

AJ CAPITAL PARTNERS



CHICAGO ATHLETIC ASSOCIATION |





WE DARE TO
DREAM. AND
CREATE.

**WE SEE VALUE
WHERE OTHERS
SEE DECAY.**





**WE CONQUER
SPACE AND GIVE IT
BACK MEANING.**

**WE REJUVENATE
PLACES THAT
OTHERS PASS BY.**

CHICAGO ATHLETIC ASSOCIATION

**THE ONLY
THING
GREATER THAN
OUR PASSION
IS OUR
POSSIBILITY**



WE ARE AJ CAPITAL PARTNERS.



We are counter-culture investors who acquire, design, and develop transformative real-estate.

We began our adventurous journey in 2008 in the midst of the financial crisis. With decades of combined experience in the hospitality space, we saw an opening few others would dream of — and we pounced.

**“WE ARE COUNTER-CULTURE INVESTORS
WHO ACQUIRE, DESIGN, AND DEVELOP
TRANSFORMATIVE REAL-ESTATE.”**

While the world saw doom and gloom, we saw opportunity. Our bets were placed on the luxury segment. Soon we owned our first luxury boutique hotel — the storied Isle de France on St Barth. The rest is, as they say, history.

In our own hometown of Chicago, when we noticed the West Loop neighborhood on the rise but under-served, we developed a unique urban club and hotel, Soho House — a space we specially prepared for members and guest to feel comfortable, connected, and inspired. When we noticed an unappreciated landmark with 130 years of history — the Chicago Athletic Association — whose story wasn't being told, we set our sights on carefully restoring it while enhancing it to its full potential.

And when we visited unique college towns and noticed that the big box hotels and run-down motels had a lock on the market — we saw an opportunity to inspire by delivering an experience worthy of the storied universities that people have come to visit.

While each of the cherished projects are significant and meaningful themselves, these are just the beginning of our story. What stirs us, what drives us, is what we and our partners will accomplish next.



THE WORLD IS FILLED WITH SPACES BUT LARGELY DEVOID OF PLACES

Our senses are assaulted by spaces that either lack inspiration or where their original intent has been diluted through time. And as a culture, we still have much to learn from our past mistakes. We replaced strip malls with outdoor malls that present repeating cookie-cutter stores; and our 1950s suburbs grew in scale as McMansions—but didn’t gain any more character or meaning. Likewise, placid sameness endures in the hotel space with chains that differentiate on the surface, but all serve up the same stale experiences.

The world doesn’t need another cookie-cutter venue delivered by disconnected real estate developers. What’s missing from the conversation is an understanding of who we are as a species. Human beings wither away without social interaction.

We crave authenticity and connection. **We define ourselves in relation to each other—context is everything.**

Our firm belief is that if presented with the opportunity to partake in an experience that has been crafted with compassionate consideration the public will choose this over the alternatives time and again.

We build not for tourists but for travelers. The dreamers and the seekers, the romantics, the lovers of life.

To boil things down: we seek out and exploit lackluster experiences and inefficiencies in micro-markets to deliver experiences that far exceed our slow-moving competition and that bests expectations.

EVERYTHING WE DO TELLS A STORY.

WE EMBRACE:

BOUNDLESS OPTIMISM

We want to make the world a better place by making better places in the world. And no place is too small to make a difference—a hotel lobby, if designed well, can transform and rejuvenate an entire neighborhood. Design is a proven cure. The only thing we are limited by is our imagination.

THE PURSUIT OF EXCEPTIONALISM

Rich experiences are the only ones worth pursuing. And we pursue these with tenacious determination, often despite the odds. We seek to create places that relax and stir—where people are more deeply connected with themselves and others.

COMPOUNDING RETURNS

Each project we take on is more than the sum of its parts. And when we deliver something that matters, the returns follow—both for people and our bottom line.

GUARANTEED EXECUTION

Execution is not a goal or a promise. For us it is a certainty. We close deals that we initiate and develop what we set out to do. We are both starters and closers.

CULTURE OVER FASHION

We celebrate timeless style and consider history a good lens to filter and highlight that which carries enduring significance. We embrace the contemporary but reject trends of fashion or markets. Our intent is to create lasting value and we aspire to inspire.

COMMUNITY-BASED DEVELOPMENT

We develop spaces and experiences that are at home within their environments and communities. Capture locality and travelers will follow.

REAL ESTATE = OUR TANGIBLE IMPACT AND LEGACY.

Where others see bricks, mortar and square feet we see a frame for storytelling, passions, and shared experiences. As stewards of these places, it is our job to allow each of them to sing and to treat each person who enters as a member of our family. We create true, lasting value when we honor the context, people and stories of a location.



