



For Immediate Release

July 27, 2006

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JER Partners Takes Jameson Inns Private

McLean, VA—JER Partners, the private equity investment arm of the J.E. Robert Companies, has acquired all of the outstanding shares of Jameson Inns, Inc. (“Jameson”, previously NASDAQ: JAMS) for \$2.97 a share or a total purchase price of approximately \$371 million. On July 26, the Jameson shareholders held a special meeting and voted to approve the merger transaction.

JER has acquired Jameson through a joint-venture with Longhouse Hospitality (“Longhouse”), a privately-held owner and operator of 44 extended-stay and limited service hotel properties (5,763 rooms), located in 11 states and operating under the Sun Suites, Crestwood Suites and Lodge America brand names. In February 2005, JER invested \$75 million into the recapitalization of Longhouse, and has acquired a controlling interest in Park Management Group, the exclusive manager for the Longhouse portfolio.

Jameson currently operates 107 limited service hotels in the southeast and Midwest with a total of 7,550 rooms. Through the Jameson transaction, JER and Longhouse will strengthen their regional hotel ownership and management presence in the southeast and strategically expand into the Midwest. Park Management Group will serve as the manager for the Jameson portfolio.

“We are very pleased with the successful acquisition of Jameson Inns and the efficient manner in which it was executed,” stated Cia Buckley, President of JER’s US Funds Business. “The Jameson portfolio represents a tremendous opportunity for JER and Longhouse to leverage off our existing platform to capture ownership and management synergies across both portfolios. This acquisition highlights JER’s commitment to future growth through the Longhouse platform. We are excited to continue building upon our relationship with the Longhouse management team.”

JER Partners is the private equity investment arm of J.E. Robert Companies, a real estate investment management company with more than 25 years of experience in sourcing, underwriting and managing a broad spectrum of real estate, debt products and equity investments in North America and Europe. Most of JER’s investments are in office, hospitality, retail, multi-family and industrial properties. Other areas of investment include Commercial Mortgage-Backed Securities (“CMBS”), healthcare related real estate and mezzanine financing. For more information on JER, please visit www.jer.com.

Longhouse Hospitality was founded in 1994 and is a privately held owner and operator of extended-stay and limited service hotel properties in the southeastern and southwestern U.S. The Longhouse portfolio includes a total of 44 owned and managed properties (5,763 rooms), plus an additional 6 properties (851 rooms) managed on behalf of 3rd party owners. Park Management Group, which is a wholly-owned subsidiary of Longhouse, manages all Longhouse properties and owns three proprietary brands: Sun Suites, Crestwood Suites and Lodge America.