



RLJ | Lodging Trust

ANNUAL SHAREHOLDER MEETING
MAY 2019





25
STATES

150
HOTELS

28,597
GUESTROOMS

85%
2018 ROOMS
REVENUE MIX

\$542M
2018 HOTEL EBITDA

Note: Unless otherwise noted, all figures reflect the 150 hotel portfolio owned as of May 3, 2019 and exclude Chateau LeMoyné-French Quarter New Orleans, an unconsolidated joint venture.

Attractive Hotel Investment Platform

- Strategy, diversification, and scale drive value for shareholders
- High-quality portfolio with RevPAR approaching full-service hotels with higher margins
- 150 hotels with approximately \$542M in 2018 Hotel EBITDA across 25 states¹

Differentiated Investment Strategy and Disciplined Capital Allocation

- Differentiated investment strategy yields superior risk-adjusted returns
- Premium-branded rooms-oriented, high-margin assets located in diversified markets with favorable long-term growth
- Strong and flexible balance sheet, with conservative leverage, low cost of debt and no significant near-term maturities

Value Creation Opportunities Embedded in Portfolio

- Near-term disposition initiatives will further enhance the portfolio quality
- Long-term rebranding/conversion and other capital allocation initiatives represent growth opportunities

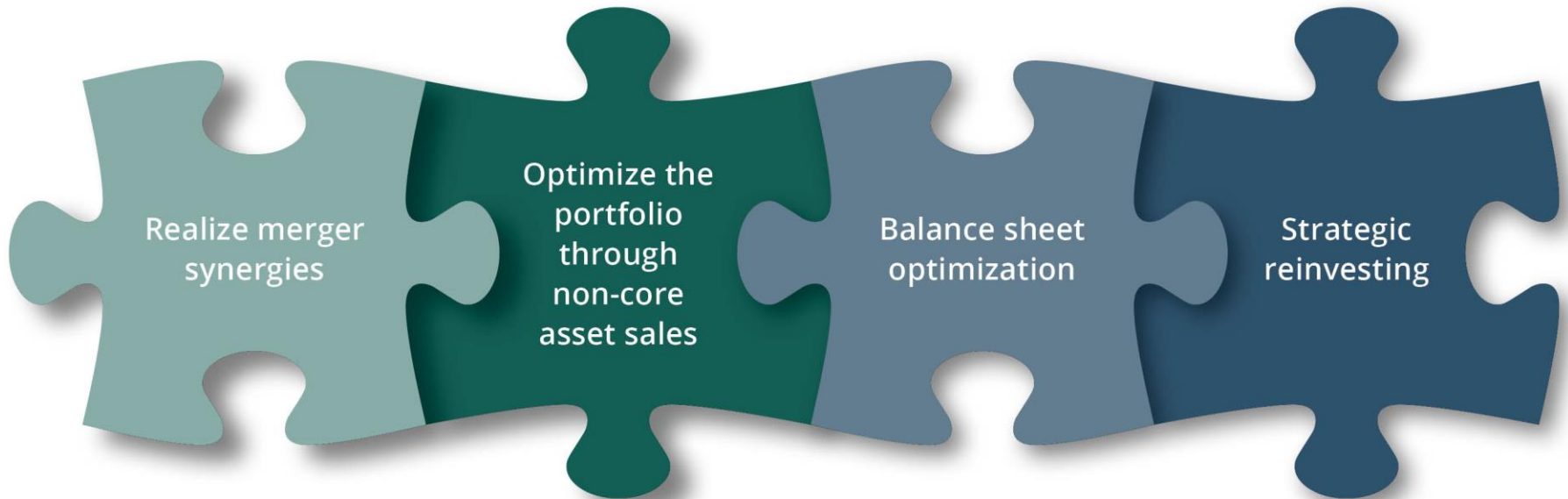
Proven Capital Allocation Track Record

- The NOI yield on recent acquisitions (since 2014) has increased from 6.8% to 8.8% via a 45% increase in NOI
- Executed nearly \$1 billion of non-core asset sales since late 2016 at an average EBITDA multiple of 17x
- Generated an estimated 23% ROI on brand conversions

1. Reflects the 150 hotel portfolio owned as of May 3, 2019.

MULTIPLE LEVERS FOR SHORT-TERM & LONG-TERM VALUE CREATION

Strategic initiatives are creating meaningful value for shareholders



We not only met or exceeded our corporate priorities in 2018, but also completed them ahead of schedule

