



JOIE DE VIVRE HOSPITALITY AND GEOLO CAPITAL FORM CAPITAL PARTNERSHIP
Geolo to Acquire Majority Stake in Management Company and Take California Hotel Brand National

San Francisco (June 7, 2010) – Joie de Vivre Hospitality, the second largest independent boutique hotel company in the country, has entered into a strategic capital partnership with Geolo Capital, the private equity investment arm of the John A. Pritzker family. Geolo Capital will take a majority stake in Joie de Vivre’s business and provide capital to fund the boutique hotel brand’s expansion outside of California.

As part of the transaction, Geolo Capital has established an investment fund with the objective of acquiring \$300 million to \$500 million of hospitality assets over the next five years. Geolo plans to double Joie de Vivre’s revenues and grow the number of managed properties over that time period from the current 33 in California to approximately 50 throughout the U.S., adding hotels and resorts in key gateway cities and resort markets through new third party management agreements, joint ventures, and acquisitions.

Under the agreement, John Pritzker, Geolo’s founding partner and director and a 25-year veteran of the hospitality industry, will become chairman of the company. Chip Conley, Joie de Vivre’s founder and CEO, will retain a significant ownership interest in Joie de Vivre and remain actively involved as CEO.

The partnership with Joie de Vivre gives Geolo Capital, which specializes in hospitality investments, a branded platform to both acquire and manage additional hotels and resorts. Last year the company acquired Carmel Valley Ranch, an iconic resort property on 400 acres of land in the lush Carmel Valley. The Ranch will join the Joie de Vivre Hotels collection this year as part of its luxury portfolio, which includes Joie de Vivre’s flagship property, Hotel Vitale in San Francisco.

“As soon as we purchased Carmel Valley Ranch I knew I wanted to replicate its magic and create an authentic lifestyle and resort brand that was experience-driven for customers and employees,” said Pritzker. “Then I found out that brand already existed – it’s called Joie de Vivre.”

Geolo sees tremendous opportunity for the Joie de Vivre brand across the three- to five-star spectrum, especially in the three-and-a-half star space where the boutique hotelier is “the best in the business,” said Pritzker.

Joie de Vivre is known for taking bland box or challenged hotels and transforming them into unique boutique properties that are an antidote to the vanilla experience offered by major chains. Each Joie de Vivre hotel is an original that reflects its location through creative design and amenities. The San Francisco-based company has created more three- and three-and-a-half star boutique hotels than any other hotel company.

“After 23 years of being a California hotel brand, we felt the time was right for Joie de Vivre to move outside the state. There are so many neglected gems and tired hotels that could be turned into appealing, affordable boutique

properties,” said Conley. “With Geolo as our partner, we will be able to take advantage of the wave of hotel deals that are imminent, and we will have sufficient working capital to invest in our infrastructure to support our growth.”

Working with Joie de Vivre’s development team on the company’s strategic growth will be Geolo partner Gary Beasley, who spent seven years with KSL Resorts, where he was instrumental in acquiring and integrating over \$800 million of hotel and resort properties.

“Our objective is to take advantage of what we believe will be one of the most attractive hotel buying cycles in a generation, and in the process create great hotels that offer both outstanding guest experiences as well as outstanding economic returns,” Beasley said. ” We look forward to working with Chip and the rest of the Joie de Vivre team to continue to build what we believe is one of the most dynamic and promising hospitality platforms around.”

About Geolo Capital

San Francisco-based Geolo Capital (www.geolo.com) is the private equity investment arm of the John A. Pritzker family, continuing a four generation unmatched record of creating, investing in and building a diversified portfolio of consumer-focused companies. The Geolo Capital team has a long history of investing in branded consumer companies. From its legacy involvement helping to grow Ticketmaster, to founding Mandara Spa, to the company’s recent investment in Carmel Valley Ranch, Geolo Capital’s mission is to cultivate enduring, world-class brands in four core industries – hospitality, entertainment, health and wellness, and consumer products. Geolo combines operational expertise, strategic vision, and highly targeted capital to create long-term value for the companies in which it invests.

About Joie de Vivre Hospitality

San Francisco-based Joie de Vivre Hospitality (www.jdvhotels.com) manages a portfolio of creative lifestyle businesses, including hotels, restaurants, and spas. Founded in 1987 by entrepreneur Chip Conley, Joie de Vivre is recognized for creating some of the most innovative hospitality services and products and designing one-of-a-kind properties. It is the second largest independent boutique hotel company in the country and California’s largest boutique hotel collection. With more than 30 properties in the state, Joie de Vivre offers a wide range of unique urban, suburban, and waterfront boutique hotels that cater to leisure and business travelers in all market segments. Joie de Vivre hotels are located in San Francisco, Silicon Valley, Marin County, San Francisco East Bay, Big Sur, Sonoma County, Santa Cruz, Sacramento, Los Angeles, Huntington Beach, Long Beach, Laguna Beach, and Venice Beach.

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