Cambria Hotels Continues Brand Growth With New Development Option Providing The Flexibility To Expand In More Of Guests' Favorite Destinations

Upscale Brand Evolves to Bring New Hotels to 300-Plus Markets with Design-Forward Experience Travelers Prefer

ROCKVILLE, Md., Sept. 30, 2021 / PRNewswire/ -- Cambria Hotels, an upscale brand franchised by Choice Hotels International, Inc. (NYSE: CHH), today introduced a new hotel prototype option to accelerate its growth in destinations where guests want to stay and developers want to invest. Designed specifically for secondary and leisure markets, the prototype option will help provide developers the flexibility to build Cambria hotels at a reduced cost, while maintaining the sense of space, sense of place and the core brand hallmarks upscale guests prefer.

"Cambria Hotels is a strategic, long-term priority for Choice Hotels, as is lowering the total cost of ownership for our franchisees across our well-segmented brand portfolio. With this focus at the forefront, we created a new prototype option that provides developers with more ways to build a Cambria hotel, which we expect will allow us to rapidly advance our upscale brand growth," said Patrick Pacious, president and chief executive officer, Choice Hotels. "Cambria has always offered flexibility for owners, and this new prototype with custom design options offers developers the right-sized Cambria for the right market to help maximize their investment — while also preserving the core upscale brand hallmarks guests love."

Building on the strong value proposition that developers have come to expect from the Cambria Hotels brand, the new prototype option offers:

- A cost-effective prototype: The ability to develop hotels in secondary and leisure markets that demand a lower cost-per-key by reducing square footage in the right places by 20%, while staying true to the upscale brand characteristics guests desire.
- **Operationally efficient:** Optimized staffing structure with a reduction in FTEs from current brand requirements, due to reduction in rooms, public areas and the Housekeeping Upon Request model to drive performance.
- Streamlined F&B concept: Right-sized bar and enhanced marketplace, with a 35% smaller kitchen featuring programmable vector cooking technology and a reduced culinary staffing model.
- A new option to grow with Cambria: Opportunity to bring Cambria Hotels' modern, design-forward experience to over 300 secondary and leisure markets where a significant portion of upscale-branded hotels are 15 years or older.
- Flexible design: Custom design options to build Cambria hotels in the right markets, including:
 - Streamlined structural design at entry canopy, lobby, and journey to room.
 - Customization that allows for locally inspired art and lobby packages, with the ease of 50% computer-aided design drawings and standard furniture, fixtures and equipment that considerably lowers the expense of design and architecture services to complete the build.
 - All the core brand hallmarks that guests have grown to love fromCambria, and which drive brand preference and value for developers.

"Since the beginning of 2020, we've increased the Cambria portfolio by 16% as we brought the brand to more urban markets. In fact, the brand has now entered eight of the top 10 markets and 36 of the top 50 in the United States," said Janis Cannon, senior vice president, upscale brands, Choice Hotels. "As we continue to focus on operational efficiencies and increasing owner profitability, we have identified a significant growth opportunity in secondary and leisure markets which will bring Cambria's defining brand hallmarks to a wider customer base in new markets coast to coast. This new prototype option will help accelerate expansion into these areas where our design-forward experience and upscale service will be best-in-market, translating to increased performance for owners."

The new Cambria prototype option will continue to deliver the brand hallmarks and signature amenities that appeal to modern travelers, including:

Casually tailored sensibility and locally inspired design, reflecting the unique personality of the

- surrounding community.
- Bar-forward food and beverage concept, featuring freshly made food, local craft beer, wine and specialty cocktails. Also features an elevated marketplace for to-go options including a selection of adult beverages like canned cocktails and splits of wine.
- Contemporary, sophisticated and spacious guestrooms, complete with stylish fixtures, abundant lighting and plush bedding.
- Luxe spa-inspired bathrooms with Bluetooth mirrors.
- Arrival advantage that gives guests precious minutes back through visual orientations of their priority needs, allowing them to identify key areas of the hotel, such as the front desk and elevator, immediately upon arrival.
- Outdoor spaces for productive work or relaxation.

"The Cambria brand has expanded through new construction and adaptive reuse projects, and this new prototype option builds on that with a flexible, cost-efficient design for developers in markets that have a distribution potential to significantly grow the existing Cambria customer base," said Mark Shalala, senior vice president of development, upscale brands, Choice Hotels. "This new option will be extremely appealing to a broader pool of developers across multiple segments, applicable to developers focused on midscale, upper midscale and upscale projects. Whether it's an upscale developer pursuing opportunities in leisure destinations or a traditionally midscale developer looking to capture upscale demand in secondary or smaller markets, this option gives developers flexibility to customize their project to the market and creates opportunities for more owners to grow with Cambria."

There are currently over 130 Cambria hotels open or in the pipeline across the U.S. in popular cities such as Chicago, Los Angeles, Nashville, New Orleans, Phoenix and Washington, D.C. For more information on the new prototype and Cambria Hotels development opportunities, visit choicehotelsdevelopment.com/cambriahotels.

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, Los Angeles, New York, Pittsburgh, and Washington, D.C. There are over 130 Cambria properties open or in the pipeline across the United States, with nearly 60 currently open. To learn more, visit www.choicehotels.com/cambria.

About Choice Hotels®

Choice Hotels International, Inc. (NYSE: CHH) is one of the largest lodging franchisors in the world. With more than 7,100 hotels, representing over 600,000 rooms, in nearly 40 countries and territories as of June 30, 2021, 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.

Forward-Looking Statement

This communication includes "forward-looking statements" about future events, including future development and anticipated 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 and our Quarterly Reports on Form 10-Q, 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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