



FOR IMMEDIATE RELEASE

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**HOLLOWAY LODGING CORPORATION ANNOUNCES
SALE OF THREE HOTELS IN ATLANTIC CANADA**

Halifax, NS - Holloway Lodging Corporation, a Clarke Inc. Company, (“Holloway”) is pleased to announce that it has sold the Holiday Inn Express® hotel in Stellarton, NS the Travelodge® hotel in New Glasgow, NS and the Travelodge® hotel in Saint John, NB in two separate transactions.

The combined sales price for the properties was \$18.2 million, representing a cap rate of 10.3% (when taking into account the obligation the purchaser has assumed to complete the property improvement plan at the Holiday Inn Express in Stellarton, NS in the approximate amount of \$3.5 million) and a price per room of approximately \$74,000. Prior to the revaluation of Holloway’s hotels in the first quarter of 2019, the value of the properties on Holloway’s balance sheet was approximately \$11.8 million.

Holloway received approximately \$16.8 million of proceeds after closing costs and the provision of a \$0.75 million second mortgage secured by two of the properties and cross-collateralized by a third property owned by the purchaser. Holloway expects to use the net sale proceeds to repay \$9.1 million on its amortizing mortgages and \$7.7 million on its revolving credit facility. Holloway does not anticipate paying any tax on the sales of these properties.

ABOUT HOLLOWAY LODGING CORPORATION

Holloway is a real estate corporation focused on acquiring, adding value to and operating select service hotels and managing hotels for third parties. Holloway owns 18 hotels with 2,229 rooms. Holloway is wholly owned by Clarke Inc., whose shares trade on the TSX under the symbol CKI.

For further information please contact Michael Rapps, President and CEO of Clarke, at (416) 855-1925 or Jane Rafuse, CFO of Holloway, at (902) 443-5101.

This press release contains forward-looking information within the meaning of applicable securities laws. Forward-looking information may relate to Holloway’s future outlook and anticipated events or results and may include statements regarding Holloway’s future financial position, business strategy, financial results, plans and objectives. In some cases, forward-looking information can be identified by terms such as “may”, “will”, “should”, “expect”, “plan”, “anticipate”, “believe”, “intend”, “estimate”, “predict”, “potential”, “continue” or other similar expressions concerning matters that are not historical facts. Forward-looking information is subject to certain factors, including risks and uncertainties, that could cause actual results to differ materially from what Holloway currently expects and there can be no assurance that such statements will prove to be accurate. Some of these risks and uncertainties are described under “Risk Factors” in Holloway’s annual information form for the year ended December 31, 2018, which is available on Holloway’s profile on the SEDAR website at www.sedar.com. Holloway does not intend to update or revise any such forward-looking information should its assumptions and estimates change.