We realized the synergies from the FelCor merger

- Realized \$22 million of corporate synergies by the end of 3Q18; 2019 will represent first full calendar year of synergies

We sold seven assets for over \$530 million in 2018

- We exceeded our stated objective of generating \$200 - \$400M of sale proceeds and sold these assets at a combined, highly accretive multiple of 16.5x EBITDA

We paid down \$635 million in debt and improved our leverage ahead of our target

- Addressed high-coupon debt by redeeming \$524 million of 5.625% Senior Notes in March'18
- We exceeded our 2018 debt reduction goal by nearly \$135 million and also exceeded leverage target of 4.0x, ending the year at 3.7x

We accretively deployed capital

- Executed renovations in markets that are poised for recovery in 2019 including three SF Bay Area hotels; our largest asset in the portfolio located in the Louisville market; and, one key asset in Tampa
- Repurchased 1.8M shares for \$21.8M, significantly below NAV

RLJ is executing its disposition strategy having generated over \$530 million of proceeds from assets sales in 2018 at a weighted average multiple of 16.5x¹

- Sold three identified non-core FelCor assets for \$319 million at approximately 17.6x¹
- Sold Embassy Suites Marlborough, Embassy Suites Napa Valley, and DoubleTree Columbia on an opportunistic basis

Sheraton Philadelphia Society Hill



- 364-room hotel in Philadelphia, PA
- Sold for \$95.5 million in March 2018
- Sale price represents a 14.7x EBITDA multiple and a 5.6% cap rate, excluding planned capital expenditures, on 2017 results

Vinoy Renaissance St. Petersburg Resort & Golf Club



- 362-room hotel in St. Petersburg, FL
- Sold for total consideration of \$188.5 million in August 2018
- Sale price equates to a 19.6x EBITDA multiple and a 3.9% cap rate on July 2018 TTM results

