



*For Immediate Release*

### **Virgin Hotels Announces Purchase of Chicago Property**

CHICAGO, October 24, 2011—Virgin Hotels, a new four-star lifestyle hotel brand, announced that its property venture has purchased the Old Dearborn Bank Building in downtown Chicago in an all-cash transaction. Virgin Hotels will convert the former office building and expects to re-open it as Virgin Hotel Chicago in the fall of 2013.

The 27-story Art Deco building, a Chicago landmark designed by C.W. and George L. Rapp Architects in 1928, has significant historic and architectural features that will be restored and recreated.

Located at 203 N. Wabash Avenue, at the corner of Wabash and Lake, the property is in the heart of Chicago's Loop. The new hotel will have 250 guest rooms and feature meeting spaces, restaurants, lounges and other public areas that reflect the Virgin brand's stylish and functional legacy.

"This transaction is a first step towards our goal of building a portfolio of hotels that anticipate and respond to the needs of today's travelers and set a new standard for the industry," said Anthony Marino, Managing Partner, Leisure and Hospitality, Virgin Group and head of Virgin Hotels. "The Virgin Hotels team is focused on finding the best locations and strongest partners to bring Virgin's product vision to life for our 60 million customers around the world."

Virgin Hotels President and COO Raul Leal said, "Chicago is a top destination for pleasure and business, with all the qualities we look for in Virgin Hotels locations: it's economically vibrant, culturally exciting, and a sports and entertainment hub. But it also has a world-renowned architectural heritage, and we are eager to contribute to its continued acclaim."

Virgin Hotels has selected The John Buck Company to execute the redevelopment of the iconic Dearborn Bank Building. Marino said, "The John Buck Company offers a unique blend of local knowledge, global perspective and strong execution, a combination we're looking for in partners for our other locations."

"We are thrilled to be able to partner with Virgin Hotels to revitalize this beautiful landmark building and to create an exciting new hotel destination in downtown Chicago," said Jack Buck, Principal, The John Buck Company.

"This investment is another great example of the hotel community's support and commitment to Chicago, as well as their faith in the future of tourism in the city," said Mayor Rahm Emanuel. "We commend Virgin Hotels for the 675 construction jobs and many permanent jobs they will create in Chicago, and we welcome the visitors they will bring to enjoy the city's cultural attractions and offerings."

Virgin Hotels has an active pipeline of properties in gateway cities, including Los Angeles, Miami, New York, San Francisco, Washington DC, and London, locations where Virgin Hotels is pursuing hotel and office conversions, as well as ground-up development. “As a result of our anticipated development growth, it is highly likely that one or more Virgin Hotels will open before Virgin Hotel Chicago,” said Marino. “We are ready to respond to the growing number of unique real estate and repositioning opportunities generated by the current environment.”

Virgin Hotels was launched in September 2010 with plans to develop and operate gateway city hotels with 150 to 400 guest rooms, restaurants, and public spaces. The brand is designed to attract the same highly-valued business and leisure traveler whose loyalty Virgin has captured over the last 25 years.