



NEWS RELEASE

FOR IMMEDIATE RELEASE

DATE: July 28, 2015

XENIA HOTELS & RESORTS ACQUIRES THE RIVERPLACE HOTEL IN PORTLAND, OREGON, THE CANARY HOTEL IN SANTA BARBARA, CALIFORNIA AND THE HOTEL PALOMAR IN PHILADELPHIA, PENNSYLVANIA

Orlando, FL – July 28, 2015 – Xenia Hotels & Resorts, Inc. (NYSE: XHR) (“Xenia” or the “Company”) today announced that it has acquired the fee simple interests in three high-quality lifestyle boutique hotels for a combined purchase price of \$245 million. The 84-room RiverPlace Hotel is located in downtown Portland, Oregon in a scenic riverfront location, directly adjacent to the popular Tom McCall Waterfront Park. The 97-room Canary Hotel is located in a prime location in downtown Santa Barbara, California. The 230-room Hotel Palomar is located within the heart of downtown Philadelphia’s Center City District near Rittenhouse Square. The Company currently forecasts that the hotels will generate EBITDA of \$7 to \$8 million for the remainder of 2015 and \$18.5 to \$20.5 million in 2016. All three lifestyle hotels will continue to be managed by Kimpton Hotels & Restaurants (“Kimpton”).

“We are thrilled to have acquired the RiverPlace Hotel, the Canary Hotel and the Hotel Palomar, three luxury lifestyle boutique hotels located in high barrier to entry markets with diverse demand generators.” said Marcel Verbaas, President and Chief Executive Officer of Xenia Hotels & Resorts. “The acquisition of these distinctive hotels further exemplifies our strategy of continually enhancing our portfolio by investing in high-quality assets in major lodging markets and key leisure destinations.”

“I am very pleased that we were able to execute on the opportunity to acquire three assets that are an excellent strategic fit, enhance our portfolio quality and are located in desirable lodging markets where we were not previously represented,” Verbaas continued.

The three hotels have exhibited consistently strong operating results, as illustrated by the portfolio’s average RevPAR of \$224.59, comprised of average occupancy of 85.4% and an average daily rate of \$262.93, during the trailing 12 months ending June 30, 2015. Additionally, the portfolio has generated RevPAR growth of 10.1% year to date through June 30, 2015.

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The RiverPlace Hotel in Portland, OR, features 84 guestrooms including 36 expansive suites and 10 riverfront 1 and 2 bedroom condominiums.

Recently renovated, the RiverPlace has become the established market leader with its irreplaceable riverfront location. Additionally, the hotel features the Three Degrees Waterfront Bar & Grill, a popular choice among guests and locals. Portland represents an attractive, diverse economy with a concentration of established corporate demand generators. With robust levels of corporate and tourist activity driving lodging demand, the Portland hotel market has continued to accelerate, as evidenced by the strong RevPAR growth of 11.7% in 2014 and 15.2% year to date through June 2015.



The Canary Hotel in Santa Barbara, CA, opened in 2005 and is a leading boutique lifestyle hotel in Santa Barbara. The hotel features 97 guestrooms including 23 suites. The Canary Hotel is the tallest and only full-service hotel in downtown Santa Barbara allowing the Hotel to offer unobstructed 360-degree views of Santa Barbara, the Santa Ynez Mountains, and the Pacific Ocean



from the rooftop terrace and pool. The hotel recently underwent a \$10 million capital investment to further position the property as a premier luxury boutique hotel allowing the property to consistently achieve high occupancy levels and rates, and continue to outperform its competitive set. The hotel's popular Finch & Fork Restaurant drives a high level of demand from both locals and hotel guests through a combination of culinary excellence and its prime location at the Corner of Chapala and Carrillo Streets amidst downtown Santa Barbara's primary commercial office, high-end retail, dining and cultural district.

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The Hotel Palomar in Philadelphia, PA, opened in October 2009 after a comprehensive transformation and renovation of a former historic office building near the Rittenhouse Square area of downtown Philadelphia. The Hotel features 230 guest rooms including 36 suites. Located in the heart of Philadelphia, the nation's fifth largest city, the Palomar is located one block from



Philadelphia's high-end Walnut Street shopping, dining, and entertainment district. Lodging demand in Philadelphia is strong and diverse, being driven by corporate, leisure and convention business, backed by the recently completed \$800 million expansion of the Pennsylvania Convention Center and substantial office space development in close proximity to the hotel.

