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HOTELS

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WestCoast Hospitality and GVD Commercial Properties, Inc. Join Forces to Expand and Renovate the Kalispell Center Retail and Hotel Complex

July 25, 2005 KALISPELL – WestCoast Hospitality Corporation (NYSE: WEH) announced it has sold a 50% interest in its Kalispell Center retail and hotel complex located in Kalispell, Montana to GVD Commercial Properties, Inc. (GVD). GVD is an experienced retail developer and brings a wealth of experience for a planned multi-phase expansion and renovation project for the Kalispell Center in Kalispell's downtown core.

"This transaction with GVD brings expertise in retail development to maximize the value of Kalispell Center. At the same time, it allows us to focus on our core hotel business as GVD brings decades of experience and valuable national contacts to the project," said Arthur M. Coffey, President and Chief Executive Officer of WestCoast Hospitality Corporation. "We will continue to seek relationships to maximize the value of our assets by bringing in expertise outside our core hotel business."

GVD specializes in the development and leasing of retail centers throughout the western United States. WestCoast Hospitality will continue to operate the hotel under a long term lease. G & B Real Estate Services, a division of WestCoast Hospitality Corporation, will continue to manage the retail component of Kalispell Center.

"We are very pleased to team with WestCoast Hospitality Corporation to develop Kalispell Center," said Gerald Vance Dicker, President of GVD Commercial Properties, from his Spokane, Washington office. "It is an exciting renovation which will offer expanded lodging, retail and community opportunities to Kalispell and the entire Flathead Valley."

The initial phase of this development project includes hotel expansion, renovations and retail site enhancements that will cost approximately \$5 million. Renovations will start in the fall of this year and the company anticipates completion by the middle of 2006. Upon completion, the Kalispell Center hotel will be re-branded to Red Lion. "The expanded and renovated hotel at the Kalispell Center will be a flagship Red Lion in Montana and the Flathead Valley," added Coffey. "This development will help us strengthen the Red Lion hotel brand, the Kalispell Center retail offering and enhance downtown activity."

About WestCoast Hospitality Corporation

WestCoast Hospitality Corporation is a hospitality and leisure company primarily engaged in the ownership, management, development and franchising of upper mid-scale, full service hotels under its Red Lion® and WestCoast® brands. In addition, through its entertainment division, which includes its TicketsWest.com, Inc. subsidiary, it engages in event ticket distribution and promotes and presents a variety of entertainment productions. G&B Real Estate Services, its real estate division, engages in traditional real estate-related services, including developing, managing and brokering sales and leases of commercial and multi-unit residential properties.

About GVD Commercial Properties, Inc.

GVD Commercial Properties was formed in 1974 and now owns retail projects in 19 states. Its staff of real estate professionals specialize in acquiring, developing and leasing retail centers particularly in the Northwest, California, and Texas. GVD is currently developing a 95 acre life style – power center which will have 9 or more restaurants and other major retail tenants. GVD is very active in the Northwest with major projects in Spokane, Washington; Sandpoint, Post Falls and Coeur d'Alene, Idaho.

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