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XENIA HOTELS & RESORTS, INC.

FORM SC TO-C

(Written communication relating to an issuer or third party)

Filed 01/23/15

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SIC Code	7011 - Hotels and Motels
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE TO

TENDER OFFER STATEMENT UNDER SECTION 14(d)(1) OR 13(e)(1)
OF THE SECURITIES EXCHANGE ACT OF 1934

Xenia Hotels & Resorts, Inc.

(Name of Subject Company (Issuer) and Filing Person (Offeror))

Common Stock, $0.01 par value per share
(Title of Class of Securities)

984017 103
(CUSIP Number of Class of Securities)

Marcel Verbaas
President and Chief Executive Officer
Xenia Hotels & Resorts, Inc.
200 S. Orange Avenue, Suite 1200
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Telephone: (407) 317-6950
(Name, address and telephone number of person authorized to receive notices and communications on behalf of filing person)

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CALCULATION OF FILING FEE

Transaction Valuation	Amount of Filing Fee
Not applicable*	Not applicable*

* A filing fee is not required in connection with this filing as it relates solely to preliminary communications made before the commencement of a tender offer

☐ Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid:	N/A	Filing Party	N/A
Form or Registration No:	N/A	Date Filed	N/A

☒ Check the box if filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

☐ third-party tender offer subject to Rule 14d-1.

☒ issuer tender offer subject to Rule 13e-4.

☐ going-private transaction subject to Rule 13e-3.

☐ amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer: ☐

If applicable, check the appropriate box(es) below to designate the appropriate rule provision(s) relied upon:

☐ Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

☐ Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

This filing relates solely to preliminary communications made before the commencement of a tender offer for outstanding shares of Xenia Hotels & Resorts, Inc. (the "Company") common stock, par value $0.01 per share.

Attached as Exhibit 99.1 to this communication are excerpts from a presentation to be used by the Company's management team in a series of presentations to members of the investment community beginning on January 23, 2015, in anticipation of the distribution by Inland American Real Estate Trust, Inc. of 95% of the common stock of the Company to the holders of Inland American Real Estate Trust, Inc. common stock as of the close of business on January 20, 2015. Those excerpts relate to the Company's potential tender offer to purchase shares of its common stock.

Important Information

This communication is for informational purposes only and is not an offer to buy or the solicitation of an offer to sell any securities of the Company. The tender offer will be made only pursuant to an offer to purchase, letter of transmittal and related materials that the Company intends to distribute to its stockholders and file with the Securities and Exchange Commission (the "SEC"). The full details of the tender offer, including complete instructions on how to tender shares of the Company's common stock, will be included in the offer to purchase, the letter of transmittal and other related materials, which the Company will distribute to stockholders and file with the SEC upon commencement of the tender offer. Stockholders are urged to carefully read the offer to purchase, the letter of transmittal and other related materials when they become available because they will contain important information, including the terms and conditions of the tender offer. Stockholders may obtain free copies of the offer to purchase, the letter of transmittal and other related materials that the Company files with the SEC at the SEC's website at http://www.sec.gov or by calling the information agent for the contemplated tender offer, who will be identified in the materials filed with the SEC at the commencement of the tender offer.

Item 12.

Exhibit No.	Description
99.1	Excerpts from Investor Presentation of Xenia Hotels & Resorts, Inc.

INDEX OF EXHIBITS

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99.1	Excerpts from Investor Presentation of Xenia Hotels and Resorts, Inc.