AJ CAPITAL IS: [TRANSFORMATIVE HOSPITALITY]

[With steadfast conviction we dare to dream big, work hard, and to stick it through to break new ground.]

[We believe in the basic goodness and decency in people and we think they are deserving of the best hospitality and consideration possible.]



GRADUATE HOTELS

2014

Launched in 2014, Graduate Hotels is a boutique hotel collection targeting dynamic university-anchored towns across America. Graduate Hotels provide students, parents, locals, visitors and professors alike a respite from the ordinary. Inspired by community enthusiasm surrounding Chicago's highly successful Hotel Lincoln, AJ Capital embarked on a road trip – of sorts – traveling the nation's leading college and university markets. What we found surprised us: College towns are awash in enthusiasm – for sports, restaurants, bars, museums, and boutiques. Hotels, however, left much to be desired.

Each Graduate Hotel is part of a well-curated, thoughtfully crafted collection of hotels celebrating and commemorating the optimistic energy of its community while offering an extended retreat to places that played host to some of the best days of our lives. Current open and operating locations include Ann Arbor, MI; Athens, GA; Berkeley, CA; Charlottesville, VA; Lincoln, NE; Madison, WI; Minneapolis, MN; Oxford, MS; Richmond, VA; and Tempe, AZ. By 2020, Graduate Hotels® plans to operate more than 20 hotels across the country.





THOMPSON NASHVILLE

2014

Thompson Nashville launched in 2016 in the heart of one of Nashville's most dynamic neighborhoods, The Gulch. The Hotel features a signature ground floor restaurant, boutique retail space, and 224 guest rooms and suites. Twelve stories above the intersection of 11th and 12th Avenues is a distinct indoor-outdoor rooftop venue set against the backdrop of dramatic, panoramic views from Downtown to SoBro.



THE PONTCHARTRAIN

2014

This 1927 gothic relic is as well-known for its illustrious past and distinguished guests as its cultural significance within the Lower Garden District. The hotel has been thoughtfully restored to maintain a historic feel while imparting a sense of modern comfort and style throughout the 106 rooms and suites that reflect the unique personality of today's New Orleans and the Garden District. The Pontchartrain features four distinguished food and beverage outlets – Jack Rose Cocktail Lounge, the re-imagined Bayou Bar and Silver Whistle Café, along with the hotel's new rooftop bar, Hot Tin boasting unparalleled views of the New Orleans skyline.





CHICAGO ATHLETIC ASSOCIATION

CHICAGO, IL – 2012

An architectural gem located on Michigan Avenue, directly across from Millennium Park, the Chicago Athletic Association (“CAA”) is the perfect marriage of irreplaceable location and distinctive character. The building enjoys uninterrupted views of the park and lake while at the same time being prominently visible and accessible to visitors of Chicago’s top attractions. A former club for Chicago’s elite, the reborn CAA contains over 225,000 square feet of carefully and dynamically programmed space designed to be both destination for the educated traveler and playground for inquisitive Chicagoans. Architecturally, the CAA is flush with ornate spaces. Emotionally, it’s an embarrassment of riches with 130+ years of stories to be told. The landmark property, originally constructed in 1892, opened in the summer of 2015 and provides an experience heightened by unparalleled food and beverage options.



CALISTOGA RANCH

2013

The renowned Calistoga Ranch lies tucked away into a private canyon in Upper Napa Valley on a 157-acre site marked by ancient oaks, majestic hills, a rock-hewn stream and a private lake. The 50-room luxury resort captures the rich culture of food, wine and nature inherent to the region. Designed with relaxation in mind, lodges offer visitors the ultimate experience with a collection of indoor and outdoor spaces that allow guests to fully experience the pristine setting.





THOMPSON HOTEL

CHICAGO, IL – 2011

Located in the heart of Chicago's Gold Coast, Thompson Chicago debuted in the Fall of 2013 after a complete renovation of the former Sutton Place Hotel. This luxury, 247-room lifestyle hotel features bold interior architecture by acclaimed British designer Tara Bernerd and a signature restaurant, bar and private dining experience by the innovative Chicago restaurateurs One Off Hospitality (Blackbird, Avec, Publican).



WEWORK WEST LOOP

CHICAGO, IL – 2013

Located in the West Loop, one of Chicago's most desirable and rapidly growing areas, this 90,000 square foot former meat packing facility was redeveloped into creative co-working office space now occupied and managed by industry leading WeWork based out of New York. WeWork West Loop Chicago is anchored between Fulton Market and Randolph St., two thoroughfares that continue to attract the world's top restaurateurs and businesses including the Chicago headquarters for Google and McDonald's.