DoubleTree Burlington Vermont

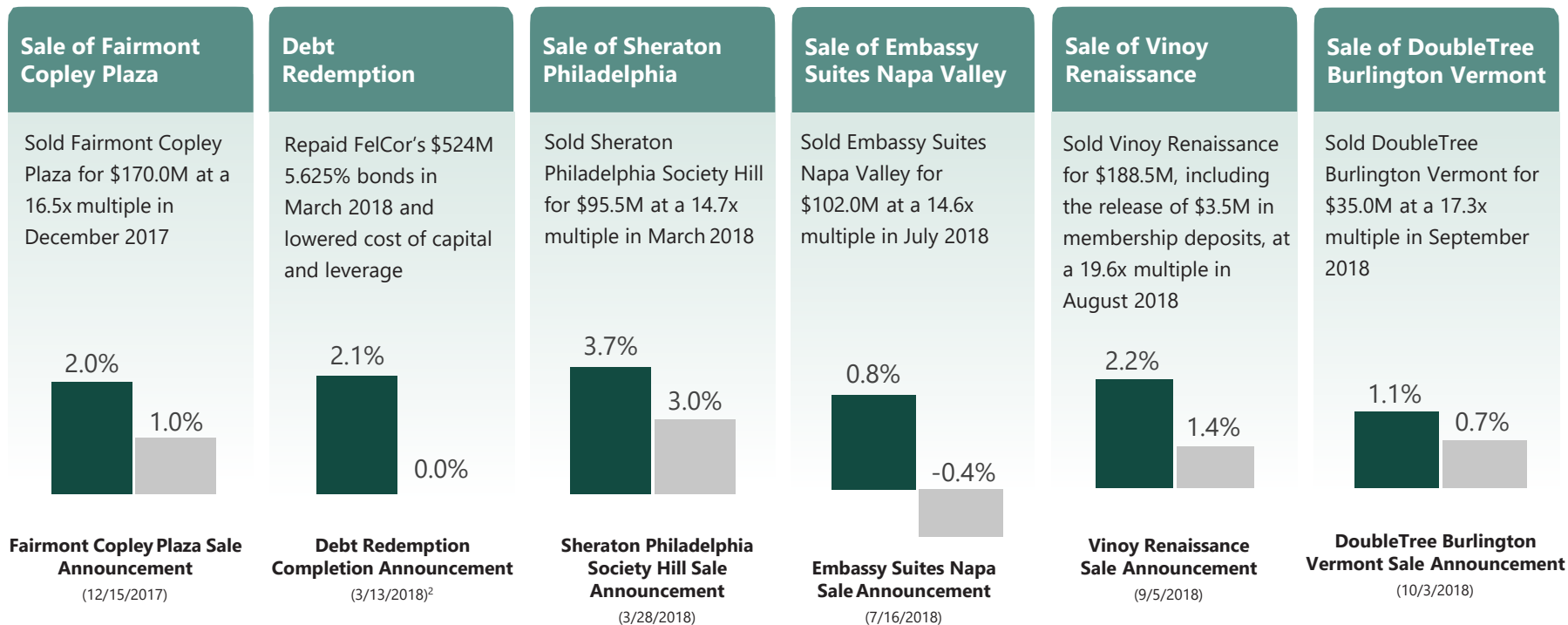


- 309-room hotel in Burlington, VT
- Sold for \$35.0 million in September 2018
- Sale price represents a 17.3x EBITDA multiple and a 4.5% cap rate, inclusive of required capital expenditures, on August 2018 TTM results

¹ Adjusted for in-flight or required capital expenditures.

INVESTORS HAVE RESPONDED FAVORABLY TO THE EXECUTION OF STRATEGIC PRIORITIES

At the announced execution of each RLJ priority, the Company's shares have outperformed peers



Price Returns vs Peers

■ RLJ Lodging Trust ■ Peers¹

Note: FactSet data

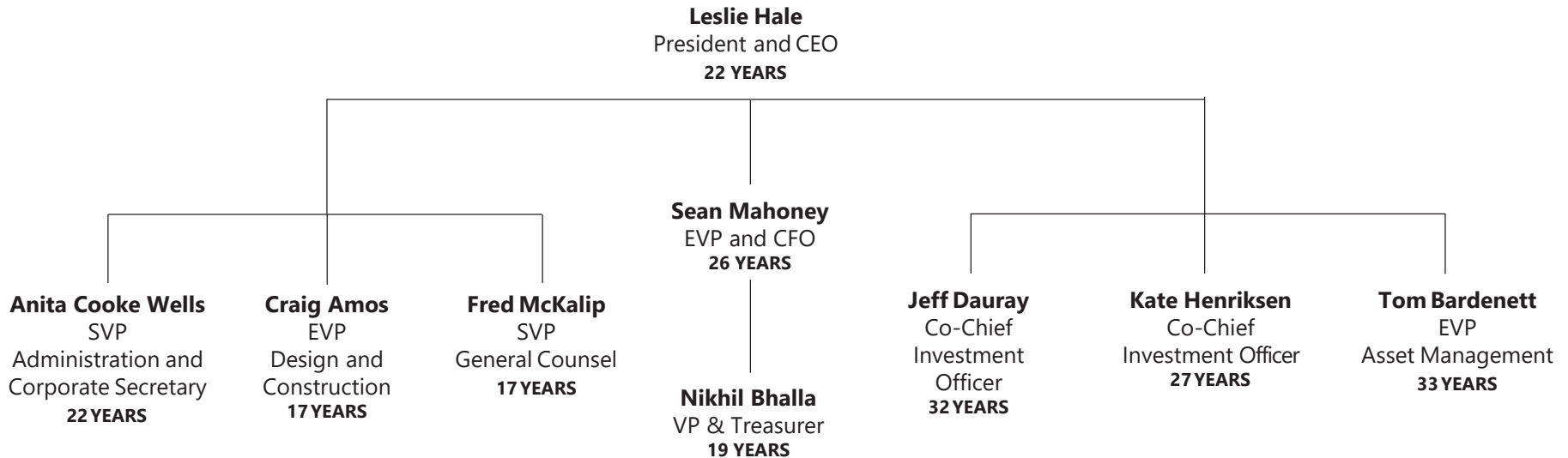
1. Peers include APLE, CHSP, CLDT, DRH, HPT, HST, HT, INN, PK, SHO, and XHR.

2. Press release was disseminated on March 12, 2018 after market close.

RLJ HAS THE RIGHT LEADERSHIP TEAM TO DELIVER STRATEGIC VISION

RLJ leadership is well-positioned to guide the Company through its ongoing strategic initiatives

- Broad and deep bench with substantial industry and public company experience
- Seasoned management team with longstanding tenure
- Prudent capital allocation track record, having completed ~\$11B of acquisitions and dispositions since inception
- Managed ~\$1B of transformational hotel CapEx and renovations
- Reduced leverage accretively since IPO and post-FelCor transaction to 4.0x or better



Note: Years represent total years of real estate and/or lodging industry experience.

