



S O F I T E L
Chicago Magnificent Mile

Investment Summary



JLL has been engaged as the exclusive advisor for the sale of the fee-simple interest in the 415-key Sofitel Chicago Magnificent Mile (referred to as the “Sofitel”, “Offering”, “Property,” or “Hotel”), a luxury hotel located in the heart of Chicago’s most desirable and affluent neighborhood, the Gold Coast. The Hotel enjoys a premier location, situated just two blocks west of Chicago’s renowned Magnificent Mile on Michigan Avenue and two blocks south of the Oak Street luxury retail corridor. Adjacent to Rush Street’s world-class dining scene, the Property benefits from its coveted southern Gold Coast address, positioned just north of the trendy River North neighborhood, home to many of the city’s most centrally located tourist destinations, offices, and upscale restaurants and nightlife venues.

Designed by renowned French architect Jean-Paul Viguier, the Sofitel originally opened in 2002 and is housed in one of Chicago’s most recognizable buildings that underwent a comprehensive \$12.8 million or \$31,000 per key guestroom renovation in 2018. This Offering represents a rare opportunity to acquire one of Chicago’s premier luxury hotels with a timeless and irreplaceable downtown location, well positioned to capture a substantial increase in demand from a targeted capital refresh.



Summary of Facilities & Amenities

Address	20 E Chestnut St, Chicago, IL 60611
Guestrooms	415 guestrooms, 61 suites
Built / Renovated	2002 / \$12.8M guestroom renovation in 2018
Capital Expenditures	±\$20.1M (±\$48,300 per key) capital improvements since 2014
Site / Tenure	±.48 acres / Fee-simple
Gross Building Area	371,771 square feet
Labor	Union: F&B and Engineering Non-Union: Remaining Departments
Brand	Sofitel by Accor (Expires Dec 31, 2041)
Management	Remington Hotels (offered unencumbered)
Food & Beverage	<ul style="list-style-type: none">• Café des Architectes (CDA)• Le Bar• La Terrace
Event Space	<ul style="list-style-type: none">• ±13,000 square feet of total event space• ±4,600 square foot Grand Ballroom
Parking	<ul style="list-style-type: none">• On-site and off-site valet parking: \$85 per day• Hotel includes 36 subterranean parking spaces
Other Amenities	<ul style="list-style-type: none">• Fitness center• Two business centers• Room service

Investment Highlights

Exceptional Location in Chicago's Exclusive Gold Coast Neighborhood

The Sofitel benefits from its exceptional location in the heart of downtown Chicago's wealthiest and most prestigious neighborhood – the Gold Coast. From its world-class shopping and dining to its historic landmarks and cultural attractions, the neighborhood offers a quintessential Chicago experience that's hard to find anywhere else. Featuring luxury international brands as well as rare local boutiques, the Gold Coast is a shopper's heaven. The area is home to some of Chicago's renowned eateries with several earning Michelin star awards. Many of its restaurants are among the most popular and highest grossing independent restaurants in the country, including Gibsons Bar and Steakhouse and Hugos Frog Bar & Fish House. Visitors benefit by having the option to explore the iconic Magnificent Mile and Oak Street shopping corridors, admire the stunning architecture along Astor Street, enjoy the bustling nightlife on Rush Street or simply soak in the beauty of Lake Michigan.

The Sofitel is ideally just two blocks west of the Magnificent Mile; adjacent to Rush Street; one block south of the Oak Street luxury shopping district; and is within a one-mile radius of 38 million square feet of class A office stock. This unique positioning places guests mere steps from the elite shopping, the celebrated restaurants that define the neighborhood's energetic nightlife, and iconic cultural landmarks, creating a powerful synergy of accessibility and prestige that is fundamental to its appeal for both luxury leisure and discerning business travelers.





Best-In-Class, Institutional Quality Asset

Boasting an iconic design by renowned French architect Jean-Paul Viguier, the Sofitel Chicago Magnificent Mile stands as a premier luxury asset in one of the nation's most coveted neighborhoods.

