



Northampton Group Inc.
Shares Outstanding: 23,937,577

For Immediate Release

**NORTHAMPTON GROUP INC. ANNOUNCES UPDATE ON
REAL ESTATE INVESTMENT TRUST TRANSACTION**

Toronto, Ontario – November 1, 2006 – Northampton Group Inc. (“**NGI**” or the “**Company**”) (TSX Venture: NHG, NHG.DB) announced today that it is currently assessing the impact of the federal government’s proposed changes to the taxation of income trusts on NGI’s plans to combine forces with Silver Hotel Group to form a new real estate investment trust (REIT) (announced on October 13, 2006). Once the Company has had an opportunity to fully assess the impact, it will provide an update to shareholders on the Company’s plans.

About Northampton Group

Northampton Group Inc. is an integrated Canadian hotelier with ownership and management interests in 2,064 rooms in 16 hotels. The hotels are operated under internationally recognized franchise brands such as Comfort Inn®, Holiday Inn Express®, Quality Inn & Suites®, Country Inn®, Four Points Sheraton®, Radisson®, Ramada® and Best Western®. Focused on creating the best return for all stakeholders, Northampton Group Inc.’s proven, market-sensitive strategy is to acquire or build hotels that provide superior overnight accommodation in the mid-price market. Northampton Group Inc. has demonstrated that it excels in this sector, offering services that exceed expectations while still posting industry-leading margins. Northampton Group Inc. won *Hotelier Magazine*’s Top Growth award for fiscal 2003 and 2004, in addition to consistently winning franchisor and local business awards for all of its hotels. Northampton Group Inc. trades on the TSX Venture Exchange under the symbols NHG and NHG.DB.

This press release contains forward-looking information within the meaning of applicable securities laws. Forward-looking information may relate to NGI’s future outlook and anticipated events or results and may include statements regarding the future financial position, property acquisition strategies and opportunities, business strategy, financial results and plans and objectives. In some cases, forward-looking information can be identified by terms such as “plans”, “expects” or “does not expect”, “is expected”, “estimates”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. In particular, statements regarding NGI’s intention to convert into a real estate investment trust constitute forward-looking statements. Forward-looking information is subject to certain factors, including risks and uncertainties, that could cause actual results to differ materially from what NGI currently expects and there can be no assurance that such statements will prove to be accurate. Accordingly, readers should not place undue reliance on forward-looking statements.

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