Fifth Cambria Hotel In Washington, DC, Metro Area Breaks Ground

Choice Hotels' Upscale Brand Continues Rapid Growth in Top-Tier Markets

ROCKVILLE, Md., Oct. 7, 2019 /PRNewswire/ -- Choice Hotels International, Inc. (NYSE: CHH), Donohoe Development Company and Koucar Management announce the official start of construction on the Cambria Hotel Washington D.C. Capitol Riverfront. The new-construction, nine-story, 154-room upscale hotel, which is expected to open in early 2021, will become the Cambria brand's fifth location in the Washington, D.C., metro area. Eight Cambria locations have already opened their doors this year — together representing over 1,100 upscale rooms. Up to four additional Cambria hotels are expected to open in top-tier markets across the country by year-end.

The milestone was marked at an event attended by local dignitaries and area business leaders. Featured speakers included:

- D.C. Councilman Charles Allen
- Pat Pacious, president and CEO, Choice Hotels International
- Evan Weisman, executive vice president, Donohoe Development Company
- Fredrica Kramer, co-chair, Near Southeast/Southwest Community Benefits Coordinating Council
- Thomas Penny, III, president, Donohoe Hospitality Services

"The D.C. area has been home to Choice Hotels' corporate office for decades — so we're especially excited when a Cambria hotel breaks ground in our own backyard," said Janis Cannon, senior vice president, upscale brands, Choice Hotels. "The Cambria Washington D.C. Capitol Riverfront is perfectly positioned in one of the city's most exciting neighborhoods, just blocks from bustling development projects that are sure to appeal to business and leisure guests alike. We are pleased the hotel will join four Cambria hotels already in the 'DMV,' including College Park; Rockville; Washington, D.C., Convention Center; and Arundel Mills-BWI."

Planned at 69 Q St. SW, the Cambria Washington D.C. Capitol Riverfront will be situated in a rapidly redeveloping area of the city within walking distance to Nationals Park and the new Audi Field soccer stadium. The future hotel will be within three miles of the U.S. Capitol, the National Mall, Smithsonian museums and other major attractions, as well as the popular mixed-use development Yards Park. The Cambria hotel will be a short walk from the Navy Yard Metro Station, which will connect guests to destinations in Washington, D.C., Maryland and Northern Virginia, including Ronald Reagan Washington National Airport.

The Cambria Washington D.C. Capitol Riverfront will feature brand hallmarks tailored to the needs of modern travelers, including:

- Locally inspired design: following a local resident's suggestion, the cornice from the site's original row house will be salvaged and installed above the reception desk to honor the past, present and future of Southwest D.C.
- A ground level restaurant and scenic rooftop lounge with a 3,500-square-foot terrace
- Contemporary and sophisticated guestrooms, complete with modern fixtures, abundant lighting, and plush bedding
- Immersive, spa-style bathrooms with Bluetooth mirrors
- Onsite dining with a menu featuring freshly prepared food, local craft beer on tap, wine, and specialty cocktails
- 2,500 square feet of multi-function meeting space
- State-of-the-art fitness center

The Cambria Hotel Washington D.C. Capitol Riverfront is the newest project of well-known D.C. developer Donohoe Development with co-developer Koucar Management. The hotel is one of four Cambria hotels under development by Koucar Management, one of the largest private real estate developers in the Midwest. Koucar Management celebrated the start of construction on Maine's first Cambria hotel less than six weeks ago and also has Cambria Hotels under construction in Detroit and Shelby Township, Michigan. BBGM Architects — an internationally renowned architecture and interior design firm — is the architect for the Cambria Hotel Washington D.C. Capitol Riverfront. Donohoe Hospitality Services, one of the largest independent managers of premium and select-service hotels in the Washington, D.C. metro area, will manage the new hotel. The Cambria Hotel Washington D.C. Capitol Riverfront will be the second Cambria Hotel in the Donohoe Hospitality portfolio.

There are currently more than 45 Cambria hotels open across the U.S. in popular cities, such as Chicago; Dallas; Los Angeles; Nashville, Tennessee; New York; New Orleans; and Phoenix. The brand is on pace to break its openings record for the second-straight year and is fast approaching 50 open Cambria hotels, including a soon-to-open property in Anaheim, California.

For more information on Choice Hotels development opportunities, visit <u>choicehotelsdevelopment.com</u>.

