



A JOINT VENTURE OF OXFORD CAPITAL GROUP, LLC AND AN AFFILIATE OF WALTON STREET CAPITAL ANNOUNCES SALE LEASE/MANAGEMENT BACK AGREEMENT OF THE GODFREY HOTEL BOSTON WITH UNION INVESTMENT

Oxford Capital affiliate, Oxford Hotels and Resorts, LLC, will manage the 242-room property opening January 2016



Exterior rendering of The Godfrey Hotel Boston

(BOSTON, MA; December 15, 2015) – A joint venture of Oxford Capital Group, LLC and an affiliate of Walton Street Capital, L.L.C (“Walton Street”) today announces the sale lease/management back to Germany’s Union Investment Real Estate of The Godfrey Hotel Boston. The Godfrey Hotel Boston is a 242-room high design, lifestyle hotel strategically located in the city’s rapidly growing Downtown Crossing neighborhood scheduled to open in January 2016.

The hotel is situated in the heart of Boston’s business district and benefits from its central location in the immediate vicinity of the theatre district and the sea port. Downtown Boston/Downtown Crossing is in the midst of a dramatic transformation, as reflected in the many new high rise residential and retail developments as well as significant refurbishments of office buildings, apartments and retail properties. Positioned as the most technologically advanced hotel in Boston, The Godfrey will offer its guests and visitors a range of amenities including George Howell Coffee, its own artisan small batch roasted coffee café, a fitness

center, a soon-to-be-announced partnership with a well-regarded local restaurant group, and an executive boardroom.

“We are delighted to have reached this agreement with Union Investment for The Godfrey Boston to be its first foray into the United States’ hotel market. We are confident in the future success of The Godfrey and that the property, brand, and management platform will benefit from the transaction,” said John W. Rutledge, founder, president and CEO of Oxford Capital Group, LLC and its wholly owned affiliate Oxford Hotels & Resorts, LLC, the Chicago-based investor, developer, and manager. “After thoroughly vetting a large number of interested investors and suitors, we chose Union Investment for a variety of reasons, including its commitment to a highly professional transaction process, the scale and quality of its organization and people, and its competitive pricing. And as always, we’re looking for win-win relationships with our investors.”

The Godfrey Hotel Boston transaction is structured as a 25-year lease covering 100% of the total rentable area of 135,000 square feet based on an annual Fixed Rent. An additional Profit Share component documents the spirit of aligned interests between Oxford Capital, Walton Street Capital, and Union Investment. With the Godfrey Hotel Boston agreement, Union Investment strategically expands its open-ended real estate funds’ EUR 2.5 billion hotel portfolio to include the US. The purchase price is approximately USD \$180 million. The Godfrey Boston hotel joins the portfolio of the Unilmmo: Europa open-ended real estate fund.

“The international growth of our hotel investment activities is based on a clear strategy of expanding our hotel portfolio and diversifying even further across all asset classes,” said Andreas Löcher, head of Investment Management Hotels at Union Investment Real Estate GmbH, Hamburg. “Our long-standing presence in the US office market and our strong commitment, both in metropolitan areas and in gateway cities, is successfully opening doors and enabling us to tap into attractive hotel markets in North America.”

About The Godfrey Hotel Boston

Scheduled to open in January 2016, The Godfrey Hotel Boston is the second Godfrey Hotel property developed by Oxford Capital Group, LLC, with the award-winning flagship property having opened in February 2014 in Chicago’s River North neighborhood. Oxford is actively evaluating additional locations in a number of major markets around the country. The name Godfrey has a meaning of “peace” and “welcome” to travelers. For more information, please visit www.godfreyhotelboston.com. For up-to-date news about the property, follow the hotel’s [Facebook](#), [Twitter](#), and [Instagram](#).

About Oxford Capital Group, LLC

Oxford Capital Group, LLC is a national real estate investment, development and management firm. Oxford Hotels and Resorts, LLC is its wholly owned hotel operating affiliate. Oxford, its affiliates and principals have been involved in approximately \$2.5 billion of real estate and private equity investments, including approximately 13,000 hotel rooms and over 2,000 assisted living units and nursing home beds. The firm's primary areas of focus are hotels, resorts, conference centers, senior housing and other operationally intensive forms of real estate, including health, fitness, spa, athletic and sports/entertainment destination clubs, and entertainment destination outlets including hotel rooftop venues. Oxford’s geographic focus include the nation’s top metropolitan areas: Boston, Chicago, Los Angeles, Miami, New York

City, Portland, San Francisco, Seattle, metro Washington D.C., select resort markets, and other markets with unique attributes including Charleston, SC, New Orleans, LA and various markets throughout Florida. Notable national projects include Godfrey Hotel-Boston, Doubletree Metropolitan Hotel-New York City, Lexington Hotel-New York City, and the National Conference Center-Lansdowne, VA. Its current portfolio includes a growing collection of upscale, upper upscale and luxury lifestyle hotels and brands including Cass, Felix, Godfrey, Essex, Bay Harbor and LondonHouse. For information, visit www.oxford-capital.com.

About Union Investment

Union Investment is a leading international investment manager specializing in open-ended real estate funds for private and institutional investors. Union Investment has assets under management of some 27.8 billion EUR in nine retail and special funds. The portfolio of Union Investment's open-ended real estate funds comprise some 390 properties and projects in Germany and other European Countries, the Americas and Asia. Investments in city-centre office space are the mainstay of the company's investment strategy. In addition, Union Investment is investing in logistics properties, shopping centres and business hotels in selected locations that offer the prospect of attractive returns over the medium and long term. The company's hotel portfolio consists of 43 properties and projects with a current market value of some €2.5bn.

www.union-investment.com/realestate.

About Walton Street Capital

Walton Street Capital, L.L.C. (Walton Street) is a private equity real estate investment firm based in Chicago. Since its founding in 1994, affiliates of Walton Street have received total equity commitments of over \$8.8 billion from public and corporate pension plans, foreign institutions, insurance companies and banks, endowments and foundations, trusts, and high net worth individuals. Through its affiliates, Walton Street has invested and/or committed to invest \$8.3 billion of equity in more than 325 separate transactions in U.S. and international real estate, including the development and acquisition of office, hotel, retail, industrial, multi-family, for-sale residential, senior and student housing, gaming and other assets through both individual, portfolio and company-level transactions with a gross asset cost of over \$22 billion.

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