Forward-Looking Statements; Non-GAAP Financial Measures

This document has been prepared by Xenia Hotels & Resorts, Inc. (the "Company" or "Xenia") solely for informational purposes. This presentation contains, and our responses to various questions from investors may include, "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include statements about Xenia's plans, strategies, financial performance, the amount and timing of future cash distributions, lodging portfolio, the timing of the distribution and listing, our preliminary 2015 estimated guidance range for RevPAR Growth, Adjusted EBITDA and FFO, prospects or future events and involve known and unknown risks that are difficult to predict. As a result, our actual financial results, performance, achievements or prospects may differ materially from those expressed or implied by these forward-looking statements. In some cases, you can identify forward-looking statements by the use of words such as "may," "could," "expect," "intend," "plan," "seek," "anticipate," "believe," "estimate," "guidance," "predict," "potential," "continue," "likely," "will," "would," "illustrative" and variations of these terms and similar expressions, or the negative of these terms or similar expressions. Such forward-looking statements are necessarily based upon estimates and assumptions that, while considered reasonable by the Company and its management based on their knowledge and understanding of the business and industry, are inherently uncertain. These statements are not guarantees of future performance, and stockholders should not place undue reliance on forward-looking statements. Actual results may differ materially from those expressed or forecasted in the forward-looking statements due to a variety of risks, uncertainties and other factors, including but not limited to the factors listed and described under "Risk Factors" in the Company's most recent registration statement on Form 10, as filed with the U.S. Securities and Exchange Commission ("SEC") and other risks discussed in the Company's filings with the SEC, that are available from the SEC. These factors are not necessarily all of the important factors that could cause our actual financial results, performance, achievements or prospects to differ materially from those expressed in or implied by any of our forward-looking statements. Other unknown or unpredictable factors also could harm our results. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements set forth above. Forward-looking statements speak only as of the date they are made, and we do not undertake or assume any obligation to update publicly any of these forward-looking statements to reflect actual results, new information or future events, changes in assumptions or changes in other factors affecting forward-looking statements, except to the extent required by applicable laws. If we update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements. The Company intends that such forward-looking statements be subject to the safe harbors created by Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, except as may be required by applicable law.

This presentation includes certain non-GAAP financial measures, including EBITDA, Adjusted EBITDA, Hotel EBITDA and FFO. EBITDA is a commonly used measure of performance in many industries and is defined as net income or loss (calculated in accordance with GAAP) excluding interest expense, provision for income taxes (including income taxes applicable to sale of assets) and depreciation and amortization. We consider EBITDA useful to an investor regarding our results of operations, in evaluating and facilitating comparisons of our operating performance between periods and between REITs by removing the impact of our capital structure (primarily interest expense) and asset base (primarily depreciation and amortization) from our operating results, even though EBITDA does not represent an amount that accrues directly to common stockholders. In addition, EBITDA is used as one measure in determining the value of hotel acquisitions and dispositions along with FFO, it is used by management in the annual budget process for compensation programs.

We further adjust EBITDA for certain additional items such as hotel property acquisitions and pursuit costs, amortization of share-based compensation, equity investment adjustments, the cumulative effect of changes in accounting principles, impairment of real estate assets, and other costs we believe do not represent recurring operations and are not indicative of the performance of our underlying hotel property entities. We believe Adjusted EBITDA provides investors with another financial measure in evaluating and facilitating comparison of operating performance between periods and between REITs that report similar measures.

We define Hotel EBITDA as Total Revenues less Hotel Operating Expenses less Real Estate Taxes, Personal Property Taxes and Insurance Expense. We believe that Hotel EBITDA provides investors with a useful financial measure to evaluate the Company's hotel operating performance.

We calculate FFO in accordance with standards established by the National Association of Real Estate Investment Trusts (NAREIT), which defines FFO as net income or loss (calculated in accordance with GAAP), excluding real estate-related depreciation, amortization and impairment, gains (losses) from sales of real estate, the cumulative effect of changes in accounting principles, adjustments for unconsolidated partnerships and joint ventures, and items classified by GAAP as extraordinary. Historical cost accounting for real estate assets implicitly assumes that the value of real estate assets diminishes predictably over time. Since real estate values instead have historically risen or fallen with market conditions, most industry investors consider presentations of operating results for real estate companies that use historical cost accounting to be insufficient by themselves. We believe that the presentation of FFO provides useful supplemental information to investors regarding our operating performance by excluding the effect of real estate depreciation and amortization, gains (losses) from sales of real estate, impairments of real estate assets, extraordinary items and the portion of items related to unconsolidated entities, all of which are based on historical cost accounting and which may be of lesser significance in evaluating current performance. We believe that the presentation of FFO can facilitate comparisons of operating performance between periods and between REITs, even though FFO does not represent an amount that accrues directly to common stockholders. Our calculation of FFO may not be comparable to measures calculated by other companies who do not use the NAREIT definition of FFO or do not calculate FFO per diluted share in accordance with NAREIT guidelines. Additionally, FFO may not be helpful when comparing us to non-REITs.

