

# Skyline International Development Inc. Completes Purchase of Cleveland Renaissance Hotel

CLEVELAND, OH--(Marketwired - October 29, 2015) - Skyline International Development Inc. ("Skyline") is pleased to announce that it closed the acquisition of the Renaissance Hotel in downtown Cleveland, Ohio, USA ("Hotel") on October 28, 2015. In addition, Skyline entered into an agreement with a third party ("Partner") as an equity investor in the Hotel through a new corporation ("New Corporation").

The total acquisition cost of the Hotel, approximately US \$20.5 million, was financed by Skyline (approximately US \$6.5 million) and the Partner (approximately US \$14.5 million). The Partner also paid a consulting fee of US \$3.5 million to Skyline. The parties will undertake a renovation plan over the next three years to be financed through a combination of third party debt and equity. The parties agreed on an equal indemnification mechanism.

Skyline holds 50% of the New Corporation equity and its nominees comprise the majority of the board of directors. Skyline will asset manage the Hotel and will be entitled to a fee at 2% of the Hotel's revenue. The Hotel will be operated through a Marriott Renaissance franchise agreement with the New Corporation as franchisee. Aimbridge Hospitality LLC will be the hotel manager.

Built in 1918, this 491-room Hotel complex covers nearly one million square feet, which includes 15,000 square feet of penthouse space, 68,000 square feet of state-of-the-art meeting space, several restaurants, and 10,000 square feet of commercial space and has parking to accommodate 304 vehicles. The Hotel is located in downtown Cleveland with a direct and underground access to public transportation terminal, casino and office building. The Hotel is in close proximity to the baseball, hockey and football stadiums. The Hotel's annual average EBITDA during the last four years was approximately US \$5.1 million. During the last twelve months ended September 30, 2015 the EBITDA totaled approximately US \$5.6 million. The vendor has invested over US \$20 million upgrading the Hotel over the past 8 years.

About Skyline International Development Inc.

A leading Toronto-based developer of hospitality properties and destination communities, Skyline International Development is one of Canada's 50 Best Managed Companies and owns over two million square feet of real estate, has over 2,600 acres with development rights for almost 7,000 residential units and nearly 1,300 rooms in its holdings, employing more than 1,500 staff. Skyline's unique asset mix includes the Skyline Hotels & Resorts brand, and operates the contemporary Pantages Hotel, the iconic Deerhurst Resort with 45,000 sq. ft. of meeting space in Muskoka and Horseshoe Resort, home to Toronto's closest ski area and summer adventure park. Skyline Resort Communities is developing vibrant, mixed use residential communities at Deerhurst and Horseshoe Resorts. Additional residential development is planned in Port McNicoll, Ontario, a restored gateway to the 30,000 Islands, a UNESCO World Biosphere Reserve. In 2013, Skyline launched Skyline Vacation Club, Ontario's first drive-to, members-only, points-based urban and country vacation club. In April 2013, Skyline acquired 50% of the retail component in both the village and surrounding the golf course at Blue Mountain and the remaining developable land. In late 2014 Skyline acquired Bear Valley Ski Resort in California, expanding its American asset base that includes an ownership of the Hyatt Regency Arcade hotel and shopping center in Cleveland, Ohio. In early 2014, Skyline became a public company trading on the Tel Aviv Stock Exchange as (TASE:[SKLN](http://www.skylineinvestments.com)). For more information, please visit: [www.skylineinvestments.com](http://www.skylineinvestments.com)

## *Forward-Looking Information*

*Certain statements in this news release may constitute forward-looking information within the meaning of applicable Canadian securities legislation. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "plan", "expect", "may", "will", "intend", "should", and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Forward-looking information is based on a number of key expectations and assumptions made by Skyline, including, without limitation, a reasonably stable North American economy, the strength of the U.S. lodging industry, management's estimate of renovation costs of the Hotel, the ability to secure financing to fund the renovation of the Hotel, the condition of the Hotel, the timing and scope of renovation work required, and the ability to successfully complete such work and expectations and assumptions related to the expected return on equity from the Hotel. Although the forward-looking information contained in this news release is based on what Skyline's management believes to be reasonable assumptions, Skyline cannot assure investors that actual results will be consistent with such information.*

*For additional information with respect to these and other factors and assumptions underlying the forward-looking statements made in this news release, see Skyline's most recent annual information form and management's discussion and analysis, as well as other public disclosure documents that can be accessed under the issuer profile of "Skyline International Development Inc." on SEDAR at [www.sedar.com](http://www.sedar.com). The forward-looking information set forth herein reflects Skyline's expectations as at the date of this news release and is subject to change after such date. Skyline disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by law. The forward-looking information contained in this news release is expressly qualified by this cautionary statement.*

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