



**LONDON
STOCK
EXCHANGE**

An LSEG Business

NS Contract



EXCHANGE OF CONTRACTS ON SALE OF TRAVELODGE HOTELS

[LXI REIT PLC](#)

Released 07:00:03 08 January 2024

RNS Number : 8644Y
LXI REIT PLC
08 January 2024



THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

8 January 2024

LXi REIT plc

(the "Company", the "Group" or "LXi")

EXCHANGE OF CONTRACTS ON THE SALE TO TRAVELODGE OF 66 HOTELS FOR £210 MILLION, WHICH IS IN LINE WITH LATEST BOOK VALUE

LXi REIT plc, the specialist inflation-protected very long income REIT, is pleased to announce that it has exchanged contracts unconditionally on the sale of 66 Travelodge branded hotels to the Travelodge group for £210 million, which is in line with the latest (30 September 2023) book value.

As announced on 22 November 2023, the majority of the sale proceeds will be used to pay down debt, reducing Group LTV to 34% from 38% and reducing Travelodge's proportion of Group rent to 11% from 18%.

The sale and debt repayment are not anticipated to have a material impact on the Company's earnings given the debt cost savings.

Completion of the sale is scheduled to occur on 28 February 2024.

Commenting on the transaction Simon Lee, CEO of LXI REIT Advisors, said:

"We are delighted to be transacting with Travelodge on this landmark sale of 66 hotels for £210 million, which is in line with the latest book value. Most of the sale proceeds will be used to pay down debt, reducing Group LTV to

34%, and Travelodge's proportion of Group rent will reduce to 11%. The sale and debt repayment are not expected to have a material impact on the Company's earnings. Travelodge operates a best-in-class hotels business and the firm commitment of its owners to the business is demonstrated by their support to enable the purchase of 66 of its assets."

Jo Boydell, Chief Executive of Travelodge, said:

"The acquisition of 66 Travelodge hotels from LXI REIT, with support from our owner GoldenTree Asset Management, will mark a positive step for Travelodge as we seek to optimise our hotel portfolio and diversify our freehold/leasehold split to enhance value. The new structure will provide us with a platform to explore further freehold acquisitions. We have nearly four decades of expertise in operating budget hotels and we look forward to continuing to invest in our hotel network to drive growth."

FOR FURTHER INFORMATION, PLEASE CONTACT:

LXI REIT Advisors Limited Simon Lee (CEO) Alex MacEachin (CFO)	Via H/Advisors Maitland
H/Advisors Maitland (Communications Advisor) James Benjamin Rachel Cohen	lxireit-maitland@h-advisors.global 07747 113 930 020 7379 5151

The Company's LEI is: 2138008YZGXOKAXQVI45

NOTES

LXI REIT plc invests in commercial property assets predominantly in the UK, let, or pre-let, on long (typically 20 to 30 years to expiry or first break), inflation-linked leases to a wide range of strong tenant covenants across a diverse range of robust property sectors.

The Company may invest in fixed-price forward funded developments, provided they are pre-let to an acceptable tenant and full planning permission is in place. The Company will not undertake any direct development activity nor assume direct development risk.

The Company is targeting a dividend of 6.6 pence per ordinary share for the year which commenced on 1 April 2023*.

The Company, a real estate investment trust ("**REIT**") incorporated in England and Wales, is listed on the premium listing segment of the Official List of the UK Financial Conduct Authority and was admitted to trading on the main market for listed securities of the London Stock Exchange in February 2017.

The Company is a constituent of the FTSE 250, EPRA/NAREIT, MSCI and STOXX Europe 600 indices.

Further information on the Company is available at www.lxireit.com

* This is a target and not profit forecast.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

CNTQKABNBKBDNDK

London Stock Exchange plc is not responsible for and does not check content on this Website. Website users are responsible for checking content. Any news item (including any prospectus) which is addressed solely to the persons and countries specified therein should not be relied upon other than by such persons and/or outside the specified countries. [Terms and conditions](#), including restrictions on use and distribution apply.
