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**OXFORD CAPITAL GROUP, LLC AND QUADRUM GLOBAL SECURE \$170 MILLION IN
CONSTRUCTION FINANCING FOR ESSEX ON THE PARK**

*Partnership to build 56-Story apartment tower and reposition iconic Essex Inn on Chicago's
famed Michigan Avenue overlooking historic Grant Park*



Rendering of Essex on the Park, courtesy of Oxford Capital Group /

Hartshorne Plunkard Architecture

(CHICAGO, IL; January 3, 2017) – A partnership of Oxford Capital Group, LLC and Quadrum Global today announce that it has secured a \$170-million loan to facilitate the construction of Essex on the Park, a new 56-story, 479-unit luxury apartment building at 808 South Michigan Avenue. As part of the project, the adjacent Essex Inn at 800 South Michigan Avenue, a historic, 254-room independent hotel, will be expanded to 271 rooms, comprehensively repositioned and upgraded into the Hotel Essex, a luxury lifestyle hotel, starting in late 2018, before reopening in 2019 — concurrent with the grand opening of Essex on the Park.

“We have long been believers in the desirability and irreplaceability of Michigan Avenue real estate in Chicago. This is particularly true of real estate directly on the park and the lakefront, where residents have beautiful and unencumbered views and open space in perpetuity. We are also believers in the continued and growing attractiveness of ‘walk to work and walk to play’ downtown living for people across the demographic spectrum. We’re excited to get started,” says John W. Rutledge, founder, president and CEO of Oxford Capital Group, LLC, the Chicago-based, national developer, sponsor and manager.

Oleg Pavlov, founder and CEO of Quadrum Global, a global development, investment and management firm, stated: “We are very pleased with the terms of this highly competitive institutional financing that our joint team has been able to obtain for this large-scale mixed-use project. To us, this underscores the continued strength of Chicago’s Downtown market, the city’s vibrant economy, as well as Essex’s unique location and the strength of sponsorship.”

Jordan Ray, Ari Hirt, Steven Buchwald and Jamie Matheny of Mission Capital Advisors advised ownership and ran point in sourcing the financing from a global investment bank.

“It’s extremely challenging for developers to secure non-recourse construction financing in the current lending environment, particularly for transactions of this size, but we had the privilege of working on a very well-conceived project with marquee sponsorship and a fantastic location,” Ray said. “This is a complex, large-scale hotel and apartment project in a highly-competitive market. Despite the size and complexity, we were able to generate interest from multiple lenders who were willing to provide full-stack financing on a non-recourse basis.”

Essex on the Park’s rental residences will have high-end finishes including 9-10’ ceilings, quartz countertops, stainless steel appliances, and in-unit washer/dryers. Amenities will include a multi-story “winter garden” with indoor pool, hot tub, and multiple indoor-outdoor spaces, including outdoor grills/kitchens, cabanas, fire pits, and sliding walls with striking views overlooking Grant Park and Lake Michigan. Residents will also enjoy a billiard/game room, business center and conference room, expansive state-of-the-art fitness center, yoga / fitness-on-demand room, club room, exhibition kitchen, bike storage, and four floors of

onsite parking. The property will also feature the unique offering of in-building access to a chef-driven three-meal restaurant as well as a bi-level “sky bar” and a night life venue overlooking the park and lake, SX, showcasing fully retractable walls.



Rendering of the “winter garden” atrium, courtesy of Oxford Capital Group / Hartshorne Plunkard Architecture

The apartments will consist of a wide array of unit-types including a mix of studios, convertibles, and one-, two-, and three-bedroom units. The top two residential floors of the building will include four extraordinary penthouse duplexes featuring elegant finishes, gourmet kitchen, large master suite, private outdoor space, and spectacular views of the Lake Michigan, Grant Park, and the Chicago skyline.



Aerial rendering of Essex of the Park, featuring views of Lake Michigan and Grant Park, courtesy of Oxford Capital Group / Hartshorne Plunkard Architecture

Essex residents will benefit from being a part of a mixed-use complex, including a high-design lifestyle hotel leveraging Oxford's distinctive approach to hospitality management – featuring high-touch, customer-friendly service while seamlessly integrating unique programming and leading edge technology.

Oxford and Quadrum each have significant experience with high-profile development projects in Chicago and across the country. The two developers recently collaborated to create the award-winning Godfrey Chicago, a 221-key luxury lifestyle hotel that includes the largest indoor/outdoor hotel rooftop lounge in the city. They are also in pre-development of an adaptive-reuse office to hotel conversion project at 168 North Michigan Avenue.

Essex on the Park and the redevelopment of the Essex Inn are the 15th and 16th Oxford developments in the Chicagoland area. Recent noted Oxford-led local projects include The Godfrey, The Langham, LondonHouse, Hotel Felix, Hotel Cass, and Hyatt Chicago Magnificent Mile (formerly The Wyndham Chicago).

Details on the extensive scope of the Essex Inn repositioning will be released at a later date.

For more information about Essex on the Park, please visit RentEssex.com.

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 hospitality, mixed-use, senior housing, multifamily, urban retail, parking, and other operationally intensive forms of real estate. This includes 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. Its current portfolio includes a growing collection of upscale, upper upscale and luxury lifestyle hotels and hospitality brands including Bay Harbor, Beach, Cass, Essex, SX, Felix, Godfrey, I|O, LondonHouse, LH, and Spa Boutique. For information, visit www.oxford-capital.com.

About Quadrum Global

Quadrum Global is a global real estate development, investment and management firm focused on value-add opportunities. Since 2009, the group has invested over \$1 billion in equity capital in US real estate. For more information, visit www.quadrumglobal.com.

About Mission Capital Advisors

Founded in 2002, Mission Capital Advisors, LLC is a leading national, diversified real estate capital markets solutions firm with offices in New York City, Florida, Texas, California, and Raleigh, North Carolina. The firm delivers value to its clients through an integrated platform of advisory and transaction management services across debt, mezzanine, and JV equity placement; commercial and residential loan sales; and loan portfolio valuation. Since its inception, Mission Capital has advised a variety of leading financial institutions and real estate investors on more than \$65 billion of financing and loan sale transactions, as well as in excess of \$14 billion of Fannie Mae and Freddie Mac transactions, positioning the firm strongly to provide unmatched loan portfolio valuation services for both commercial and residential assets. Mission Capital's seasoned team of industry-leading professionals is committed to achieving clients' business objectives while maintaining the highest levels of integrity and trust. For more information, visit www.missioncap.com.

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