Housed in a 32-floor, prism-shaped skyscraper, guestroom and public spaces capitalize on the hotel's unique shape through ample natural light flooding in and upper floors providing stellar Magnificent Mile, Lake Michigan and downtown Chicago views through oblong windows. The Sofitel Chicago Magnificent Mile is defined by 415 contemporary, luxurious guestrooms with oversized windows and approximately 13,000 square feet of sophisticated event space. The guestrooms and event space combined with two uniquely French-inspired food and beverage outlets on the lobby level, firmly establish the Hotel as a top-tier hospitality offering within Chicago's exceptional lodging market.

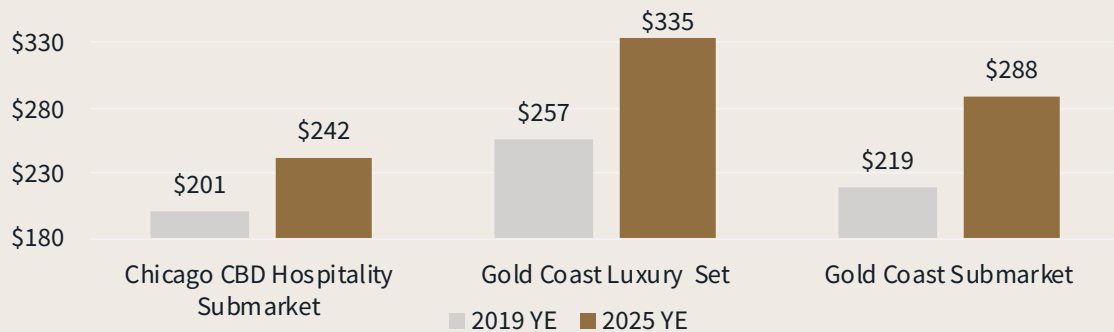
The Sofitel underwent an extensive \$12.8 million (\$31,000 per key) guestroom renovation that was completed in 2018, breathing new life into the Property. Consequently, the guestrooms are offered in excellent physical condition, providing a new owner with a distinct competitive advantage and a clear opportunity to drive incremental ADR growth by implementing a targeted soft-goods refresh within the highest ADR performing neighborhood in the Chicago CBD.

Top Performing Lodging Market with Record Low Supply Pipeline

Chicago continues to be a resilient powerhouse in global travel evidenced by the hotel market and broader economic data showcasing consistent growth. Chicago's 3.2 percent January TTM RevPAR growth ranks sixth across the top 25 U.S. CBDs and represents a 3.7 percentage point premium over the national average growth rate. Moreover, the Sofitel sits within the Gold Coast neighborhood, where 2025 YE RevPAR surpassed 2019 year-end RevPAR by \$29 or 18 percent, the best performing neighborhood in nominal RevPAR and best performing neighborhood indexed to 2019 among the seven downtown neighborhoods. ADRs in the Gold Coast exceeded those of the broader Chicago CBD by \$46 in 2025 and surpassed the second-highest performing neighborhood, West Loop/Fulton Market, by \$32, demonstrating the pricing power attributable to the submarket's premier location and demographic profile.

Bolstered by formidable economic advantages, favorable return-to-office rates, transformative developments, and strong leisure tourism through major recurring events such as Lollapalooza, transient demand has surged. Concurrently, group demand, evidenced by the improved pace of convention center room nights, should fuel outsized RevPAR growth over the next five years given the historical 93 percent correlation between rooms booked at McCormick Place and CBD hotel occupancy. Furthermore, given the historical 76 percent inverse correlation between hotel supply growth and RevPAR growth, Chicago's CBD RevPAR growth should exceed the long-term average over the next five years given the expectation of limited new supply. There is currently only one new hotel under construction and over the past twelve months only one hotel has opened, representing less than two percent of the Chicago CBD's guestroom inventory. This should fuel improved liquidity and present a historic opportunity for well capitalized investors.

2025 vs. 2019 ADR



Source: Smith Travel Research



3.2%
Year-over-year RevPAR growth as of January 2026 TTM (#6 CBD in U.S.)

