

## Choice Hotels' Midscale And Upper Midscale Brands Outpace Industry In First Half Of 2020

ROCKVILLE, Md., Aug. 17, 2020 /PRNewswire/ -- Known for their segment leadership, all of Choice Hotels International, Inc.'s (NYSE: CHH) popular select service midscale and upper midscale brands saw material year-over-year revenue per available room (RevPAR) and average daily rate (ADR) index gains versus local competitors through the second quarter of 2020. The company expects this trend to continue as leisure travel bounces back faster than business travel amidst the pandemic environment, with leisure travel now comprising over 80% of room nights across the Choice Hotels portfolio.

"Our brands connect meaningfully with both guests and hotel developers, especially as they search for brands they know and trust in the current environment," said Megan Brumagim, vice president, brand management, design and compliance, Choice Hotels. "As a proven leader in the midscale segment, we're well-positioned to continue leading the way as travel demand returns and guests look to take shorter trips when they hit the road. Choice Hotels has over 4,000 hotels in the U.S. situated in convenient locations within one mile of an interstate exit, many of which are in the midscale segment."

In addition to attracting more guests in the first half of the year, Choice's midscale and upper midscale brands had several notable achievements over the same timeframe, including:

- **Comfort<sup>1</sup>** hotels that completed renovations as part of a \$2.5 billion systemwide *Move to Modern* refresh by the end of 2019 continue to outperform the competition for the fifth consecutive quarter, with Q2 2020 RevPAR index gains of nearly 16 percentage points versus their local competitors.
- **Sleep Inn** outperformed the midscale segment across key metrics with 6% higher RevPAR, 2.5 percentage points higher occupancy and a higher ADR.
- **Quality Inn**, the largest midscale brand in the U.S., has continued growth, now representing almost 1,700 domestic properties.
- **Clarion Pointe**, a brand extension of Clarion that launched less than two years ago, surpassed 50 franchise agreements awarded. This year alone, the number of open hotels doubled, with 15 open properties now spanning the country — from Greensboro, North Carolina, to Fresno, California.

"Our midscale and upper midscale brands' performance in the first half of the year reaffirms our proven value to guests and hotel owners in any environment," said Jason Cowan, senior vice president, franchise development, signature brands, Choice Hotels. "As a company, we awarded over 150 franchise agreements over the same period, over 50% of which were in these segments. We place our franchisees at the center of what we do, even during a crisis, and this shows how much they appreciate our approach and long-term strategy."

All Choice-branded hotels are participating in *Commitment to Clean*, an initiative that builds upon the strong foundation of franchisees' long-standing dedication to cleanliness with enhanced training and best practices for cleaning, disinfecting and social distancing. For more information on *Commitment to Clean*, visit <https://www.choicehotels.com/about/commitment-to-clean-hotels>.

### 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 nearly 600,000 rooms, in over 40 countries and territories as of June 30, 2020, 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](http://www.choicehotels.com).

### **Forward-Looking Statement**

This communication includes "forward-looking statements" about future events, including anticipated occupancy, RevPAR and ADR performance, as well as customer travel patterns and preferences. These forward-looking statements are based on current beliefs, assumptions, and expectations regarding future events, which, in turn, are based on information currently available. Such statements are subject to numerous risks and uncertainties, including, but not limited to, continuation, resurgence, or worsening of the COVID-19 pandemic, the performance of our brands, and the other "Risk Factors" described in our Annual Report on Form 10-K and quarterly reports on Form 10-Q, any of which could cause actual results to be materially different from our expectations. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

### **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](mailto:development@choicehotels.com).

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<sup>1</sup> Includes Comfort family of brand extensions including Comfort Inn, Comfort Inn & Suites and Comfort Suites

SOURCE Choice Hotels International, Inc.

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