



NEWS RELEASE

FOR IMMEDIATE RELEASE

DATE: August 11, 2015

XENIA HOTELS & RESORTS AGREES TO ACQUIRE THE HOTEL COMMONWEALTH IN BOSTON, MASSACHUSETTS

Orlando, FL – August 11, 2015 – Xenia Hotels & Resorts, Inc. (NYSE: XHR) (“Xenia” or the “Company”) today announced that it has agreed to acquire the Hotel Commonwealth in Boston, Massachusetts for a purchase price of \$136 million. The luxury independent, boutique lifestyle hotel is located in the Kenmore Square neighborhood of Boston in close proximity to Fenway Park and Boston University and, upon completion of its current expansion project, will boast 245 of the largest and most appealing rooms in the city of Boston. The hotel is currently undergoing a significant expansion including the construction of a new six-story wing featuring 96 additional guest rooms, over 7,000 square feet of indoor meeting space, nearly 1,700 square feet of outdoor patio space and a three-level parking garage. The transaction, which is subject to satisfactory completion of the expansion project and customary closing conditions, is expected to close in early 2016. The hotel will continue to be managed by Sage Hospitality (“Sage”).

“We are excited to have reached an agreement to acquire the Hotel Commonwealth, which allows us the opportunity to expand our presence in the highly desirable Boston market,” said Marcel Verbaas, President and Chief Executive Officer of Xenia Hotels & Resorts. “The combination of the quality level of the hotel, its location in a vibrant neighborhood in a major lodging market and the opportunity to expand our relationship with Sage results in an excellent strategic fit for Xenia.



With the addition of this hotel, the upcoming completion of our Grand Bohemian Hotels in Mountain Brook and Charleston and our recent acquisition of the three Kimpton hotels in Portland,

Philadelphia and Santa Barbara we have successfully increased our presence in the lifestyle boutique segment across a number of dynamic lodging markets, which is a key component of our strategy.”

The hotel is ideally located near high-quality demand generators including Fenway Park, Boston University, Back Bay, Longwood Medical Area, and Newbury Street. The desirability of the hotel and its location for both corporate and leisure travelers is evidenced by its RevPAR of \$235 during the trailing 12 months ending June 30, 2015. The Company currently forecasts that the hotel will generate EBITDA of \$9.5 to \$11 million during 2016.

The Hotel Commonwealth opened in 2003 and is a luxury hotel with large, well-appointed guest rooms, averaging approximately 500 square feet in size. The hotel completed a comprehensive renovation of its existing guest rooms in early 2014 while the lobby and meeting space were renovated in the first half of 2015. The hotel has an irreplaceable location between Fenway Park and Boston University in the Kenmore Square section of Boston, one of the most desirable in-town neighborhoods in Boston. The hotel is just west of Back Bay, the center of Boston and home to the John Hancock Tower, the Prudential Building, Copley Square and Newbury Street, the premier retail destination in Boston. Immediately southwest of the hotel is the Longwood Medical Area, the largest concentration of hospitals, medical schools, and medical research facilities in Boston. Located on the street level below the hotel are three world-class restaurants and bars, as well as nearly 12,000 square feet of retail space. The Eastern Standard Restaurant and the Island Creek Oyster Bar are two of the most popular and highly decorated restaurants in Boston, while the Hawthorne Lounge is nationally known for its innovative cocktails. Eastern Standard currently handles all room service and banquet/catering functions at the hotel. The restaurants and retail space are not being acquired in this transaction.



Sage Hospitality has managed the hotel since 2012. Sage currently manages two additional hotels in the Xenia portfolio, the Marriott Napa Valley Hotel & Spa and the Residence Inn Denver City Center.

“We are very pleased to expand our relationship with Sage Hospitality,” continued Mr. Verbaas. “We believe Sage’s extensive experience in operating unique boutique properties, its in-depth knowledge of this property and our strong existing relationship make the company an ideal fit as the continued operator of this hotel.”

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 Sage Hospitality

Founded in 1984, Sage Hospitality has grown into one of the largest privately held hospitality investment, management and development companies in the nation operating more than 70 premium branded and premier and lifestyle hotels. Today, Sage Hospitality manages hotels under the Marriott, Starwood, Hilton and Hyatt brands in addition to operating a growing number of independent, non-branded properties. For more information on Sage Hospitality, please visit www.sagehospitality.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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