3.7
percentage point premium over the national average January 2026 TTM year-over year RevPAR growth

13.5%
RevPAR growth from 2019 YE to January 2026 TTM

4.6%
year-over-year increase in leisure demand as of 2025-year end. Represents record leisure room demand supported by a record summer

Leisure Demand

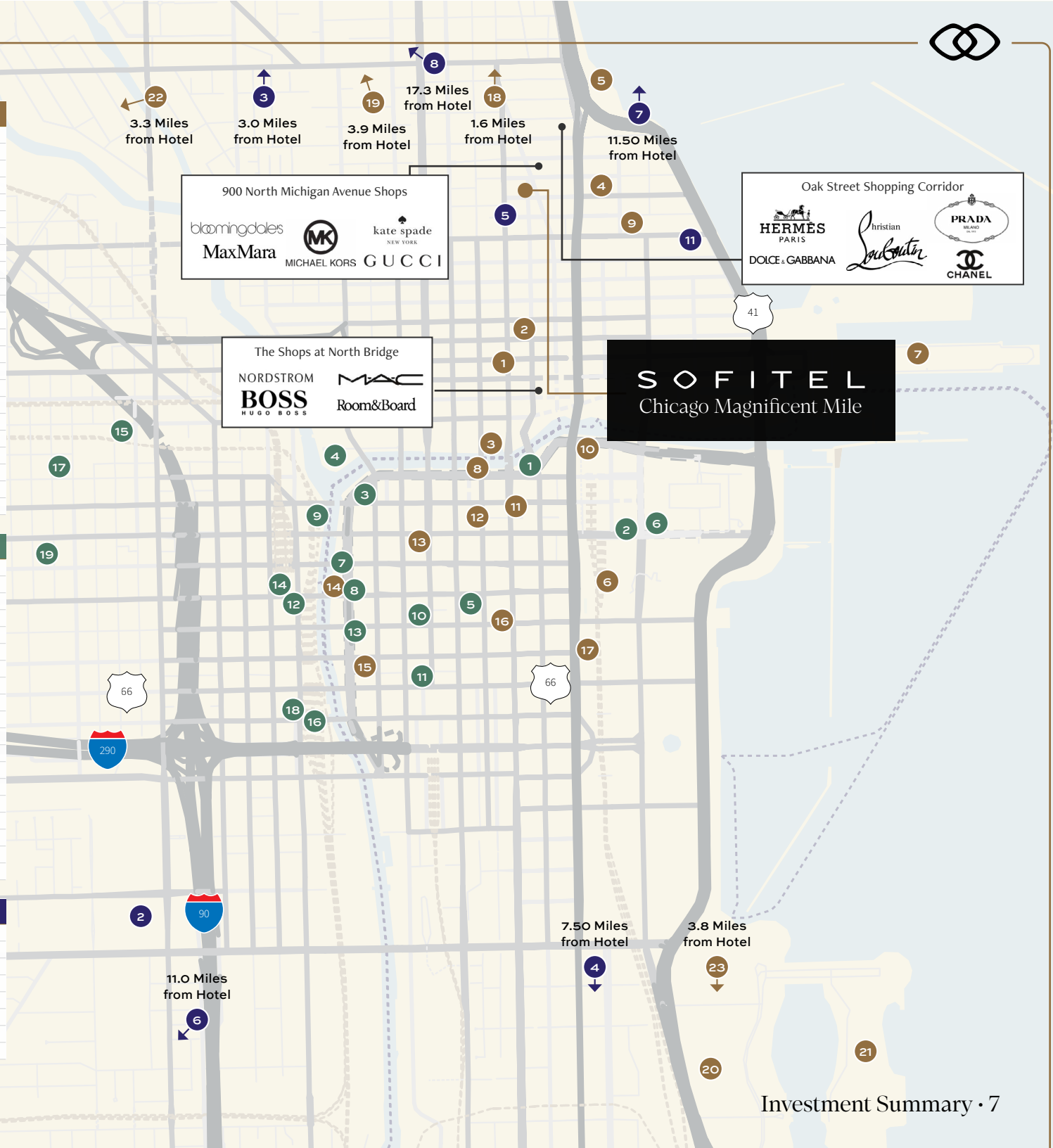
- 1 F1 Arcade
- 2 Bally's Casino Chicago
- 3 House of Blues
- 4 875 North Michigan Avenue
- 5 Oak Street Beach
- 6 Millenium Park
- 7 Navy Pier
- 8 Chicago Riverwalk
- 9 Museum of Contemporary Art Chicago
- 10 Chicago Architecture Center
- 11 The Chicago Theatre
- 12 Goodman Theatre
- 13 Cadillac Palace Theatre
- 14 Civic Opera House
- 15 Willis Tower
- 16 CIBC Theatre
- 17 Art Institute of Chicago
- 18 Lincoln Park Zoo
- 19 Wrigley Field
- 20 Soldier Field
- 21 Northerly Island
- 22 United Center
- 23 McCormick Place Convention Center

