

Comfort and Sleep Inn Accelerate New Construction Growth **Strongest new construction pipeline and best performance metrics in eight years**

PR Newswire
ROCKVILLE, Md.

ROCKVILLE, Md., March 22, 2017 /PRNewswire/ -- Choice Hotels International, Inc. (NYSE: CHH), one of the world's largest hotel companies, is experiencing its strongest new construction pipeline since 2009, exceeding 200 signed contracts in 2016. The Comfort brand transformation and Sleep Inn all-new construction prototype have fueled development efforts, totaling over 75 percent of Choice Hotels' new construction agreements, with continued growth forecasted for 2017.

"As a proven leader in the upper midscale and midscale segments, Choice Hotels has experienced its strongest growth in recent history, driven by the success of both the Comfort and Sleep Inn brands," said Anne Smith, vice president, brand strategy, Choice Hotels. "In particular, Comfort and Sleep Inn meet the needs of small- to medium-sized developers, and have fresh, relevant hotel prototypes that are cost-effective to build, maintain, and operate."

Comfort Transformation and New Construction

The successful Comfort brand transformation has led to outstanding performance metrics and renewed development. The brand is experiencing all-time high guest satisfaction scores and continues to excel in the upper midscale segment on RevPAR growth, stealing share and recording 27 consecutive months of RevPAR index gains compared to its competitors. In addition, nearly two-thirds of the 121 executed agreements in 2016, are new construction projects. This number has tripled in the last eight years. Currently, 28 hotels are under construction, totaling 2,136 rooms. Comfort hotels are ramping up across the United States and will expand to popular travel destinations, such as Charleston, S.C.; Miami; Jacksonville, Fla.; Dallas-Fort Worth; Charlotte, N.C.; St. Louis; Memphis; Nashville, Tenn.; and Birmingham, Ala.

"Innovative enhancements, trusted reliability, and best-in-class service, along with locations everywhere travelers want to stay, have drawn top developers to Comfort," said Brian Quinn, vice president, franchise development, Choice Hotels. "Our team has strategic initiatives in place to help hotel developers determine the best places to build new prototype Comfort brand properties. We also opened up optimal markets by removing 600 underperforming hotels."

Sleep Inn Growth and New Prototype

Similarly, Sleep Inn, an all-new construction brand and leader in the midscale lodging segment, is also generating strong interest from developers. The brand is outperforming the segment on RevPAR growth by more than double.

The brand unveiled an upgraded *Designed to Dream* prototype, in 2016, that remains cost-neutral and builds upon a 2010 system-wide renovation initiative. *Designed to Dream* has been well received by developers for its simple stylish aesthetic, which meets travelers' tastes and behaviors and is cost effective to build and operate. The newly evolved prototype has generated 51 new construction agreements, bringing the total pipeline to more than 100 locations. Most recently, the brand celebrated the opening of its first hotel featuring the new prototype design in Galion, Ohio, just nine months after the concept. Sleep Inn also has additional hotels coming soon to West Des Moines, Dallas and Houston.

"Sleep Inn has taken a 'less is more' approach with a simply stylish and consistent experience to ensure that we are meeting the needs of current and future travelers," added Smith. "We're seeing increased interest and positive feedback from developers and guests because the enhanced look and feel is universally appealing and versatile in all markets."

The Sleep Inn pipeline includes over 60 locations that feature the innovative Sleep Inn-MainStay Suites dual brand prototype that allows hoteliers to service multiple customer segments all under one roof, while delivering construction and operational efficiencies through shared public space, back of house facilities and hotel staff. More than half of the new Sleep Inn projects signed in 2016 will be part of the dual-brand with MainStay Suites.

The strong RevPAR of both the Comfort and Sleep Inn brands, dynamic brand performance, thriving new construction activity, and expansion of the dual brand Sleep Inn-MainStay Suites have positioned Choice Hotels for continued growth.

Comfort® Rested. Set. Go.®

The Comfort brand, franchised by Choice Hotels, has been trusted by travelers and hotel owners for more than 30 years. With a proven track record of reliability, convenience and value, Comfort Inn and Comfort Suites hotels offer everything you need to feel refreshed and ready to take on the day, whether you're traveling for business or leisure. Comfort is the largest 100 percent smoke-free hotel brand in the US and Canada, with more than 1,800 properties open and operating as of December 31, 2016. With a Comfort brand hotel everywhere you need to be, complimentary amenities that include a hot, hearty and healthy breakfast, free Wi-Fi, business center, and fitness center or swimming pool. Rested. Set. Go. Because behind every great day is great night. For more information, visit www.choicehotels.com/Comfort-Inn or www.choicehotels.com/Comfort-Suites.

Sleep Inn® Dream Better Here®

Every Sleep Inn hotel offers a simply stylish stay that's designed to help our guests "Dream Better Here®". You'll find fresh, nature-inspired design elements that are modern but timeless, that create a relaxed and serene environment. An all-new construction brand, every Sleep Inn is built with a specific vision in mind -- to be a sanctuary for travelers as well as an efficient property to build, operate, and maintain. Franchised by global lodging leader Choice Hotels, Sleep Inn boasts strong product consistency and an established presence in the midscale hotel segment with nearly 500 Sleep Inn properties open and under development across North America as of December 31, 2016. All Sleep Inn hotels include free Wi-Fi, a complimentary Morning Medley breakfast buffet with plenty of hot and cold options, swimming pool and/or fitness center. For more information, visit www.choicehotels.com/Sleep-Inn.

About Choice Hotels

Choice Hotels International, Inc. (NYSE: CHH) is one of the world's largest lodging companies. With more than 6,500 hotels franchised in more than 40 countries and territories, Choice Hotels International represents more than 500,000 rooms around the globe. As of December 31, 2016, 775 hotels were in our development pipeline. Our company's Ascend Hotel Collection®, Cambria® hotels & suites, Comfort Inn®, Comfort Suites®, Sleep Inn®, Quality®, Clarion®, MainStay Suites®, Suburban Extended Stay Hotel®, Econo Lodge®, Rodeway Inn®, and Vacation Rentals by Choice Hotels(TM) brands provide a spectrum of lodging choices to meet guests' needs. With more than 30 million members and counting, our Choice Privileges® rewards program enhances every trip a guest takes, with benefits ranging from instant, every day rewards to exceptional experiences, starting right when they join. All hotels and vacation rentals are independently owned and operated. Visit us at www.choicehotels.com for more information.

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