from *Interior Design* and *Hospitality Design*.

#### ***About the Ackerberg Group***

The Ackerberg Group is a privately held real estate services company that creates extraordinary value for partners, tenants, clients and the community. The company ensures that the management, leasing and development of property and built environments create value by enhancing the quality of life for all those that lease, work, live, shop, visit and transact business in those environments; and giving back to the community by ensuring those spaces work in vibrant relationship with neighborhood assets, opportunities and strengths.

As a result of these principles, The Ackerberg Group owns, operates, and controls an outstanding Property Portfolio. The Ackerberg Group offers a creative spectrum of lease and purchase options, leads the way in innovative urban residential and commercial development, and consistently provides buyers, sellers and investors with superior opportunities in the market. For more information, visit online at [www.ackerberg.com](http://www.ackerberg.com).

**Note to Editors:** High-resolution renderings of the Mozaic development are available upon request.

**Media Contacts:**

Patti Winger, Winger, INK. LLC

On behalf of Graves Hotels Resorts

Tel: 651-436-3592

[pwinger@comcast.net](mailto:pwinger@comcast.net)