Corporate Demand

- 1 Latham & Watkins
- 2 AON, KPMG, JLL, and Kraft Heinz
- 3 Nuveen
- 4 Salesforce and Kirkland & Ellis
- 5 JPMorgan Chase & Co
- 6 Blue Cross Blue Shield of IL
- 7 Bank of America
- 8 PWC
- 9 William Blair, Hyatt, Blue Owl, JLL
- 10 Northern Trust Corporation
- 11 Federal Reserve Bank of Chicago
- 12 AT&T
- 13 Deloitte
- 14 Accenture
- 15 Boston Consulting Group
- 16 Uber
- 17 Google
- 18 BMO
- 19 McDonald's Corporation

Other

- 1 Northwestern University Law School
- 2 University of Illinois Chicago
- 3 Depaul University
- 4 University of Chicago
- 5 Loyola University of Chicago
- 6 Chicago Midway International Airport
- 7 Northwestern University
- 8 Chicago O'Hare International Airport

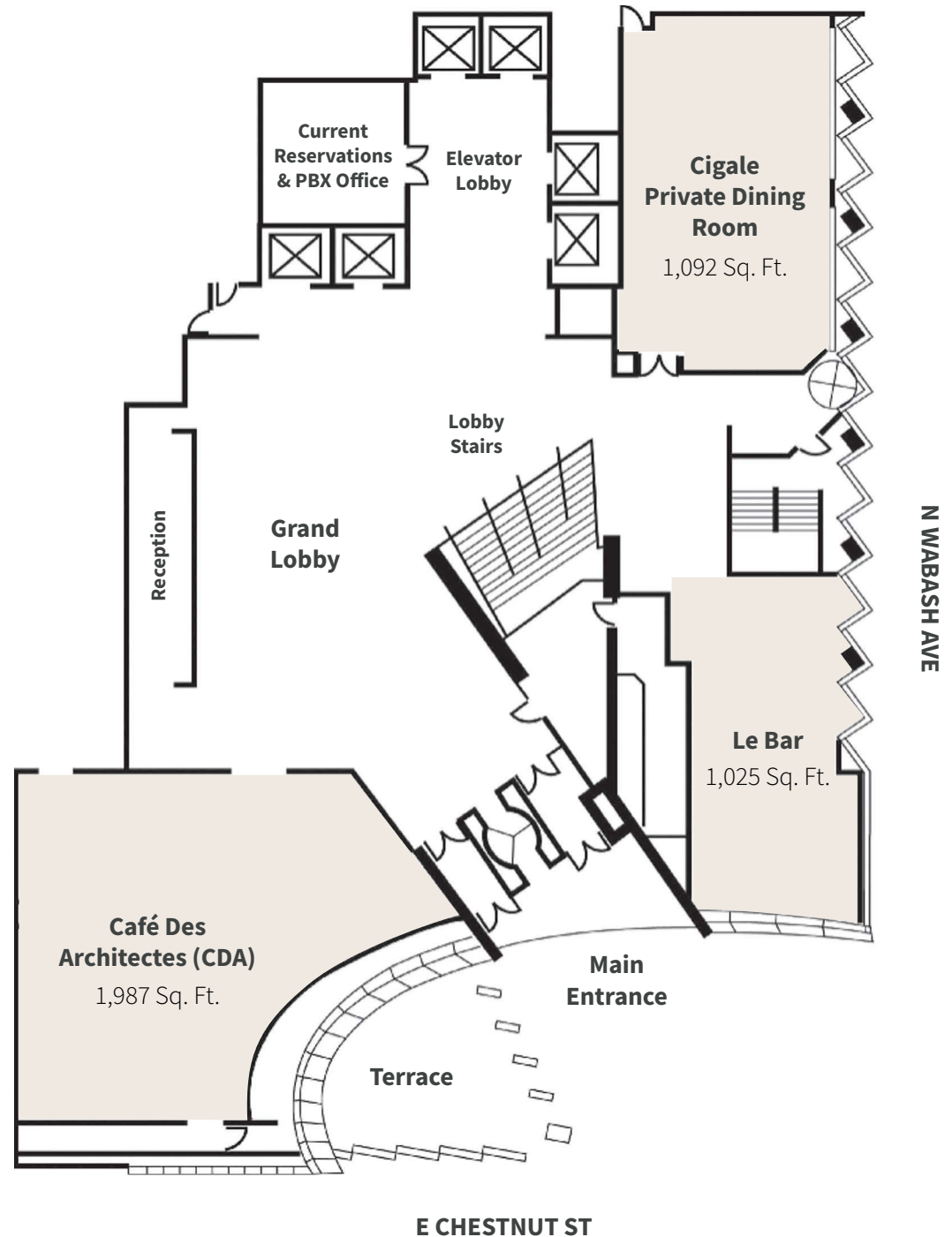


SOFITEL
Chicago Magnificent Mile

Value Enhancement Opportunities

Maximize Group and Local Patronage F&B Revenue Through a Strategic Repositioning

The current configuration of the first floor at the Sofitel presents a compelling opportunity to reconfigure Le Bar, CDA, and the Cigale Private Dining Room. Depending on new ownership's desired result, there is the potential to yield additional meeting facilities, create a revitalized food and beverage experience along the Hotel's North Wabash Avenue overlooking Connors Park, further capitalize on outdoor space adjacent to existing F&B operations, and other possibilities. Most specifically, new ownership will have the opportunity to expand the Le Bar area to recapture an additional $\pm 1,100$ square feet from the under-utilized Cigale Private Dining Room. Given Le Bar's prominent accessibility and visibility from Connors Park and the acclaimed Rush Street, an expanded Le Bar with a North Wabash entrance incorporated could be repurposed as both the Hotel's three meal restaurant and bar, featuring highly visible outdoor patio space at the corner of Chestnut and North Wabash Avenue. The strategic repositioning of Le Bar presents an opportunity to generate substantial incremental patronage revenue while creating a positive halo effect that drives room demand from