



RLJ Lodging Trust Acquires Another Gateway Asset - Hilton Garden Inn San Francisco/Oakland Bay Bridge for \$36.2 Million

June 11, 2012

BETHESDA, Md.--(BUSINESS WIRE)--Jun. 11, 2012-- RLJ Lodging Trust (the "Company") (NYSE: RLJ) today announced that it acquired the 278-room Hilton Garden Inn San Francisco Oakland/Bay Bridge for a purchase price of \$36.2 million, or approximately \$130,000 per key. The purchase price represents a forward capitalization rate of approximately 9.4% on the hotel's projected 2013 net operating income. The Company's purchase price is considerably lower than other recently traded hotels in the area and is at a significant discount to replacement cost.

"We are excited to enter the San Francisco Bay Area market, which has been one of the top performing markets in the country in terms of RevPAR growth. The Bay Area is highly recognized as a technology, financial, biotech and venture capitalist hub as well as a major tourist and convention destination," commented Thomas J. Baltimore, Jr., President and Chief Executive Officer. "Including this acquisition, we have now completed three acquisitions totaling \$182.7 million in key gateway markets over the last 30 days."

Located in the City of Emeryville, the hotel benefits from strong corporate demand generated by more than 113.0 million square feet of office space in the East Bay/Oakland office market. Additionally, the hotel benefits from its proximity to the University of California Berkeley, a world renowned university and the third largest employer in the Bay Area.

The hotel's unique location between San Francisco and Oakland allows it to capture demand driven by citywide groups in both cities and also provides travelers the option of two international airports. As a Hilton Garden Inn brand, the hotel benefits from demand generated by Hilton's strong reservation system and guest loyalty program.

The acquisition was funded through cash available on the Company's balance sheet. An updated Pro forma RevPAR and Pro forma Consolidated Hotel EBITDA outlook will be provided in the Company's upcoming second quarter earnings press release.

With the addition of the new hotel, the Company now owns 144 hotels that span across 20 states and the District of Columbia, with more than 21,300 rooms.

About Us

RLJ Lodging Trust is a self-advised, publicly traded real estate investment trust focused on acquiring premium-branded, focused-service and compact full-service hotels. Additional information may be found on the Company's website at <http://rljlodgingtrust.com>.

Forward Looking Statements

This press release may contain forward-looking statements within the meaning of the federal securities laws. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as "may," "will," "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," or "potential" or the negative of these words and phrases or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and contingencies, many of which are beyond the Company's control, that may cause actual results to differ significantly from those expressed in any forward-looking statement, including statements related to, among other things, the timing, price or amount of purchases, if any, under the Company's common stock repurchase program, the Company's target leverage ratio, potential acquisitions or dispositions, the completion of the 2012 capital improvement plan, RevPAR growth, EBITDA growth, Hotel EBITDA margins or cash G&A expenses. All forward-looking statements reflect the Company's good faith beliefs, assumptions and expectations, but they are not guarantees of future performance. Furthermore, the Company disclaims any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, of new information, data or methods, future events or other changes. For a further discussion of these and other factors that could cause the Company's future results to differ materially from any forward-looking statements, see the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Results of Operations and Financial Condition" in the Company's Annual report on Form 10-K for the year ended December 31, 2011, and other risks described in documents subsequently filed by the Company from time to time with the Securities and Exchange Commission.

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

Source: RLJ Lodging Trust

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