



Two Newton Place
255 Washington Street, Suite 300
Newton, Massachusetts 02458
617-796-8390
rmrgroup.com

August 8, 2016

The RMR Group Acquires Tremont Realty Capital

Commercial Real Estate Finance Business Provides Platform for Possible Growth

NEWTON, Mass.--(BUSINESS WIRE)-- The RMR Group Inc. (Nasdaq:RMR) today announced the acquisition of the business of Tremont Realty Capital LLC, or Tremont, a firm that specializes in commercial real estate finance. Tremont principally raises debt and equity capital for owners of commercial real estate and serves as a manager of funds invested in commercial real estate loans. Since its founding in 2000, Tremont has completed over \$4.6 billion worth of commercial real estate transactions and currently has over \$200 million of real estate loans under management. Tremont is headquartered in Boston, MA and has offices in: New York, NY; Chicago, IL; Newport Beach, CA; Hartford, CT; and Annapolis, MD.

RMR's majority owned subsidiary, The RMR Group LLC, acquired the assets of Tremont for an upfront purchase price of \$2.2 million, excluding transaction costs. Tremont also has the right to receive an "earn out" over the next two years based on a portion of payments that RMR receives from Tremont's historical business.

"We are excited to announce the acquisition of Tremont, RMR's first acquisition since becoming a public company in December 2015," said Adam Portnoy, President and Chief Executive Officer of RMR. "We believe that the commercial real estate finance business is a logical extension of our existing operations and may provide RMR with a platform for additional growth. We also think this acquisition may enable RMR to participate in what we believe is a growing need for lending to middle market commercial real estate borrowers at a time when banks and certain other traditional commercial real estate lenders have pulled back from this market as a result of increased regulation of their businesses. We welcome the Tremont team to RMR, and look forward to supporting their growth and expanding their operations as part of our company."

"We are pleased that RMR recognizes the value of our platform, and we are excited about the opportunities that this transaction will provide for our business and our employees," said Richard Gallitto and Daniel Mee, co-founders of Tremont who are joining RMR as Senior Vice Presidents. "With the support of RMR's resources and scale, we believe that we may be positioned to expand our business and take advantage of favorable trends in the middle market commercial real estate lending marketplace. We thank our employees for their hard work and dedication to our business over the years, and look forward to our next chapter as part of RMR."

The CenterCap Group, LLC served as advisor to Tremont in this transaction.

ABOUT THE RMR GROUP

The RMR Group Inc. is a holding company and substantially all of its business is conducted by its majority owned subsidiary, The RMR Group LLC. The RMR Group LLC is an alternative asset management company that primarily provides management services to publicly traded REITs and real estate operating companies. As of June 30, 2016, The RMR Group LLC had approximately \$23.4 billion of real estate assets under management, including more than 1,300 properties, and employed over 400 real estate professionals in 30 offices throughout the United States; the companies managed by The RMR Group LLC collectively had over 50,000 employees. The RMR Group Inc. is headquartered in Newton, Massachusetts.

ABOUT TREMONT REALTY CAPITAL

Tremont Realty Capital will operate as a separate division of The RMR Group LLC that specializes in commercial real estate finance. Tremont will principally raise debt and equity capital for owners of commercial real estate and serve as a manager of funds invested in commercial real estate loans. For more information about Tremont Realty Capital, please visit www.tremontcapital.com.

WARNING CONCERNING FORWARD LOOKING STATEMENTS

THIS PRESS RELEASE CONTAINS FORWARD LOOKING STATEMENTS WITHIN THE MEANING OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995 AND OTHER SECURITIES LAWS. RMR'S FORWARD LOOKING STATEMENTS CAN BE IDENTIFIED BY THE USE OF WORDS SUCH AS "OUTLOOK", "BELIEVE", "EXPECT", "POTENTIAL",

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- | THIS PRESS RELEASE STATES THAT RMR'S ACQUISITION OF TREMONT'S ASSETS MAY PROVIDE A PLATFORM FOR ADDITIONAL GROWTH BY EXPANDING RMR'S BUSINESS INTO COMMERCIAL REAL ESTATE FINANCE. INTEGRATION AND EXPANSION INTO NEW BUSINESSES CAN BE DIFFICULT, TIME CONSUMING AND/OR MORE EXPENSIVE THAN ANTICIPATED, MAY NOT PRODUCE THE BENEFITS RMR EXPECTS AND MAY EXPOSE RMR TO INCREASED LIABILITIES.
- | THIS PRESS RELEASE STATES THAT THIS ACQUISITION MAY ENABLE RMR TO TAKE ADVANTAGE OF WHAT IT BELIEVES IS A GROWING NEED FOR LENDING TO MIDDLE MARKET COMMERCIAL REAL ESTATE BORROWERS AT A TIME WHEN BANKS AND CERTAIN OTHER TRADITIONAL COMMERCIAL REAL ESTATE LENDERS HAVE PULLED BACK FROM THIS MARKET AS A RESULT OF INCREASED REGULATION OF THEIR BUSINESSES. THERE CAN BE NO ASSURANCE THAT BANKS AND OTHER TRADITIONAL COMMERCIAL REAL ESTATE LENDERS WILL CONTINUE TO PULL BACK FROM THIS MARKET, AND THEY MAY BEGIN TO INCREASE THEIR LENDING TO THIS MARKET IN THE FUTURE. FURTHERMORE, OTHER LENDING SOURCES MAY EMERGE OR INCREASE THEIR PARTICIPATION IN THIS MARKET. RMR MAY FAIL TO SUCCESSFULLY COMPETE, OR TO SUCCESSFULLY TAKE ADVANTAGE OF OPPORTUNITIES THAT ARE AVAILABLE IN THIS MARKET.

THE INFORMATION CONTAINED IN RMR'S FILINGS WITH THE SECURITIES AND EXCHANGE COMMISSION, OR THE "SEC," INCLUDING UNDER THE CAPTION "RISK FACTORS" IN RMR'S PERIODIC REPORTS, OR INCORPORATED THEREIN, IDENTIFIES OTHER IMPORTANT FACTORS THAT COULD CAUSE DIFFERENCES FROM RMR'S FORWARD LOOKING STATEMENTS. RMR'S FILINGS WITH THE SEC ARE AVAILABLE ON ITS WEBSITE AT WWW.SEC.GOV.

EXCEPT AS REQUIRED BY LAW, RMR UNDERTAKES NO OBLIGATION TO UPDATE ANY FORWARD LOOKING STATEMENT, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE DEVELOPMENTS OR OTHERWISE.

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The RMR Group Inc.
Timothy A. Bonang, 617-796-8230
Senior Vice President

Source: The RMR Group Inc.

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