



OXFORD LODGING
ADVISORY & INVESTMENT GROUP, LLC

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**INVESTMENT GROUP LED BY OXFORD LODGING
BUYS 1928 LANDMARK INN OF CHICAGO HOTEL**

***Renowned 1928 Property Steps From Magnificent Mile
to be Managed by Oxford Lodging's New Management Arm***

Owners Plan Multi-million-dollar Renovation

CHICAGO (Feb. 15, 2006) – The 357-room Inn of Chicago, the landmark Ohio Street property a half-block from Michigan Avenue's famed Magnificent Mile, was purchased today by IOC Hotel, LLC – a joint venture between Oxford Lodging Advisory & Investment Group, LLC, of San Francisco, and Longwing Real Estate Ventures, LLC, a member of the Dubai Investment Group – from Inn of Chicago Associates, L.P. Together, these two companies have completed nearly \$700 million in acquisitions over the past year.

The new owners plan a multi-million-dollar renovation of the hotel's lobby, guest rooms and meeting spaces in keeping with the property's 1928 "classic Chicago" architecture and theme. Negotiations are currently underway with several prominent restaurant groups for a new facility in the 4,000-square-foot ground-floor restaurant space. Once completed in the first quarter of 2007, the renovated property will maintain its Best Western affiliation and be managed by Kokua Hospitality, the new property management entity of Oxford Lodging announced separately today.

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As a special feature of the renovation and commitment to maintaining the property's historical link to Chicago, the new owners plan to repair and relight the ornate rooftop "Inn of Chicago" neon sign that welcomed the hotel's first visitors in 1928.

The announcement was made today by Robert D. Kline, president of Oxford Lodging Advisory & Investment Group, LLC. The acquisition of the Best Western Inn of Chicago adds to Oxford Lodging's Midwest investments, which include the 450-room Hilton Omaha. The company maintains an office in Chicago.

The hotel's prime Ohio Street location puts it steps from the world-class shops, restaurants, museums, galleries and other attractions of Michigan Avenue's prestigious Magnificent Mile area, including Bloomingdale's, Lord & Taylor, Marshall Field, Neiman Marcus, Saks Fifth Avenue, Nordstrom, Nike Town, Hard Rock Café, Mike Ditka's and ESPN Zone. Also within walking distance are Water Tower Place, Chicago Children's Museum, Art Institute of Chicago, Museum of Contemporary Art, Navy Pier, the John Hancock Building and Shedd Aquarium.

The new owners plan to leverage the hotel's history, name awareness and popularity with convention and business travelers, and explore the addition of newly configured, upper-floor meeting rooms to compliment the 4,000 square feet of ground-floor meeting and banquet space, and the Rooftop Terrace, offering spectacular views of downtown Chicago and Lake Michigan.

"Oxford Lodging is interested in adding only the best, most optimally located properties to its portfolio – and the Best Western Inn of Chicago is no exception," said Kline. "In addition to its unparalleled address, historical prominence and strong ties to the city, the hotel is a favorite with leisure and business travelers – a relationship we intend to leverage further upon completion of the McCormick Place expansion in 2008 and accelerated convention schedule."

The Best Western Inn of Chicago becomes the first hotel to be managed by Kokua Hospitality, Oxford Lodging's new property management arm. Kokua assumes management of the property immediately and has retained all current Best Western Inn of Chicago employees.

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“All Inn of Chicago staff have become the first official employees of Kokua Hospitality, our new management entity dedicated to providing a level of value-added property management expertise consistent with the high caliber of Oxford Lodging’s asset management activity,” added Kline.

“Longwing and Oxford Lodging are patient and disciplined investors. Once a property offering such a remarkable blend of location, architecture, features and history became available in a city the stature of Chicago, we moved quickly to acquire it,” said Vincent Pica, CEO of Longwing.

The Inn of Chicago represents the fourth partnership between Oxford Lodging and Dubai. Oxford Lodging served as the lead investment advisor to Dubai’s September 2005 purchase of New York’s Essex House – a transaction that included the appointment of Oxford Lodging as asset manager and received the ALIS’ “Single Asset Transaction” award for 2005, presented by the American Hotel & Lodging Association (AH&LA) and Burba Hotel Network (BHN).

In June 2005, Oxford Lodging and Longwing purchased the 417-room Sir Francis Drake Hotel in San Francisco and began a \$20-million, property-wide renovation slated for completion late this year. That acquisition came on the heels of the purchase by Oxford Lodging and Longwing of the Adam’s Mark Jacksonville Hotel, a 966-room, convention-oriented hotel on the St. Johns River that was subsequently reflagged the Hyatt Regency Jacksonville Riverfront.

About Oxford Lodging Advisory & Investment Group, LLC

Oxford Lodging Advisory & Investment Group, LLC is an advisory and investment firm focused on the investment, asset management, property management and renovation of high-quality lodging assets. Oxford Lodging’s principals have been responsible for over \$6 billion of lodging investments and have asset managed over 100 upscale and luxury hotels, resorts and conference centers. The firm is currently responsible for a \$2-billion, 8,200-room portfolio of luxury and upscale hotels, conference centers and resorts located throughout the United States and Japan. Oxford Lodging’s principals and employees are direct investors in 75% of this portfolio. Oxford Lodging is headquartered in San Francisco, with offices in New York, Los Angeles, Chicago and Tokyo. For more information on Oxford Lodging, please visit www.oxfordlodging.com.

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About Longwing Real Estate Ventures, LLC

Longwing Real Estate Ventures, LLC, a member of the Dubai Investment Group, is a New York-based private real estate investment company established to make investments across industries and market segments in North America. The Longwing team has made, since its establishment in early 2003, well over two dozen such investments totaling nearly \$2 billion in real estate assets across a wide variety of market segments. For additional information about the Dubai Investment Group, Longwing, its employees and investment history, please visit Longwing's website at www.Longwing.us.

About Kokua Hospitality, LLC

San Francisco-based Kokua Hospitality is the property management arm of Oxford Lodging Advisory & Investment Group, LLC. Kokua (pronounced "koh-kooah") is a Hawaiian expression meaning "to serve, assist and cooperate." Kokua Hospitality embodies the Hawaiian spirit and culture of nurturing and caring for one another. Oxford Lodging has been active in the property management of several other properties including the 755-room Doubletree Metropolitan, the 1,300-room Milford Plaza, the 705-room Radisson Lexington and the 365-room Mayflower Hotel, all located in New York City.

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