SOHO HOUSE

CHICAGO, IL – 2012

Soho House Chicago is a prominent hotel and private club, located in a historic five-story industrial building in Chicago's West Loop neighborhood. Originally built in 1908 as the Chicago Belting Factory and most recently functioning as a rubber seal manufacturer, the loft-style building has large, efficient floor plates and is solidly built of concrete and brick. Soho House combines a hotel and private social club with exquisite food and dining options, including 40 guest rooms, two public restaurants, a full floor fitness center, spa, 40 seat screening room and a club floor available only to guests and members. The building features an enclosed rooftop bar and an outdoor deck with an 80-foot swimming pool.



HOTEL LINCOLN

CHICAGO – 2010

The 184 room Hotel Lincoln was bought as a shuttered Days Inn and successfully renovated and repositioned, opening to the public in March 2012. Situated in the beautiful Lincoln Park neighborhood of Chicago, the Hotel offers a window into the most dynamic part of Chicago's North Side and features artfully appointed rooms. Upon opening, food and beverage outlets included the award winning Perennial Virant Restaurant by Boka Group, Elaine's Coffee Shop and the J. Parker Rooftop bar. Like the neighborhood, the hotel is historic yet fresh, fun though eccentric and active but relaxed. It's where the energy of urban life meets 1,200 green acres and Lake Michigan.





HOTEL SAINT BARTH

ISLE DE FRANCE – 2009

Set in the French West Indies amidst enchanting tropical gardens overlooking the sea, each of the 40 rooms, suites and villas is individually decorated with refined European heritage. The hotel heralds a first class poolside restaurant, a beachfront restaurant, a high-end boutique, a first class spa and fitness room and two main swimming pools. This extraordinary asset was sold to strategic buyer, LVMH Group, becoming the jewel in their illustrious portfolio.



THE RALEIGH HOTEL

MIAMI, FL – 2009

Known as “One of the Grand Dames” of the legendary Art Deco style architecture, this 105-room hotel has a prime beachfront location on Collins Avenue in South Beach. The outdoor restaurant and beach oasis further enrich the Raleigh Pool, long considered the best pool in America.



AUBERGE RESORTS
2008

Auberge Resorts manages a collection of exceptional hotels, resorts and private clubs, all of which embody a unique sense of place, while sharing Auberge’s signature sense of understated luxury, timeless sophistication, and warm, gracious service.



MALLIOUHANA RESORT & SPA
ANGUILLA, BWI – 2013

Located on the Island of Anguilla, British West Indies, Malliouhana is one of the original gems of the Caribbean. The Hotel is a world-renowned, 44-key hotel set within 20 acres of prime beachfront land (with two private beaches) located on Meads Bay in Anguilla, one of the world’s finest natural beaches in one of the most charming and exclusive islands of the Caribbean. The Hotel consists of a number of buildings including private villas, two restaurants and bars, a world-class spa and various sports amenities. AJ Capital successfully sourced the off-market acquisition, completed the extensive renovation in a very challenging Caribbean locale, and launched the Hotel to wide acclaim.



PROVEN APPROACH. CONSISTENT RESULTS.

WE GET THERE OUR WAY.

01

CONTRARIAN MINDSET

- Invest and develop when others show hesitation
- Find rough gems to avoid the herd and competitive bidding
- Strategically pursue new platform opportunities

02

RIGOROUS EVALUATION

- Maintain disciplined decision making and institutional quality practices
- Conduct exhaustive due diligence
- Cultivate a vast network of experts and advisors

03

CREATIVE EXECUTION

- Create alternative forms of liquidity by partnering with distressed owners
- Capitalize on opportunities to purchase notes
- Purchase at deep discounts to replacement costs

04

STRATEGIC DEVELOPMENT

- Align architecture, design, and engineering teams with their strengths
- Organically develop programs to match local market needs
- Maintain aggressive speed to market while mitigating investor risk

05

BRAND BUILDING

- Creatively and comprehensively reposition, rebrand, and renovate
- Pursue strategic expansion opportunities
- Uncover value by finding alternative uses for underutilized spaces
- Selectively execute adjacent acquisitions

06

AGGRESSIVE MANAGEMENT

- Actively asset-manage investments through frequent and detailed reviews and adjustments
- Restructure existing hotel agreements and other contracts that limit the customer experience
- Utilize benefits of scale across the AJCP platform—sales, marketing, purchasing and technology