guests seeking dynamic, socially prominent hotel destinations. Furthermore, upon relocating the current three-meal restaurant, new ownership would have the latitude to convert the CDA space to an additional meeting room located just off the lobby driving both group room night demand and banquet and catering revenues.





Maximize Revenues through a Public Space and Event Space Renovation

With the most recent guestroom renovation completed in 2018 and the event space not having undergone a comprehensive renovation since the Hotel's opening, a new owner has the opportunity to modernize the 13,000 square feet of event space and refresh the hotel's public spaces. This capital infusion should lead to substantial RevPAR growth through maximized group room revenues ultimately driving banquet and catering revenues as well. Once a U.S. flagship Sofitel, the Sofitel Chicago's public area and event space design aesthetic could use a refresh, although the Property remains in excellent physical condition. As such, a new owner would benefit from a highly anticipated modernization that reflects the brand's recently rolled out vision for a new era of contemporary French luxury in North American gateway cities.

A strategic refresh presents a compelling opportunity to narrow the approximately 20 percent RevPAR gap versus the competitive set, driven primarily by ADR. From 2023 through 2025, the Sofitel achieved a 100-basis-point ADR CAGR premium; however, the competitive set realized a 560-basis-point occupancy CAGR premium and sustained an average \$49 ADR advantage during this period, resulting in a declining post pandemic RevPAR index. Modest guestroom upgrades and a revitalization of public and event spaces, blending sleek contemporary design with refined Parisian elements, is expected to drive outsized near-to medium-term RevPAR growth and total F&B revenues. This uplift in performance should position the Property to exceed the prior peak 90 percent RevPAR index and further drive F&B revenue per occupied room to align more with the Sofitel's competitive set.

