

Ares Management, SMW Hospitality, and Trinity Investments Acquire the Ritz-Carlton, Kapalua in Maui

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HONOLULU, LOS ANGELES & NEW YORK--(BUSINESS WIRE)-- A new joint venture among funds managed by the real estate group of Ares Management, L.P. (NYSE:ARES), SMW Hospitality LLC (a joint venture between affiliates of Square Mile Capital Management LLC and Wafra Investment Advisory Group) and Trinity Investments, LLC today announced the acquisition of The Ritz-Carlton, Kapalua in Maui, Hawaii. The resort was acquired from a partnership between Woodridge Capital Partners, LLC and Colony Capital Inc.

The Ritz-Carlton, Kapalua is a AAA Five Diamond, oceanfront property located on 49 acres of Maui's lush northwest shore. The hotel is part of the 23,000-acre master planned Kapalua resort on Maui, home to the celebrated Kapalua Wine and Food Festival and the PGA Tour's Tournament of Champions event. The resort is renowned for its world-class golf courses, an award-winning tennis facility, golden sand beaches and a myriad of restaurants and shops.

"This acquisition of The Ritz-Carlton, Kapalua represents a significant opportunity to invest in one of Hawaii's most highly-acclaimed resorts, and it fits squarely in our opportunistic strategy that focuses on development and redevelopment, with planned upgrades to further improve the guest experience for both leisure and group customers," said Andrew Holm, Managing Director in the Ares Real Estate Group. "This project continues our long history of partnering with Trinity, which Ares has worked with in Hawaiian hospitality over 20 years on more than \$1.2 billion in real estate investments, as well as our longstanding relationship with The Ritz Carlton's parent company, Marriott."

"The Ritz-Carlton is one of Maui's iconic properties and it's a welcome addition to our hotel investment portfolio," said Managing Director Nolan Hecht of Square Mile Capital Management, LLC, on behalf of SMW Hospitality. "It also represents our entry into Hawaii in spectacular fashion, alongside two great partners in Ares Management and Trinity Investments."

"We are excited to partner with Ares and SMW Hospitality to acquire one of Hawaii's iconic luxury hotels," said Sean Hehir, President and CEO of Trinity Investments. "Having invested in hotel properties across Hawaii since our inception, we are intimately familiar with the market's nuances and demand drivers. This transaction represents a unique opportunity to own a marquee hotel that will benefit greatly from our ownership experience and proven operating platform."

The Ritz-Carlton, Kapalua is comprised of 297 guest rooms as well as 107 condos within a dedicated wing of the hotel. Known as the Residences, the one- and two-bedroom condos have recently been renovated and feature contemporary furnishings and enhanced kitchens. As part of its strategy to enhance the guest experience, the joint venture plans to renovate the hotel's common areas and guest rooms.

The Ritz-Carlton, Kapalua amenities include a 17,500-square-foot spa with 15 treatment rooms, an iconic three-tiered swimming pool, a fitness center, a 4,844-square-foot retail arcade, priority access to two championship golf courses (The Bay Course and The Plantation Course) and instruction at Kapalua Golf Academy, as well as access to amenities within Kapalua Resort, including tennis

courts, two marine sanctuaries, beaches, shopping, and dining. The property also features 32,000 square feet of meeting space in addition to restaurants including The Banyan Tree, Kai Sushi, The Beach House, Alaloe Lounge, The Pool Bar & Café, The Terrace, and Aina Gourmet Market.

About Ares Management, L.P.

Ares Management, L.P. is a publicly traded, leading global alternative asset manager with approximately \$97 billion of assets under management as of September 30, 2016 and more than 15 offices in the United States, Europe and Asia. Since its inception in 1997, Ares has adhered to a disciplined investment philosophy that focuses on delivering strong risk-adjusted investment returns throughout market cycles. Ares believes each of its three distinct but complementary investment groups in Credit, Private Equity and Real Estate is a market leader based on assets under management and investment performance. Ares was built upon the fundamental principle that each group benefits from being part of the greater whole. For more information, visit www.aresmgmt.com.

About Square Mile Capital Management, LLC

Square Mile Capital Management LLC is an integrated institutional real estate finance and investment management firm based in New York. Square Mile's large U.S. footprint, enhanced by the firm's strategic partnership with USAA Real Estate Company, enables Square Mile to leverage proprietary market insights through a unified sourcing and investment philosophy that positions the firm to capitalize upon opportunities through all phases of the commercial real estate cycle. Square Mile's opportunistic investment platform takes a value oriented approach to its activities, with an emphasis on opportunities to acquire or capitalize real estate assets or enterprises that are undervalued, complex or undercapitalized. Square Mile's commercial real estate debt platform provides customized capital solutions for real estate owners and developers throughout the United States. <http://www.squaremilecapital.com>.

About Trinity Investments, LLC

Trinity Investments, LLC is a private real estate investment firm with a 20-year history of generating value-added returns. With considerable expertise covering the full spectrum of property investment, development and value-enhancing asset management, Trinity generates unique and opportunistic real estate investments in world-class markets. The firm's pursuits span an array of geographic locations and asset types but share the commonality of being predicated upon best-in-class local relationships and teams of professionals for sourcing, execution and exiting. Headquartered in Honolulu, Hawaii, Trinity maintains offices in New York, Tokyo and Mexico City.



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