



FOR IMMEDIATE RELEASE

August 22, 2019

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### **HOLLOWAY LODGING CORP. ANNOUNCES SALE OF THUNDER BAY HOTELS**

Halifax, NS - Holloway Lodging Corporation (TSX: HLC, HLC.DB) (“Holloway”) is pleased to announce that it has sold its Travelodge® hotel and Airline Hotel & Conference Centre located in Thunder Bay, ON.

The sale price for the hotels was \$15.0 million representing a cap rate of approximately 10.3% and a price per room of approximately \$60,500. Prior to the revaluation of Holloway’s hotels in the first quarter of 2019, the value of these properties on Holloway’s balance sheet was approximately \$11.6 million.

Holloway received approximately \$13.5 million of proceeds after closing costs and the provision of a \$1.0 million second mortgage secured by the properties. Holloway expects to use the net sale proceeds to reduce amounts drawn under its revolving credit facility. Holloway does not expect to pay any tax on the sale.

### **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 21 hotels with 2,475 rooms. Holloway’s shares and debentures trade on the TSX under the symbols HLC and HLC.DB.

For further information please contact Michael Rapps, Chairman, at (416) 855-1925 or Jane Rafuse, Chief Financial Officer, 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](http://www.sedar.com). Holloway does not intend to update or revise any such forward-looking information should its assumptions and estimates change.*