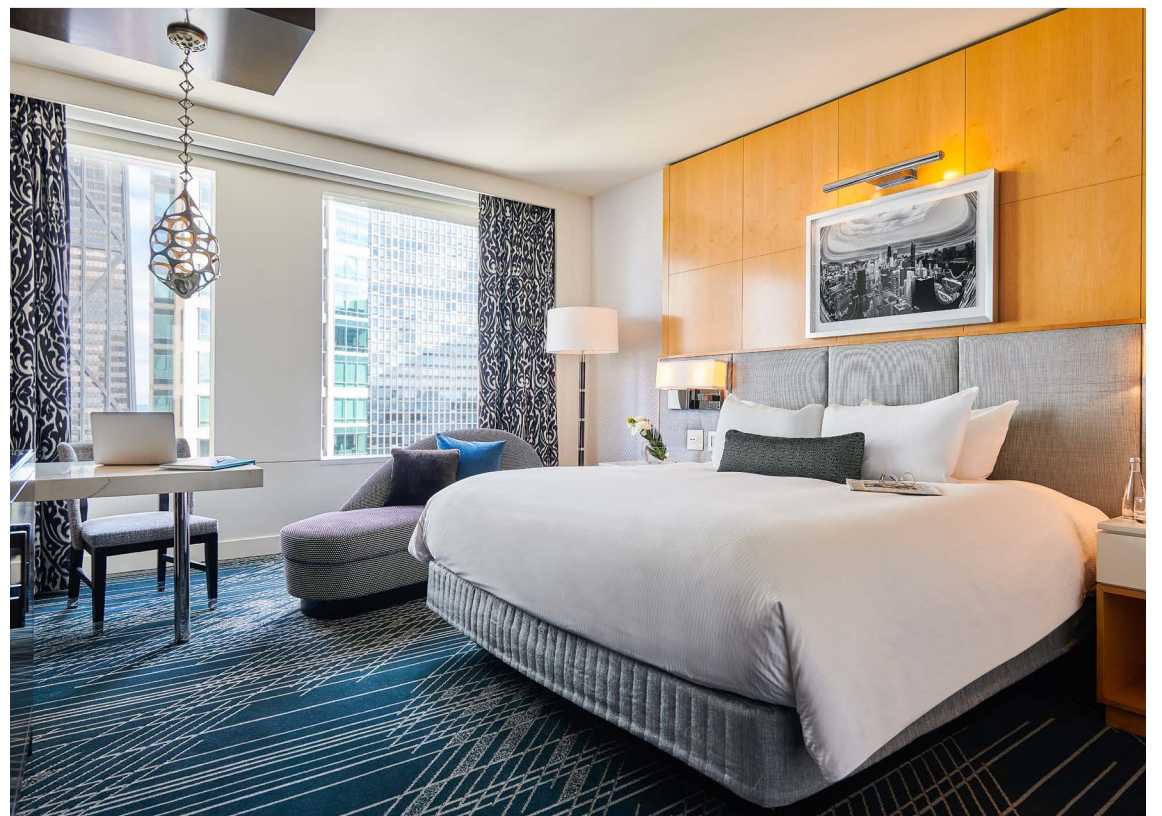


Strong Sofitel Brand Affiliation

Sofitel is a distinctive French luxury hotel brand with a significant global footprint, operating across more than 120 properties and 30,000 rooms across five continents and nearly 40 countries. A pioneer of French luxury hospitality since 1964, Sofitel today embodies a commitment to luxury with a French zest. A seamless blend of the richness of each local culture and the French *joie de vivre*, the brand delights travelers who appreciate delicacy and subtle refinement, offering authentic service. Sofitel is a part of Accor, a world leading hospitality group counting over 5,700 properties throughout more than 110 countries, and a participating brand in ALL (Accor Live Limitless) Accor, a lifestyle loyalty program and booking platform providing access to a wide variety of rewards, services and experiences. The ALL-loyalty program is a powerful business ally, with Accor recently reporting that program members stay twice as frequently as non-members and demonstrate 10% higher spending per visit.

Irreplaceable Real Estate at a Deep Discount to Replacement Cost

The Offering presents an opportunity to acquire highly sought, well-located real estate in the heart of downtown Chicago's affluent Gold Coast neighborhood at a material discount to replacement cost. The development costs for new full-service hotel product in downtown Chicago remain elevated due to higher material costs from supply chain and shipping constraints, premium land prices in the high-density urban core and labor shortages intensifying wage pressures. Development costs per key in downtown Chicago ballooned to above \$540,000 in 2025. As such, at the anticipated sale price, the Hotel confers a new investor the ability to acquire a premium luxury asset at a meaningful discount to replacement cost.



