



# NEWS RELEASE

DATE: December 20, 2018

## **XENIA HOTELS & RESORTS SELLS RESIDENCE INN DENVER CITY CENTER FOR \$92 MILLION**

**Orlando, FL – December 20, 2018** – Xenia Hotels & Resorts, Inc. (NYSE: XHR) (“Xenia” or the “Company”) today announced it has sold the 228-room Residence Inn Denver City Center in Denver, Colorado for a price of \$92 million, or approximately \$404,000 per key. The sale price represents a 12.8x multiple and a 7.1% capitalization rate on the hotel’s trailing twelve month Hotel EBITDA and net operating income as of November 30, 2018, respectively. The Company realized an unlevered IRR of 10.4% on this investment since acquiring the hotel for \$80 million in 2013.

“We are pleased to have completed the sale of Residence Inn Denver City Center at an attractive valuation,” commented Marcel Verbaas, Xenia’s Chairman and Chief Executive Officer. “While we view Denver as a core market for the Company, our recent acquisition of The Ritz-Carlton allowed us to further reduce our select-service holdings through the sale of this hotel. We are excited to be able to maintain our exposure in a strong and dynamic lodging market through the ownership of The Ritz-Carlton, a true luxury asset, and our recently renovated Hotel Monaco, a high-quality upper upscale lifestyle hotel, both of which are closely aligned with our long-term investment strategy.”

After the completion of this transaction, Xenia’s portfolio consists of 40 wholly-owned hotels or resorts, including 12 luxury hotels or resorts, representing 26% of the Company’s total room count, 27 upper upscale hotels or resorts, representing 72% of total room count, and one upscale extended-stay hotel. During 2018, Xenia has completed almost \$800 million of transactions, consisting of four property acquisitions totaling \$361 million, three dispositions totaling \$420 million, and the acquisition of its prior partner’s interest in both Grand Bohemian Charleston and Grand Bohemian Mountain Brook, for a combined price of approximately \$12 million.

“We have been able to successfully continue our portfolio evolution and improvement through the transactions we have completed this year,” said Mr. Verbaas. “With the acquisitions of The Ritz-Carlton, Denver, Fairmont Pittsburgh, Park Hyatt Aviara Resort, Golf Club & Spa, and Waldorf Astoria Atlanta Buckhead, we have added four unique and outstanding luxury assets which we have balanced through the sale of Aston Waikiki Beach Hotel, Hilton Garden Inn Washington D.C. Downtown and now Residence Inn Denver City Center. These portfolio changes have improved the average quality of our portfolio today and enhance the growth opportunities for the Company, as it relates to both revenue and profitability, in the years ahead.”

The sale of Residence Inn Denver City Center has further improved the leverage profile of the Company. Pro forma for the transaction, net debt to EBITDA, as defined by the Company's unsecured credit facility, is estimated to be 3.8x, in comparison to 4.2x at the beginning of 2018. Proceeds from the sale will be utilized for general corporate purposes which may include debt repayments, potential acquisitions consistent with the Company's long-term strategy, and share repurchases under the Company's existing authorization.

**About Xenia Hotels & Resorts, Inc.**

Xenia Hotels & Resorts, Inc. is a self-advised and self-administered REIT that invests primarily in premium full service and lifestyle hotels, with a focus on the top 25 U.S. lodging markets as well as key leisure destinations in the United States. The Company owns 40 hotels comprising 11,165 rooms, across 17 states. Xenia's hotels are primarily in the luxury and upper upscale segments, and operated and/or licensed by industry leaders such as Marriott®, Hyatt®, Kimpton®, Fairmont®, Loews®, and Hilton®, as well as leading independent management companies including The Kessler Collection, Sage Hospitality, and Davidson Hotels & Resorts. For more information on Xenia's business, refer to the Company website at [www.xeniareit.com](http://www.xeniareit.com).

*This news release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as "anticipate," "believe," "expect," "will," "may," "estimate," "plan," "outlook," "forecasts," and "project" and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. Forward-looking statements include statements in this press release regarding the acquisition of certain properties identified in the news release and Xenia's expectations with respect to projected future performance of the properties. Forward-looking statements are based on Xenia's current expectations and beliefs, which we believe to be reasonable, and involve a number of risks and uncertainties that are difficult to predict and that could cause actual results to differ materially from those stated or implied by the forward-looking statements. A further description of these risks, uncertainties, and other matters can be found in the Risk Factors detailed in Xenia's Annual Report on Form 10-K as filed on February 27, 2018, as well as other filings we make with the Securities and Exchange Commission. Because forward-looking statements involve risks and uncertainties, actual results and events may differ materially from results and events currently expected by Xenia, and Xenia assumes no obligation and expressly disclaims any duty to update information contained in this news release except as required by law.*

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