As RLJ enters the next phase of its portfolio evolution, our vision is to own a portfolio that will generate significant net asset value (NAV) appreciation over time

Aspirational Portfolio Attributes

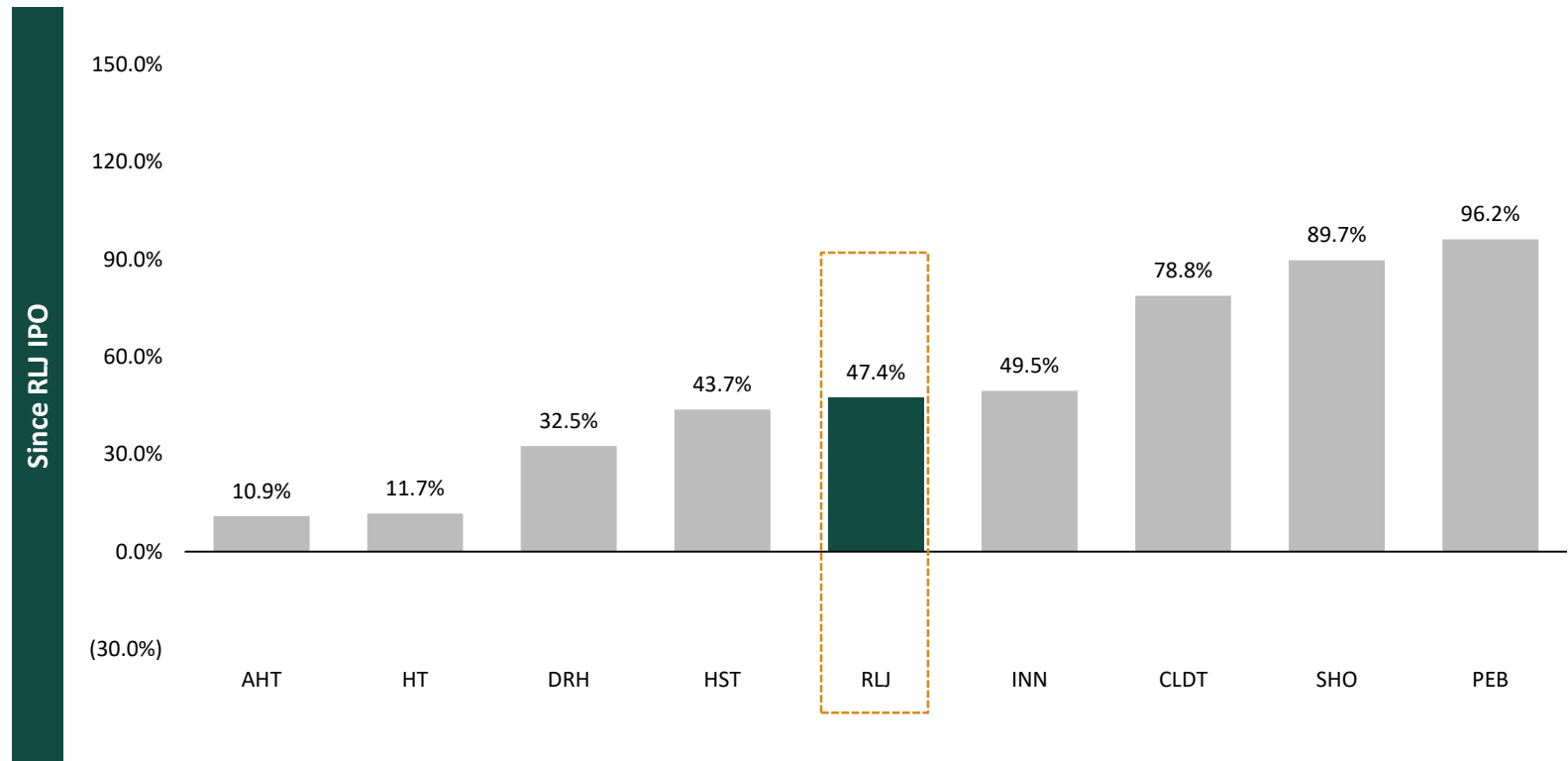
- Premium branded, rooms-oriented hotels with high margins located within "heart of demand"
- Absolute RevPAR's approaching that of full service hotels
- Attractive margin profile typical of select service hotels

Hotels that achieve stronger long-term growth, generate significant free cash flow and are more resilient across the entire cycle

**Long-Term
NAV Appreciation**

TOTAL RETURN PERFORMANCE

Since IPO, our total returns have been in the top-half of our peers.



Source: SNL Financial as of April 23, 2019, unless otherwise noted.

Forward-Looking Statements

This presentation 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 urges 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.