07

STRATEGIC MONETIZATION

- Constantly monitor and evaluate of exit alternatives
- Determine hold period determined for each investment to avoid forced sales (avg. 4-6 years)



2008

AJCP is **founded** by Ben Weprin

Auberge Resorts Investment

2009

Isle De France – Saint Barth Investment

The Raleigh – Miami Investment

2010

Hotel Lincoln – Chicago Investment

2011

Thompson – Chicago Investment

The Raleigh – Miami Disposition

2012

Soho House – Chicago Investment

Chicago Athletic Association Investment

2013

Malliouhana – Anguilla Investment

Isle De France – Saint Barth Disposition

WeWork – Chicago Investment

Graduate Hotels® Established

Hotel Lincoln – Chicago Recapitalization

Calistoga Ranch – Napa Valley Investment

2014

Pontchartrain Hotel – New Orleans Investment

Graduate Tempe
Graduate Oxford
Graduate Athens
Graduate Madison
Graduate Charlottesville Investment

Thompson – Nashville Investment

2015

Graduate Richmond
Graduate Durham
Graduate Lincoln
Graduate Berkeley
Graduate Ann Arbor Investment

Nashville Mixed-use Project Investment

2016

Hotel Lincoln – Chicago Disposition

Auberge Resorts Disposition

Graduate Minneapolis Investment

2017

Graduate Hotels® Recapitalization

Graduate Bloomington
Graduate Nashville
Graduate Iowa City
Graduate New Haven
Graduate Providence
Graduate Columbus
Graduate Roosevelt Island
Graduate Seattle Investment

2018

The Armory – San Francisco Investment

Soho House – Chicago Disposition

WeWork – Chicago Disposition



A FAMILY OF LIKE-MINDED ENTREPRENEURS

WE ARE ENTREPRENEURS WITH INSTITUTIONAL SMARTS AND RIGOR.

Our close-knit, highly accomplished team draws on our diverse and multi-disciplinary backgrounds to source deals, manage our portfolio, raise capital, design and develop real estate, manage properties, build brands and inspire people.

WE CHOOSE OUR PARTNERS WELL.

Our investors span the gamut from private individuals to storied institutions. They are matched with our projects based on needs, risk, and characteristic. Our partners, be they hotel managers, designers or developers are all at the top of their fields. Each project we do is unique and so are the people we choose to work with.

IMPORTANT INFORMATION

This presentation (this "Presentation") is furnished on a confidential basis for informational purposes only and is being provided to you as a general introduction to AJ Capital Partners (together with its affiliates, "AJCP"). This Presentation is not an offer to sell or a solicitation of an offer to buy limited partner or other interests in any fund (a "Fund") sponsored by AJCP or any investment vehicle or any other security. The information contained herein must be kept strictly confidential and may not be reproduced or redistributed in any format without the express written consent of AJCP.

Any past performance information relating to investments or entities managed by AJCP or its affiliates is not necessarily indicative of future results and there can be no assurance that any Fund or any investment made by a Fund will achieve results comparable to those referred to in this Presentation. Neither AJCP nor any of its affiliates makes any representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein. In addition, certain information contained herein has been obtained from third-party sources. While such sources are believed to be reliable, none of AJCP, its affiliates or their respective partners, members, employees, representatives or agents assumes any responsibility for the accuracy or completeness of such information. Unless stated otherwise, statements in this Presentation are made as of the date hereof; such information is subject to change, and AJCP is under no obligation to update this information.

This Presentation may contain forward looking statements that are based upon certain assumptions, including projections or other estimates of operational results, returns or performance of particular investments, underwriting cases for fund investments (including target returns) and anticipated fund terms and investment features. Prospective investors should not rely on these forward looking statements in deciding whether to invest in a Fund. Other events which were not taken into account may occur and may significantly affect the actual returns or performance of a Fund and/or any of the investments made by a Fund.

“

**EVERY MORNING YOU HAVE TWO CHOICES:
CONTINUE TO SLEEP WITH YOUR DREAMS OR
WAKE UP AND CHASE THEM.**

”

**WE ARE AJ CAPITAL PARTNERS—
COUNTER-CULTURE INVESTORS WHO ACQUIRE,
DESIGN, AND DEVELOP TRANSFORMATIVE
REAL-ESTATE. WHERE OTHERS SEE BRICKS,
MORTAR AND SQUARE FEET, WE SEE
A FRAME FOR STORYTELLING, PASSIONS,
AND SHARED EXPERIENCES.**

CONTACT

P 312.267.4185 E info@ajcpt.com
133 N Jefferson St, 4th floor, Chicago, IL 60661

www.ajcpt.com