

Suburban Studios Reaches Major Milestone with Opening of 100th Hotel

Choice's Leadership within Extended Stay Segment and Innovative "Kitchen in a Box" Fuel Rapid Growth of Conversion Brand

NORTH BETHESDA, Md., Dec. 18, 2023 /PRNewswire/ -- [Choice Hotels International, Inc.](#) (NYSE: CHH), one of the largest lodging franchisors in the world, reached a brand milestone with the opening of its 100th Suburban Studios hotel, demonstrating the strength of its go-to-market growth strategy that has driven growth of 45 percent in 18 months. Since the successful relaunch of the legacy Suburban Studios brand in 2022, inclusive of design and brand identity refresh, the brand has grown at a record pace, with five hotels opening in October and eight in the month of November. The 100th Suburban Studios is now open in Bloomington, Minnesota.

"We are thrilled to have 100 Suburban Studios open, and we look forward to the next 100. Our innovative solutions to accelerate conversions paired with our business strategy have enabled us to see continued growth within the segment," said Ron Burgett, senior vice president, extended stay development at Choice Hotels. "Extended stay conversions are much faster to market than their new construction counterparts, helping developers see returns as soon as possible. With a team of more than 60 dedicated extended stay experts, Choice can seamlessly guide developers through the entire conversion process."

With its quick conversion timeline, developers are able to take preexisting properties and convert them into Suburban Studios in as little as three to four months turnaround time. Demand for extended stays is double the supply of purpose-built extended stay product, and extended stay has continued to garner attention as one of the hottest segments in the hospitality industry. As a leader in the segment, Choice has been able to quickly capitalize on opportunities including conversions.

Part of the quick turn success is attributed to Choice Hotels' "Kitchen in a Box," a modular kitchen design package introduced for Suburban Studios in spring 2022, allowing franchisees to quickly and easily convert nearly any transient hotel into an extended stay hotel.

"With Choice's innovative business strategy paired with the segment's proven bottom-line performance, reduced labor requirements, and favorable demand environment, we're seeing increased interest across the country and have opened 100 Suburban Studios, with 31 more in the pipeline in just the last year and a half," said Matt McElhare, senior director, extended stay, Choice Hotels. "Since the Suburban Studios relaunch, 2 out of 3 developers have used Kitchen in a Box to get in on the extended stay segment."

Despite higher interest rates, Choice is bullish on extended stay projects in the pipeline, and this exciting milestone highlights and reinforces the attractiveness of Choice's extended stay platform and leadership position in the segment. For the first nine months of 2023, extended stay hotel openings grew by 38 percent compared to the same period in 2022. Choice's extended stay domestic pipeline increased 12 percent year over year to over 47,000 rooms in the third quarter of this year.

Designed to appeal to extended stay travelers of today and tomorrow, Suburban Studios provides an "Extended Stay Made Easy" experience strategically optimized for longer-term guests, including:

- Clean, spacious guestrooms equipped with extra space needed to unwind and relax or to catch up on some work.
- In-room kitchens with all the essentials to cook like you are at home.
- Modern, functional design and friendly service.
- Discounted long-stay rates.
- The flexibility to book longer stays on the go.

Choice Hotels, with a franchise-first focus and an industry-leading retention rate, has been committed to

providing its hotel owners with the support they need to succeed since it launched the country's first hotel chain in 1941. Today, Choice offers franchisees a suite of cutting-edge cloud-based solutions, including the **choiceEDGE** guest reservation platform and the **choiceADVANTAGE** property management system to help franchisees effectively manage room rates, distribution channels, and inventory. Additionally, **Choice University**, the most widely awarded learning program in the hospitality industry, delivers customized and always evolving learning and development resources. From pre-opening to grand opening and every day forward, Choice provides hotel owners with best-in-class resources to help them maximize the return on their investment.

To learn more about Suburban Studios, visit www.choicehotelsdevelopment.com/brands/#suburban.

About Suburban Studios

Suburban Studios, a next generation extended stay hotel brand from Choice Hotels, offers long staying guests a simple, unpretentious experience with just the right hotel amenities. All suites provide in-room kitchens. Guests have access to 24/7 laundry facilities, free high-speed internet and bi-weekly housekeeping. There are 100 Suburban Studios hotels open domestically. For more information, visit www.choicehotelsdevelopment.com/brands/#suburban.

About Choice Hotels®

Choice Hotels International, Inc. (NYSE: CHH) is one of the largest lodging franchisors in the world. The challenger in the upscale segment and a leader in midscale and extended stay, Choice® has nearly 7,500 hotels, representing almost 630,000 rooms, in 46 countries and territories. A diverse portfolio of 22 brands that range from full-service upper upscale properties to midscale, extended stay and economy enables Choice® to meet travelers' needs in more places and for more occasions while driving more value for franchise owners and shareholders. The award-winning Choice Privileges® loyalty program and co-brand credit card options provide members with a fast and easy way to earn reward nights and personalized perks. For more information, visit www.choicehotels.com.

Forward-Looking Statements

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

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 915 Meeting Street, North Bethesda, MD 20852, email: development@choicehotels.com.

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