FFO, EBITDA and Adjusted EBITDA do not represent cash generated from operating activities under GAAP and should not be considered as alternatives to net income or loss, operating profit, cash flows from operations or any other operating performance measure prescribed by GAAP. Although we present and use FFO, EBITDA and Adjusted EBITDA because we believe they are useful to investors in evaluating and facilitating comparisons of our operating performance between periods and between REITs that report similar measures, the use of these non-GAAP measures has certain limitations as analytical tools. These non-GAAP financial measures are not measures of liquidity, nor are they indicative of funds available to fund our cash needs, including our ability to fund capital expenditures, contractual commitments, working capital, service debt or make cash distributions. These measures do not reflect cash expenditures for long-term assets and other items that we have incurred and will incur. These non-GAAP financial measures may include funds that may not be available for management's discretionary use due to functional requirements to conserve funds for capital expenditures, property acquisitions, and other commitments and uncertainties. These non-GAAP financial measures as presented may not be comparable to non-GAAP financial measures as calculated by other real estate companies. Therefore, these measures should not be considered in isolation or as an alternative to GAAP measures. For a reconciliation of net income (loss) to EBITDA and Adjusted EBITDA for historical periods presented and our calculation of Hotel EBITDA, please refer to the Appendix in this presentation.

Prior to and in connection with Xenia's separation from Inland American, the Company has and will effect certain reorganization transactions described in the Company's registration statement on Form 10 (the "Reorganization Transactions"). The hotels owned by the Company from time to time and prior to the Reorganization Transactions are referred to herein as the "Prior Combined Portfolio." As of September 30, 2014, the Prior Combined Portfolio consisted of 46 premium full service, lifestyle and urban upscale hotels and a majority interest in two hotels under development (collectively, the "Xenia Portfolio"); one hotel being marketed for sale; and 52 suburban select service hotels (the "Suburban Select Service Portfolio"), classified as held for sale with the related results from operations reported as discontinued operations. The Suburban Select Service Portfolio was sold to unaffiliated third party purchasers on November 17, 2014, and the hotel being marketed for sale was sold by Inland American to an unaffiliated third party on December 31, 2014. Unless otherwise indicated or the context otherwise requires, all financial and operating data herein reflect solely the Xenia Portfolio excluding the two hotels under development.

This presentation contains registered trademarks that are the exclusive property of their respective owners, which are companies other than Xenia, including but not limited to Marriott International, Inc., Hilton Worldwide Holdings Inc., Hyatt Hotels Corporation and Starwood Hotels and Resorts Worldwide, Inc., or their respective parents, subsidiaries or affiliates. None of the owners of these trademarks, their respective parents, subsidiaries or affiliates or any of their respective officers, directors, members, managers, shareholders, owners, agents or employees, has any responsibility for the creation or contents of this presentation.

This document is not an offer to buy or the solicitation of an offer to sell any securities of the Company. The tender offer referenced in the presentation will be made only pursuant to an offer to purchase, letter of transmittal and related materials that the Company intends to distribute to its stockholders and file with the SEC. The full details of the tender offer, including complete instructions on how to tender shares, will be included in the offer to purchase, the letter of transmittal and other related materials, which the Company will distribute to stockholders and file with the SEC upon commencement of the tender offer. Stockholders are urged to read the offer to purchase, the letter of transmittal and other related materials when they become available because they will contain important information, including the terms and conditions of the tender offer. Stockholders may obtain free copies of the offer to purchase, the letter of transmittal and other related materials that the Company files with the SEC at the SEC's website at www.sec.gov or by calling the information agent for the contemplated tender offer, who will be identified in the materials filed with the SEC at the commencement of the tender offer.

