



## RLJ Lodging Trust Announces Sale of DoubleTree Burlington and Provides Hurricane Florence & Third Quarter Update

October 3, 2018

BETHESDA, Md.--(BUSINESS WIRE)--Oct. 3, 2018-- RLJ Lodging Trust (the "Company") (NYSE:RLJ) today announced that the Company has sold the 309-room DoubleTree by Hilton Burlington Vermont ("Burlington") for \$35.0 million. Based on the trailing twelve months ended August 2018, the sales price represents a 17.3x EBITDA multiple and 4.5% capitalization rate, inclusive of required capital expenditures.

"The sale of Burlington at a highly attractive valuation once again underscores the great strides we have made in harvesting value from the sale of the non-core assets we had identified," commented Leslie D. Hale, President and Chief Executive Officer. "Since December, the Company has sold approximately \$630 million of assets in aggregate at an EBITDA multiple over 16x. We remain on pace to achieve all of our 2018 strategic objectives as we position our portfolio for 2019 and beyond."

The Company estimates the sale of the Burlington will reduce its full year 2018 outlook by the following:

- Pro forma Consolidated Hotel EBITDA by \$3 million for the full year
- Adjusted EBITDA by \$1 million for the fourth quarter and full year

### Third Quarter Update

Ms. Hale continued, "Our thoughts are with everyone who has been impacted by Hurricane Florence, and we'd like to thank our team for their efforts during this difficult time. We are pleased to report that we had no significant damage at our hotels. However, due to evacuations and cancellations in the affected areas, we did see an impact on our performance."

The Company is providing a third quarter Pro Forma Consolidated Hotel EBITDA and Adjusted EBITDA outlook that includes the impact from Hurricane Florence and recently announced dispositions. The Company's four hotels in Charleston, South Carolina and Myrtle Beach, South Carolina were closed for several days due to Hurricane Florence. Although no hotels suffered significant damage and all hotels were operational by September 14, 2018, they experienced a reduction in demand subsequent to the hurricane due to cancellations. Additionally, Hurricane Florence resulted in cancellations in other markets, such as Washington, D.C. and New York.

For the third quarter, the Company expects:

- Pro forma Consolidated Hotel EBITDA of \$135 to \$138 million
- Adjusted EBITDA of \$128 to \$131 million

The Company expects to provide an update to full-year RevPAR, Pro Forma Consolidated EBITDA and Adjusted EBITDA outlook in its third quarter earnings release.

### About RLJ

RLJ Lodging Trust is a self-advised, publicly traded real estate investment trust focused on owning premium-branded, focused-service and compact full-service hotels. The Company's portfolio consists of 151 hotels with approximately 29,180 rooms located in 25 states and the District of Columbia and an ownership interest in one unconsolidated hotel with 171 rooms.

### Forward Looking Statements

The following information contains certain statements, other than purely historical information, including estimates, projections, statements relating to the Company's business plans, objectives and expected operating results, and the assumptions upon which those statements are based, that are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements generally are identified by the use of the words "believe," "project," "expect," "anticipate," "estimate," "plan," "may," "will," "will continue," "intend," "should," "may" or similar expressions.

Although the Company believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions, beliefs and expectations, such forward-looking statements are not predictions of future events or guarantees of future performance and the Company's actual results could differ materially from those set forth in the forward-looking statements. Some factors that might cause such a difference include the following: the current global economic uncertainty, increased direct competition, changes in government regulations or accounting rules, changes in local, national and global real estate conditions, declines in the lodging industry, seasonality of the lodging industry, risks related to natural disasters, such as earthquakes and hurricanes, hostilities, including future terrorist attacks or fear of hostilities that affect travel, the Company's ability to obtain lines of credit or permanent financing on satisfactory terms, changes in interest rates, access to capital through offerings of the Company's common and preferred shares of beneficial interest, or debt, the Company's ability to identify suitable acquisitions, the Company's ability to close on identified acquisitions and integrate those businesses and inaccuracies of the Company's accounting estimates. Given these uncertainties, undue reliance should not be placed on such statements. Except as required by law, the Company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise. The Company cautions investors not to place undue reliance on these forward-looking statements and urge investors to carefully review the disclosures the Company makes concerning risks and uncertainties in the sections entitled "Risk Factors," "Forward-Looking Statements," and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's Annual Report, as well as risks, uncertainties and other factors discussed in other documents filed by the Company with the Securities and Exchange Commission.

*For additional information or to receive press releases via email, please visit our website: <http://rljlodgingtrust.com>*

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