

PRESS RELEASE

**MORGAN STANLEY REAL ESTATE INVESTING AND PARIS INN GROUP
ANNOUNCE SALE OF A 3 HOTEL PORTFOLIO IN PARIS TO SWISS LIFE REIM (FRANCE)**

Paris, December 10, 2015 - An investment fund managed by Morgan Stanley Real Estate Investing (“MSREI”) and Paris Inn Group, investment and hotel assets management expert, announced completion of sale of a 3 4 stars hotel portfolio located in Paris to Swiss Life REIM (France) on behalf of a club deal fund dedicated to upscale hotel segment.

Swiss Life REIM (France), specialist of real estate asset management, has chosen to entrust Paris Inn Group with the management of the 3 hotels as part of a 12 year lease management contract.



« We are pleased to have achieved this transaction with Paris Inn Group », says Fabrice Lombardo, Head Real Estate funds & Portfolio Management of Swiss Life REIM (France).

« This is our second hotel acquisition this month, our upscale hotel fund has now more than 300 million euros under management and investment round continues as investors express interest. We believe that this segment offers real value creation potential » adds Johanna Capoani, senior fund manager at Swiss Life REIM (France).

Grégory Pourrin, CEO of Paris Inn Group adds « the completion of this operation confirms that our group represents an attractive and credible long term partner. The confidence placed by Swiss Life REIM will allow us to pursue our development strategy. ».

The 3 hotels, totaling an overall capacity of 400 rooms, are strategically located in the heart of Paris. Recently renovated or under renovation, they have all benefited from an upmarket positioning strategy and offer potential for attractive value creation:

- [BEST WESTERN PREMIER Opéra Faubourg](#), formerly known as « Jules », has a capacity of 103 rooms, a lobby and a bar with a British vintage look. Ideally located in the heart of the 9th district of Paris, close to Gare du Nord, Gare de l’Est et Gare Saint-Lazare, this elegant 4 stars boutique-hotel has undergone recent renovation completed in February 2015.
- Located right by Gare de l’Est, a few meters away from Gare du Nord and close to Canal Saint-Martin, [Holiday Inn Paris Gare de l’Est](#) has a privileged location in a growing dynamic neighborhood, at the crossroads of Europe. After complete renovation, this 4 star hotel includes since July 2015 an elegant and modern inspired decoration under the sign of « Spring Spirit ». The hotel has 207 rooms, a lobby, a bar, a breakfast area and five meeting rooms with natural daylight.

- [Hotel Beauchamps](#) is currently under a renovation program which will be completed in spring 2016. Located in the 8th district, very close to the Champs Elysées, this 4 stars boutique-hotel ideally located in the heart of touristic Paris. It will ultimately offer 90 rooms, a lobby, a bar, a breakfast area and a fitness room.

Contributors to the sale :

Vendors :

- Freshfields : Antoine Colonna, Flavia Poujade
- GIDE : Guillaume Navarro
- Cabinet DESFILIS : Frederic Pinet, Nathalie Hollier-Cheyne
- JTBB : Jean-Marie Job
- Easton Corporate Finance : Thomas Gaucher, Julie Duvillier Raoul, Julien Choppin
- Étude Flusin & Associés : Cécile Miralles
- Deloitte & In Extenso : Pascal Souchon
- Auditor : Didier Hassan, Enguerrand Boissonnet
- Accounting Expertise : Stéphane Belin

Buyer :

- GIDE : Nadege N'Guyen, Laurent Modave
- Notaires du Trocadéro : Vincent Gérard
- PWC : Geoffroy Schmitt, Bernard Borrelly

About Paris Inn Group :

Paris Inn Group owns and manages 29 four- and five-star hotels, mostly located in Paris. It employs 700 people dedicated to helping the group achieve an outstanding level of performance (95% annual occupancy rate), a RevPAR above its benchmark of 15 to 25% and average gross operating income of 50% of annual turnover. In 2014, Paris Inn Group created the first Sino-French hotel sector joint venture with China's biggest operator, Plateno Group. The partners' aim is to establish 200 five-star hotels together under the "Maison Albar" brand. Paris Inn Group has a current annual turnover of €81.4 million and is targeting €1 billion in 2025.

More information on www.paris-inn-group.com

About Swiss Life REIM (France)

Founded in 2007 by Frédéric Bôl, Swiss Life REIM (France) is the subsidiary of the Swiss Life group for real estate asset management for third parties in France. Thanks to specialized teams combining real estate, legal and financial skills, Swiss Life REIM (France) offers tailored solutions to institutional investors in fund management, real estate portfolio management, asset management and property management. As of end of June 2016, Swiss Life REIM (France) manages more than 6.4 billion euros, in offices, retail, housing, student homes, healthcare and hotels.

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