Choice Hotels Grows Midscale Presence In Western US With Multi-Unit Agreement

ROCKVILLE, Md., Jan. 23, 2019 /PRNewswire/ -- Choice Hotels International, Inc. (NYSE: CHH) has signed an agreement with Jay Virk to develop 15 new-construction midscale hotels in the Western region of the U.S. through 2026.

Five Sleep Inn hotels and five dual-brand Sleep Inn and MainStay Suites properties will be built across California and Arizona:

- Sleep Inn hotels: Elk Grove, Manteca, Three Rivers, Turlock, and Watsonville, Calif.
- Sleep Inn and MainStay Suites dual-brand locations: Phoenix; Merced, Palmdale, Palm Desert, and Porterville, Calif.

"Our decades of midscale expertise and proven brands continue to attract developers coast to coast," said Brian Quinn, vice president, head of development, new construction brands, Choice Hotels. "The Sleep Inn brand's refreshed prototype appeals to owners by having the lowest cost-to-build in the segment. In addition, the Sleep Inn and MainStay Suites dual-brand offers operational efficiencies and a diverse model that serves business, leisure and extended-stay guests—we're proud that this concept now has over 100 hotels open or in the pipeline."

Jay Virk is an award-winning hotel developer based in Clovis, Calif.

"Choice is an innovator, both in the midscale segment and in the resources they provide to franchisees, which is why we sought this agreement," said Jay Virk. "The Sleep Inn and MainStay Suites brands provide guests with flexibility to suit a variety of travel occasions. We're excited to collaborate with Choice for the first time and can't wait to open these hotels for guests traveling to California and Phoenix."

The Sleep Inn hotels will reflect the brand's *Designed to Dream* prototype, providing a timeless, simply stylish, nature-inspired aesthetic that appeal to guests. The MainStay Suites prototype features an open-concept design with sleek and modern amenities.

For more information on Choice Hotels development opportunities, visit www.choicehotelsdevelopment.com.

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 hotel 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 properties boast strong product consistency and an established presence in the midscale hotel segment with nearly 550 Sleep Inn properties open or in the pipeline worldwide. 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 MainStay Suites

The MainStay Suites® brand is an extended hotel option that allows guests to live like home whether they're away for a week or a month. Each MainStay® property offers a unique and distinctive experience for customers at an affordable price. Travelers can maintain their

lifestyle during their stay with attractive amenities including residential style suites, free high-speed internet access, free continental breakfast, fitness center and weekly housekeeping and guest laundry services. To learn more, visit www.choicehotels.com/mainstay.

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 6,900 hotels, representing more than 560,000 rooms in over 40 countries and territories as of September 30, 2018, the Choice® family of hotel brands provide 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.

Forward-Looking Statement

This communication includes "forward-looking statements" about future events, including 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.

<u>Addendum</u>

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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Additional assets available online: Additional assets available online:

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