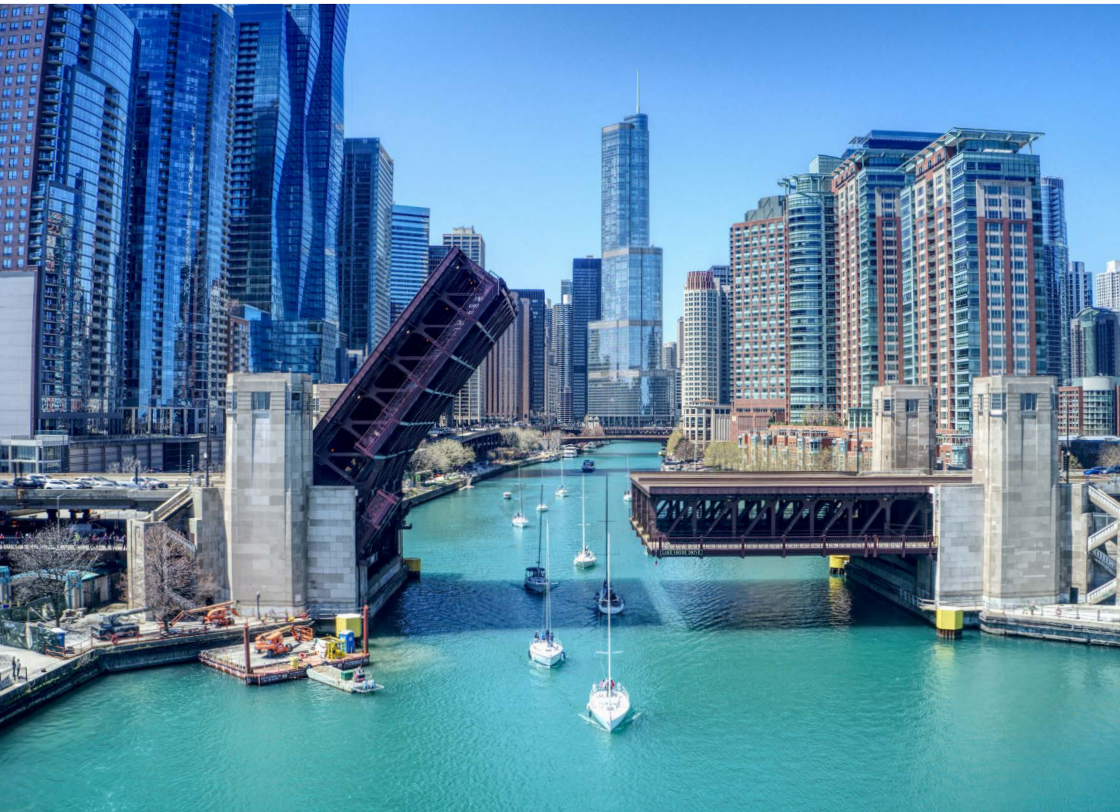


Management Availability

In May 2025, current ownership successfully negotiated a franchise licensing agreement with Accor, transitioning the Sofitel Chicago from a brand-managed to a franchised operation. This strategic shift enables a new investor to assume operational control—implementing a self-directed revenue management platform and disciplined cost-containment initiatives to drive both top-line growth and bottom-line performance. The combination of operational flexibility, an irreplaceable blue-chip location, and distinctive luxury French branding positions the Sofitel as a premier acquisition opportunity for institutional capital seeking to expand its footprint or establish a presence in a consistently top performing market in the country.

Top Tourism and Corporate Market

The Property boasts a desirable location within the Chicago CBD's most affluent neighborhood, the Gold Coast. The Sofitel is located within the North Michigan Avenue office submarket and benefits from being surrounded by over 64 million square feet of office stock within a one mile radius. The Sofitel is proximate to an impressive roster of corporate tenants including Kirkland & Ellis, Leo Burnett, Salesforce, AON, KPMG, Latham & Watkins, JLL, and Brookfield, among others. With premium Class A office inventory in Fulton Market and Loop submarkets approaching full occupancy, the Property is strategically positioned to capture excess tenant demand. This trend is substantiated by a recent JLL research survey indicating that 21% of office tenants are targeting the adjacent River North submarket, a significant demand imbalance when compared to its current 9% share of the market's tenant inventory. This disparity is projected to create a material tailwind, driving leasing activity close by to the Sofitel. The Hotel is also proximate to a robust lineup of leisure demand drivers such as Wrigley Field, Lincoln Park, the John Hancock, Oak Street Beach, the Chicago Riverwalk, Navy Pier, Millennium Park, Museum Campus, and Soldier Field, among countless others.



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