



Paramount Hotel Group Adds Two Hotels to Growing Management Portfolio, Suburban Boston Properties First in New Relationship with Rockwood Capital

Aloft Lexington, Element Lexington Bring New Management Contracts to Five in 2013

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LEXINGTON, Mass. & FAIRFIELD, N.J.--(BUSINESS WIRE)--Paramount Hotel Group, an independent hotel management and ownership company, today announced it signed management contracts to operate the Aloft Lexington and Element Lexington hotels here in suburban Boston. It also marks a new relationship with real estate investment firm, Rockwood Capital, which recently acquired the hotels from Starwood Hotels and Resorts, Worldwide, Inc.

"We are building on our select core of savvy hotel investment groups who seek value in today's real estate market, and are stepping up their acquisition programs," said Ethan Kramer, president of Paramount.

"Rockwood, with more than \$6.4 billion invested today, is a sophisticated hotel investor that matches up well with our strategy of helping source meaningful real estate opportunities, assist with due diligence and operate the properties upon acquisition."

"Paramount has a good eye for identifying hotel real estate opportunities, especially in suburban markets with good risk / reward dynamics," said Tony Larino, Managing Director and Head of Lodging at Rockwood Capital.

"They provided great due diligence support and presented a number of strategic and tactical plans to immediately enhance returns. We look forward to the opportunity to work on additional projects together."

The two-hotel addition to Paramount's management portfolio marks the company's fourth and fifth new management contracts in 2013, pacing ahead of the company's previously announced plan to expand its management portfolio by 10-12 hotels in 2013. Last month, Paramount added a SpringHill Suites by Marriott and a Fairfield Inn & Suites by Marriott located in West Des Moines, Iowa, and a Courtyard by Marriott in suburban Cleveland, Ohio.

These properties, located just off the Massachusetts Turnpike at 727 Marrett Road in Lexington, are separate hotels, sharing the same site. "The Aloft and Element Lexington are less than five years old, in excellent physical condition and will require minimal enhancements as part of the change in ownership," Kramer said. "Our plan is to build on Starwood's excellent work and take advantage of the opportunities provided by our size and proprietary approach."

The hotels target distinctly different guest profiles, but share the advantages of economies of scale and the Starwood Preferred Guest program. Aloft Lexington offers 136 guest rooms, indoor pool, w xyz bar, fitness center and meeting space. Element Lexington is a high-end extended-stay hotel featuring 123 guestrooms designed for the longer-term guest with well-equipped kitchenettes, a fitness facility and meeting space.

About Paramount Hotel Group

Paramount Hotel Group is a third-party, independent management and ownership group that focuses on hotel operations, acquisition and development opportunities, construction management and technical services support. Additional information about the company may be found at www.paramounthotelgroup.com.

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