About Cambria Hotels

The Cambria [®] Hotels brand is designed for the modern traveler, offering guests a distinct experience with simple, guilt-free indulgences allowing them to treat themselves while on the road. Properties feature compelling design inspired by the location, spacious and comfortable rooms, flexible meeting space, and local, freshly prepared food and craft beer. Cambria Hotels is rapidly expanding in major U.S. cities, with hotels open in Chicago, New York City, Pittsburgh, Washington, D.C., and Los Angeles. There are more than 40 Cambria properties open across the United States, and over 100 hotels open or in the pipeline in the U.S. and Canada. To learn more, visit www.choicehotels.com/cambria.

About Choice Hotels

Choice Hotels International, Inc. (NYSE: CHH) is one of the largest and most successful lodging franchisors in the world. With more than 7,000 hotels, representing nearly 570,000 rooms, in over 40 countries and territories as of June 30, 2019, the Choice[®] family of hotel brands provides business and leisure travelers with a range of high-quality lodging options from limited service to full-service hotels in the upscale, midscale, extended-stay and economy segments. The award-winning Choice Privileges[®] loyalty program offers members benefits ranging from everyday rewards to exceptional experiences. For more information, visit www.choicehotels.com.

About Donohoe Development Company

Donohoe Development is invested in revitalizing neighborhoods, creating value for investors and generating job opportunities for local residents. Donohoe Development is a division of The Donohoe Companies, a full-service commercial real estate company with expertise in the Washington, DC region. Donohoe Development has experience developing billions of dollars of commercial real estate from conception through building completion and management. Portfolio property types include office, hotel, retail, industrial, residential, and embassy properties. For more information visit www.donohoe.com/development.

About Donohoe Hospitality Services

Donohoe Hospitality Services is a leading hotel management company dedicated to excellence in service while providing outstanding performance for its owners and partners. Founded in 2005, Donohoe Hospitality Services is a division of Donohoe, an iconic real estate service company established in 1884. Building on its founders' 135-year history, Donohoe Hospitality Services has grown to become one of the largest independent hotel management

companies in the Washington, D.C. metro area and is rapidly expanding throughout the U.S. Donohoe Hospitality Services' portfolio includes full service and premium select service hotels. Donohoe Hospitality Services is approved to manage Marriott, Hilton, Intercontinental Hotel Group, Hyatt, and Choice hotel brands. In addition, the Company presently has six hotels under development in the District of Columbia, Virginia, Maryland, Oregon and Nevada. Recognized as one of the top 35 management companies by total revenue, and as one of the 10 Best Places to Work by *The Washington Business Journal*, Donohoe Hospitality Services is a forward-looking company with a vision of success. For more information visit: www.donohoe.com/hospitality.

About Koucar Management

Koucar Management, LLC is a privately held, Michigan-based company with a diverse portfolio of holdings and investments. Our wide spectrum of business activities includes: general contracting, construction management, land development, residential, commercial and industrial construction, hotel, restaurant and property management, real estate services and equipment leasing. Koucar Management has an investment strategy that firmly focuses on expansion within existing industries, bringing new vitality to acquired businesses and laying the groundwork for new ventures. With our recognized management strengths and ample financial resources, Koucar Management is providing growth capital and other resources to its portfolio of companies, with a collective pipeline in excess of \$250 million. Our vision is clear; motivated, skilled partners & employees, significant financial strength and stability, a willingness to look beyond conventional performance measurements and an untiring commitment to our customers. Since our founding, we have viewed obstacles as opportunities, placed a premium on sweat equity and sought out affiliates and individuals who share our passion for excellence. Working together, we guarantee the best is yet to come. Visit www.koucar.com.

About BBGM

BBGM is an internationally renowned architecture and interior design firm with extensive experience in the design and planning of hotels, resorts, hospitality, multi-family residential, office buildings, mixed-use complexes, master plans for development, and renovation / restoration projects. To learn more, please visit www.bbgm.com.

Forward-Looking Statement

This communication includes "forward-looking statements" about future events, including anticipated development and hotel openings. Such statements are subject to numerous risks and uncertainties, including construction delays, availability and cost of financing and the other "Risk Factors" described in our Annual Report on Form 10-K, any of which could cause actual results to be materially different from our expectations.

Addendum

This is not an offering. No offer or sale of a franchise will be made except by a Franchise Disclosure Document first filed and registered with applicable state authorities. A copy of the Franchise Disclosure Document can be obtained through contacting Choice Hotels International at 1 Choice Hotels Circle, Suite 400, Rockville, MD 20850, development@choicehotels.com.

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