

# Growing a luxury resort portfolio

## Overview

Oxford thinks in terms of decades, not years or quarters. Oxford had a long-term vision when we acquired the Fairmont resorts in 2006. Now 17-years later, we remain confident in the strength of the sector and value creation opportunities within our portfolio. We have made material investments in the resorts with a focus on improving guest experience, increasing the efficiency and sustainability of operations, and aligning the product with sector tailwinds, advancements in technology, and travel mega-trends. In total, we have invested over CAD\$500 million in property improvements at our Fairmont resorts.

Highlighting our commitment to the Canadian hospitality sector and the strength of our relationship with global hotel operator, Accor, we acquired the iconic Rimrock Resort Hotel (The Rimrock) in Banff in 2023. The acquisition further solidified our position as Western Canada's pre-eminent resort hotel platform. As part of a significant investment by Oxford and our capital partner, The Rimrock will undergo a comprehensive top to bottom renovation to restore its iconic status and enhance the guest experience. The acquisition is a generational opportunity to leverage Oxford's expertise, unlock material value, and further contribute to both the community of Banff and broader National Park.



## The details

After the initial resort acquisition, we divested three stabilized assets and rebalanced our investment in favour of the resort properties—Fairmont Banff Springs Hotel, Fairmont Jasper Park Lodge, Fairmont Chateau Lake Louise, and Fairmont Chateau Whistler. These iconic assets are in destinations with high barriers to entry, including three within national parks, and benefit from globally diverse demand drivers. The resorts have performed exceptionally well for OMERS and our partner, consistently setting a high bar for both rate and occupancy in their respective destinations. We appreciate the responsibility that we have as stewards of these beautiful properties which have been woven into the fabric of Canada for over 100 years.

Partnerships are an important part of Oxford's business model, as is our commitment to a strategically diversified investment portfolio. In early 2019 the time was right to bring in a co-investment partner and redeploy some of our capital elsewhere in service of our global investment strategy. We ran a closed and targeted recapitalization process with a small number of global institutional investors who all share our vision and commitment to drive long-term economic and social value. Five months after our first meeting, we agreed to sell a non-managing interest.

The Rimrock represents Oxford's first hotel acquisition since 2014 and provides valuable scale in Western Canada. The unique and protected National Park experience is aligned with a global desire for activity and wellness, strengthening our investment alongside the favourable supply and demand dynamics. A moratorium on supply growth coupled with Banff's growing destination profile are key to our confidence and success.

## The takeaway

Setting a strategy, acting intentionally, and making the right decisions for our communities and assets is key to success. Selecting capable and well-aligned capital and operating partners and investing deeply in these relationships is essential to identifying opportunities and unlocking value.

Our team remains committed to the sector and our vision for these properties. We make decisions with a long-term view—committing to capital investments when the market downturn would have made others shy away. Alongside our partners, we foster a culture of hospitality where experimentation and innovation are encouraged, benefitting both our guests and investments.

The same is true in selecting co-investment partners, where we prioritize people who think and act like us, who want to grow with us, and who share the financial capacity and culture to bring a long-term vision to life.