



Sheraton

**SHERATON HOTELS & RESORTS AND DRIFTWOOD
HOSPITALITY MANAGEMENT ANNOUNCE KEY CONVERSION
DEAL IN DOWNTOWN COLUMBUS, OHIO**

*Former Hyatt to Fly the Sheraton Flag, Followed by
\$9.5 Million Renovation*

White Plains, NY – September 7, 2011 – Starwood Hotels & Resorts Worldwide, Inc. (NYSE: HOT) and Driftwood Hospitality Management, LLC today announced the re-flagging of a downtown Columbus, Ohio Hyatt property as a Sheraton hotel. The Sheraton Columbus Hotel – which is owned by Driftwood Hospitality Management – will undergo a comprehensive \$9.5 million renovation. This is the latest of several key conversion deals announced by Starwood recently for its largest and most global brand.

Once complete, The Sheraton Columbus Hotel will feature all of the Sheraton brand's signature offerings including the Sweet Sleeper Bed, Club Lounge, Link@Sheraton[®] experienced with Microsoft[®], Link Café and Sheraton Fitness programmed by Core Performance.

“Columbus is a dynamic market, ripe for the expansion of the Sheraton brand,” said Hoyt Harper, Global Brand Leader, Sheraton Hotels & Resorts. “The success of our multi-billion rebranding effort has caught the attention of owners and developers and as a result, we are winning high-profile deals in key locations across North America.”

Located across the street from the State Capitol and a short stroll from Theater Row, the Arena District and the Short North Arts District, The Sheraton Columbus Hotel is also just minutes from the Fortune 500 headquarters of Nationwide Insurance, Limited Brands, Cardinal Health, American Electric Power and Huntington Bank. This is one of more than 65 new hotels and 23,000 rooms Starwood expects to add to the Sheraton portfolio over the next three years as part of a multi-year, \$5 billion strategic expansion plan.

The hotel's owner, Driftwood Hospitality Management is in the process of its own growth initiative, recently finalizing a \$400MM joint venture with AGRE U.S. Real Estate Fund, L.P., a real estate investment fund managed and advised by an affiliate of Apollo Global Management, LLC. Through their collaboration, the companies have

launched a broad acquisition strategy, pursuing the purchase, renovation and reflagging of full-service hotels across the United States – including The Sheraton Columbus Hotel. Armet Capital served as the investment advisor to Driftwood in this transaction.

“Our team has been on the ground in Columbus since early July and is hard at work in ensuring a smooth transition for this hotel, in what we consider to be a prime location,” said David Buddemeyer, President of Driftwood Hospitality Management. “A like-minded partner with a forward-thinking growth strategy, Starwood continues to impress us. We are thrilled to be part of the enhancements they are making to the Sheraton brand, specifically.”

The highlight of The Sheraton Columbus’ newly renovated lobby will be the “Link@Sheraton[®] experienced with Microsoft[®]” – the brand’s signature social hub providing travelers with the opportunity to stay connected with instant access to information and technology for work, leisure and social networking. The hotel’s 400 spacious guest rooms will also be refurbished and feature the brand’s signature new guestroom design and the all-white Sheraton Sweet Sleeper[®] bed, designed to meet AAA’s Five Diamond Award[®] criteria.

A perfect choice for business meetings and social functions of all sizes, The Sheraton Columbus Hotel will offer nearly more than 16,000 square feet of flexible meeting space, plus a refurbished ballroom and meeting rooms. Additional amenities will include a full-service restaurant, sports bar, lounge and Link Café. The hotel will also feature a fully equipped fitness facility with the brand’s revolutionary new health and fitness program, Sheraton Fitness, designed exclusively for Sheraton guests through its partner Core Performance.

Starwood has spent the last few years renovating and rebuilding one of the hotel industry’s most iconic brands and Sheraton now stands stronger than ever with the strongest portfolio in its history. The brand is gaining market share, RevPAR continues to rise, guest satisfaction scores are the highest in the brand’s history and likelihood to return, likelihood to recommend and meeting planner and associate engagement scores are also at all-time highs – signaling that guests are taking notice and rediscovering the new Sheraton.

Sheraton Hotels & Resorts, like all brands within Starwood’s robust portfolio, is proud to offer the Starwood Preferred Guest[®] program, which made headlines when it launched in 1999 with a breakthrough policy of no blackout dates on Free Night Awards. SPG[®] offers members the ability to redeem awards at more resorts, more luxury properties, more European hotels and more golf properties than any other hotel program.

About Starwood Hotels & Resorts Worldwide, Inc.

Starwood Hotels & Resorts Worldwide, Inc. is one of the leading hotel and leisure companies in the world with 1,058 properties in 100 countries and territories with 145,000 employees at its owned and managed properties. Starwood Hotels is a fully integrated owner, operator and franchisor of hotels, resorts and residences with the following internationally renowned brands: St. Regis[®], The Luxury Collection[®], W[®], Westin[®], Le Méridien[®], Sheraton[®], Four Points[®] by

Sheraton, and the recently launched Aloft[®], and ElementSM. The company boasts one of the industry's leading loyalty programs, Starwood Preferred Guest (SPG), allowing members to earn and redeem points for room stays, room upgrades and flights, with no blackout dates. Starwood Hotels also owns Starwood Vacation Ownership, Inc., one of the premier developers and operators of high quality vacation interval ownership resorts. For more information, please visit www.starwoodhotels.com.

About Driftwood Hospitality Management

Based in North Palm Beach, Fla., Driftwood Hospitality Management, LLC is a leader in providing solutions-based services for the domestic and international hotel industry. Boasting extensive management experience and relationships with most major hotel franchising companies, Driftwood covers the full spectrum of lodging business needs, from full-service, upscale and upper-upscale hotels, in addition to mid-size extended-stay, select and limited-service properties. Currently, Driftwood's focus is on strategic acquisition, development, third-party management and receivership. Driftwood has extensive experience working with major brands, including InterContinental Hotels Group, Starwood Hotels & Resorts Worldwide, Inc., Hilton Worldwide, Carlson, Choice Hotels International, Inc. and Wyndham Worldwide. Driftwood has additional offices in Costa Rica, Scottsdale, Ariz. and Miami, Florida. In the past three years alone, the company and its hotels have received more than 20 industry awards. For more information, visit www.DriftwoodHospitality.com.

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