



RLJ Lodging Trust Acquires the Hyatt Atlanta Midtown for \$49.5 Million

July 15, 2014

BETHESDA, Md.--(BUSINESS WIRE)--Jul. 15, 2014-- RLJ Lodging Trust (the "Company") (NYSE: RLJ) today announced that it has acquired the 194-room Hyatt Atlanta Midtown (the "Hotel") located in Atlanta, GA for a purchase price of \$49.5 million, or approximately \$255,000 per key. The purchase price represents a forward capitalization rate of approximately 8.0% on the Hotel's projected 2015 net operating income. The Company purchased the Hotel with proceeds from its recent equity offering.

Originally opened in 1987 as a Wyndham, the Hotel was closed by the prior owner to perform a \$23.0 million comprehensive renovation and conversion to a compact full-service Hyatt. The Hotel re-opened in July 2013. The Company projects that during its first year of full ownership, the Hotel's revenue per available room ("RevPAR") will be more than a 16% premium to the Company's reported 2013 RevPAR.

"We are excited to add this newly renovated asset to our portfolio and continue to expand our relationship with Hyatt," commented Thomas J. Baltimore, Jr., President and Chief Executive Officer. "The purchase of the Hotel is immediately accretive to our portfolio and its central location in Midtown Atlanta, one of the most dynamic markets in the Southeast, will position it for exceptional growth."

The Hotel will benefit from Atlanta's location as one of the country's major gateways to the Southeast. Atlanta's economy features diverse demand generators with a strong corporate presence, robust convention activity and a steady flow of tourism. Several Fortune 500 companies such as The Coca-Cola Company, UPS, Home Depot, and Delta Air Lines are headquartered in the Atlanta metro. The level of corporate demand is expected to increase from planned relocations and expansions by companies such as General Motors, Pulte Group, and State Farm. Atlanta is also one of the top convention destinations with a variety of conference facilities. Recognized as one of the premier entertainment destinations in the region, Atlanta features a multitude of cultural and sporting events.

The Hotel is the only Hyatt branded hotel in Midtown, a submarket known for its urban, high-density office, commercial, and residential settings. The approximately 16.5 million square feet of office space brings steady demand from major employers including the Federal Reserve Bank of Atlanta, Georgia Institute of Technology, Equifax, AT&T, Invesco, Norfolk Southern, and PricewaterhouseCoopers. In addition, Midtown is home to eight of the ten largest law firms in Atlanta. The Hotel is in close proximity to local tourist attractions such as the High Museum of Art, Fox Theatre, and Piedmont Park that generate ample leisure demand.

The Company expects that the Hotel will benefit from its strong location, premium brand affiliation, and the relative scarcity of Hyatt branded hotels in Midtown Atlanta. With the addition of this asset, the Company now owns 149 properties, comprised of 147 hotels with more than 23,100 rooms and two planned hotel conversions, located in 21 states and the District of Columbia.

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.

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 SEC.

Source: RLJ Lodging Trust

RLJ Lodging Trust
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