Spin-Off Transaction Overview

SpinCo Name	■ Xenia Hotels & Resorts, Inc. ("Xenia")
Ticker / Exchange	■ XHR / NYSE
Parent Company	■ Inland American Real Estate Trust, Inc. ("Inland American" or "IA")
Tender Offer	■ $125 million ■ Price Range TBD / to be announced on first day of trading ■ 21 business day tender period to commence on first day of trading
Distribution Ratio	■ Inland American shareholders will receive 1 Xenia share for every 8 Inland American shares
% Retained by Inland American	■ 5.0% (not subject to a contractual lock-up)
Pro Forma Common Shares Outstanding[1]	■ 113,397,997
Listing Date	■ February 4, 2015
Financial Advisors	■ Goldman, Sachs & Co. and Morgan Stanley

(1) *Reflects common stock outstanding immediately following the distribution and prior to the tender.*

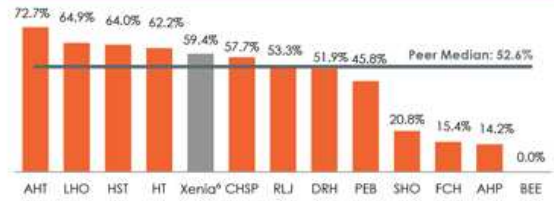
Overview of Dividend Policy

Dividend yield expected to be in-line or above our peer group, while maintaining an appropriate AFFO payout ratio

Xenia Dividend Sensitivity Analysis

EBITDA Multiple (Forward)		13.0 x	13.5 x	14.0 x	14.5 x	15.0 x
2015E EBITDA[1]		$ 285	$ 285	$ 285	$ 285	$ 285
Total Enterprise Value		$ 3,705	$ 3,848	$ 3,990	$ 4,133	$ 4,275
Less: Mortgage Debt[2]		(1,169)	(1,169)	(1,169)	(1,169)	(1,169)
Plus: Excess Cash[3]		41	41	41	41	41
Equity Market Capitalization		$ 2,577	$ 2,720	$ 2,862	$ 3,005	$ 3,147
Common Stock Outstanding[4]		113.4	113.4	113.4	113.4	113.4
Implied Share Price		$ 22.73	$ 23.98	$ 25.24	$ 26.50	$ 27.75
Annual Dividend / Yield	**$ 0.92**	**4.0 %**	**3.8 %**	**3.6 %**	**3.5 %**	**3.3 %**

AFFO Payout Ratio[5]



Dividend Yield



Sources: Company Financials, Bloomberg, SNL Financial

Note: Peer data reflects a 20-Jan-2015 pricing date.

Note: The 2015 information included on this page constitutes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Actual results may vary materially from the information contained in these forward-looking statements based on a number of factors. Please refer to "Forward-Looking Statements; Non-GAAP Financial Measures" earlier in this presentation for additional information.

(1) *Reflects midpoint of 2015E Adjusted EBITDA guidance range. Excludes one-time G&A costs associated with the Spin-off including new public company costs and expense reimbursements to Inland American. Additional adjustments are in a manner consistent with the historical reconciliation found on page 26.*

(2) *Reflects Xenia's 30-Sep-2014 debt balance adjusted as described on page 28.*

(3) *Does not include $125mm of cash reserved to fund the tender.*

(4) *Reflects common stock outstanding immediately following the distribution and prior to the tender.*

(5) *AFFO payout ratio calculated using most recent annualized dividend divided by SNL Financial median 2015E AFFO.*

(6) *Xenia AFFO payout ratio reflects midpoint of 2015E FFO guidance less a 5% FF&E reserve based on annualized 2014E revenue.*