

LANDandBUILDINGS

Land and Buildings Highlights Substantial Undervaluation of FelCor Lodging Trust and Outlines Path to Unlock Shareholder Value

- *Releases Presentation Outlining Multi-Step Approach to Value Creation –*
- *Land and Buildings Plan Could Drive FCH shares up 60% to Estimated \$10.50 per Share Net Asset Value –*
- *Calls on FelCor to Concurrently Explore Sale of Company and Strategic Alternatives –*
- *Land and Buildings to Host Conference Call Today at 10:30 AM Eastern Time –*

Stamford, CT— (January 28, 2016) – Today Land and Buildings released an investor presentation providing a detailed discussion of the value creation opportunity and need for a change in strategy at FelCor Lodging Trust (NYSE: FCH) (“FCH”, “FelCor”, or the “Company”). Land and Buildings Founder and Chief Investment Officer Jonathan Litt and Co-Founder and Portfolio Manager Craig Melcher will be hosting a conference call today, Thursday, January 28th at 10:30 AM Eastern Time, to discuss the presentation. The presentation is available at www.landandbuildings.com and the dial-in information for the call is below.

“Land and Buildings believes that FelCor Lodging Trust is uniquely positioned in the hotel REIT sector to outperform and close the substantial gap between its share price and net asset value,” said Jonathan Litt. “The Company’s suburban, airport and resort locations are insulated from elevated supply growth in the gateway markets, positioning the Company for superior growth compared to its lodging REIT peers in 2016.”

Litt continued, “However, strategically the Company is at a crossroads, as the stock is down approximately 50 percent from 2015 highs and continues to trade well below current private market real estate value taking into account real-time market conditions. We believe FelCor must pursue a value-enhancing strategy that will significantly lower leverage, increase NAV per share and crystallize value through a sale of all or part of the Company. The status quo of poor capital allocation and poor balance sheet management is unacceptable and has led to sector-worst total shareholder returns over the trailing 10 yearsⁱ – demonstrating the urgent need for change at FelCor.”

Highlights of the Land and Buildings strategic plan for FelCor include:

- **Selling the Company’s New York City hotels** given strong private market valuations to realize significant embedded value not reflected in stock price (including the Knickerbocker Hotel, the Royalton New York, and the Morgans New York properties)
- **Selling the bottom ~10% of the Company’s portfolio** to improve portfolio quality and generate cash proceeds
- **Buying back stock** with asset sale proceeds to increase net asset value
- **Reducing net debt** with asset sale proceeds and retained cash flow to reduce leverage below peers

- **Enhancing corporate governance** by de-staggering Board immediately and adding new directors

In addition to the strategic initiatives discussed above, Land and Buildings believes **a company sale or liquidation should be explored concurrently with other strategic opportunities**. The private market for hotels is large and liquid, with Jones Lang LaSalle forecasting \$36 billion in US hotel investment sales to transact in 2016. Given the more than 60% upside to NAV, a strong case must be made to justify why shareholder value will be best maximized by remaining a going concern.

Participant Dial-in Information for the call is as follows:

- Domestic: 800 899 2086
- International: +1 212 231 2934

Please email questions for the conference call to litt-landandbuildings@landandbuildings.com.

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About Land and Buildings:

Land and Buildings is a registered investment manager specializing in publicly traded real estate and real estate related securities. Land and Buildings seeks to deliver attractive risk adjusted returns by opportunistically investing in securities of global real estate and real estate related companies, leveraging its investment professionals' deep experience, research expertise and industry relationships.

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ⁱ Trailing 10 years defined as January 1, 2006 – December 31, 2015