All three hotels will continue to be managed by Kimpton, which has managed both the RiverPlace Hotel and the Canary Hotel since 2012, and the Hotel Palomar since its opening. In addition to these three hotels, Kimpton currently manages four other Xenia hotels, the Lorien Hotel in Alexandria, VA, and three Hotel Monaco properties in Chicago, IL, Denver, CO, and Salt Lake City, UT.

"We are excited to expand our relationship with Kimpton Hotels & Restaurants," continued Mr. Verbaas. "Kimpton's exemplary results have established the company as a leading choice for the management of high-quality boutique properties such as these three hotels. Our relationship with Kimpton gives us confidence that we will be able to achieve continued positive results and growth during our ownership of these hotels."

The Company funded the acquisitions with cash and its line of credit.

About Xenia Hotels & Resorts, Inc.

Xenia Hotels & Resorts, Inc. is a self-advised and self-administered REIT that invests primarily in premium full service, lifestyle and urban upscale hotels, with a focus on the top 25 U.S. lodging markets as well as key leisure destinations in the United States. The Company owns 49 hotels, comprising 13,054 rooms, across 20 states and the District of Columbia, and has a majority interest in two hotels under development. Xenia's hotels are primarily operated by industry leaders such as Marriott®, Hilton®, Hyatt®, Starwood®, Kimpton®, Aston®, Fairmont® and Loews®, as well as leading independent management companies, under various nationally recognized brands. For more information on Xenia's business, refer to the Company website at www.xeniareit.com.

About Kimpton Hotels & Restaurants

San Francisco-based Kimpton Hotels & Restaurants is a leading collection of boutique hotels and restaurants and the acknowledged industry pioneer that first introduced the boutique hotel concept to the United States. In 1981, Bill Kimpton founded the company that today is renowned for making travelers feel genuinely cared for through thoughtful perks and amenities, bold, playful design and a sincerely personal style of guest service. Out to help people live full, balanced lives, Kimpton aims to inspire with touches like yoga mats in every room, complimentary coffee and tea to start the day, hosted evening Wine Hour, in-room fitness programming and complimentary bike rentals. The award-winning restaurants and bars are led by talented chefs and bartenders that offer guests a chance to dine like a local. Kimpton is consistently ranked as one of the top companies in the Market Metrix Hospitality Index, Upper Upscale Segment, for Customer Satisfaction. The company is highly-regarded for its innovative employee culture and benefits and has been named a FORTUNE magazine “Best Place to Work” six times since 2009. Kimpton is continuously growing and currently operates over 60 hotels and 70 plus restaurants, bars and lounges in 30 U.S. cities. In January 2015, Kimpton was welcomed into the InterContinental Hotels Group (IHG) family of hotel brands, bringing together two special cultures and sets of values to create the world's largest boutique hotel business. For more information, visit www.KimptonHotels.com.

This news release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as “anticipate,” “believe,” “expect,” “will,” “may,” “estimate,” “plan,” “outlook,” “forecasts,” and “project” and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. Forward-looking statements include statements in this press release regarding the acquisition of certain properties identified in the news release and Xenia’s expectations with respect to projected future performance of the properties. Forward-looking statements are based on Xenia’s current expectations and beliefs, which we believe to be reasonable, and involve a number of risks and uncertainties that are difficult to predict and that could cause actual results to differ materially from those stated or implied by the forward-looking statements.

A further description of these risks, uncertainties, and other matters can be found in the Risk Factors detailed in Xenia's Annual Report on Form 10-K as filed on March 27, 2015, as well as other filings we make with the Securities and Exchange Commission. Because forward-looking statements involve risks and uncertainties, actual results and events may differ materially from results and events currently expected by Xenia, and Xenia assumes no obligation and expressly disclaims any duty to update information contained in this news release except as required by law.

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For additional information or to receive press releases via email, please visit our website at www.xeniareit.com

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