RESIDENCE INN BY MARRIOTT®

Residence Inn by Marriott invented and continues to define the Extended Stay lodging category in North America. With nearly 700 locations worldwide and twice the footprint of its next largest competitor, Residence Inn’s high awareness brings huge occupancy premiums and legendary RevPAR Index compared to the category.

Approximately one third of all business travel room nights are part of an ‘extended stay’. With its unique culture and service model that recognizes the different needs of long-stay guests, Residence Inn® is optimally positioned to serve this large market segment. The latest prototype evolves the guest suite by expanding the bathroom and re-orienting the living, working, cooking and dining spaces. A fresh new décor package provides contemporary appeal, while a new bar option creates additional revenue opportunities.

Building on its solid performance record and powered by Marriott’s peerless sales, marketing and operations engine, Residence Inn is primed to extend its leadership throughout Central America, Europe and the Middle East.

KEY COMPETITORS: HOMEWOOD SUITES, HYATT HOUSE

DISTRIBUTION (Q1 2016)
With more than 700 hotels worldwide and a pipeline of over 215 properties, the brand’s growth continues in the U.S and internationally throughout Central America, Europe, Africa and the Middle East.

U.S. AND CANADA (Units / Rooms)
Open: 695 / 85,085
Pipeline: 190 / 24,863

GLOBAL (Units / Rooms)
Open: 702 / 85,802
Pipeline: 217 / 28,318

RECENT OPENINGS
Residence Inn Miami Beach South Beach, FL
Opened March 2016
Residence Inn Seattle University District, WA
Opened January 2016

franchise hotel performance*

Average Occupancy Rate: 79.7%
Average Extended Stay Occupancy: 41.7%
Average Daily Room Rate: $138.52
Average RevPAR: $110.42
Average Extended Stay RevPAR: $55.76

Average RevPAR Index: 120.6%

Loyal Customer Base:
Marriott Rewards® Member Paid Nights represent 65% of total Residence Inn Nights

Lower Cost Bookings:
Marriott’s channels generate 65.4% of Residence Inn’s reservations

competitive fee structure*

Application Fee: $75,000 or $500 per guest room
Royalty Fee: 6% of Gross Room Sales
Marketing Fund Fee: 2.5% of Gross Room Sales

optimized cost plan*

80 – 110 keys
Average Cost Per Key: $114,000 – $176,600

120 – 150 keys
Average Cost Per Key: $109,700 – $167,600

*2016 Residence Inn Franchise Disclosure Document. For all other costs and fees, refer to the FDD.
RESIDENCE INN PROTO MODEL ATTRIBUTES

guest suite
- Spacious suites offer zones for working, relaxing, eating and sleeping.
- Every suite features a fully equipped kitchen with full-sized refrigerator, stove, microwave and coffeemaker for preparing meals.
- A redesigned desk, located by the window offers natural light and room to spread out.
- A separate dressing area offers an innovative luggage landing zone.
- A large, one-compartment bathroom with a six-foot walk-in shower creates a spacious upscale feel.
- Possibilities, the customizable décor package, features 40+ furnish and finish combinations.

public areas
- Flexible seating options offer the choice to connect or just hang out.
- Complimentary hot breakfast with healthy and indulgent options.
- The 24/7 Market offers “grab and go” items and creates additional revenue opportunities for the property.
- The outdoor living room with a fire pit and high-end grill offer shared social spaces.
- A bar option is available based on market needs with programming to help maximize profitability.
- The décor package, Possibilities, features contemporary updates.

other amenities
- The Residence Inn Mix®, which is offered three nights a week (M/T/W) features various happy hour social events offering snacks, BBQ, premium beer & cocktails, and local cuisine sampling.
- An enhanced fitness center equipped with televisions and a pool allow guests to keep fit while away from home.
- Scalable meeting space options to meet the demands of your market.
- On-site laundry offers an added convenience to extended stay guests.

GROW WITH THE WORLD’S FAVORITE TRAVEL COMPANY
VISIT MARRIOTTDEVELOPMENT.COM OR CALL: 301.380.3200

RESIDENCE INN FRANCHISE DISCLOSURE
The data above reflects the performance of all 504 franchised Residence Inn by Marriott hotels open and operating in North America for 24 months as of December 31, 2015, for which Smith Travel Research, Inc. has data and which did not undergo material renovations or expansions during the 24 months preceding December 31, 2015. Of the 504 Residence Inn hotels, 257 (51.0%) achieved an average occupancy rate equal to or greater than 79.7%; 145 (28.8%) achieved an average daily room rate equal to or greater than $138.52; 154 (30.6%) achieved or exceeded the average RevPAR of $110.42; and 266 (52.8%) achieved an average RevPAR Index equal to or greater than 120.6%. For the 504 N.A. Included Franchised Hotels that represent the one-year period ended December 31, 2015, 252 (50.0%) achieved or exceeded the average ESOcc of 41.7% and 189 (37.5% achieved or exceeded the average ESRevPAR of $55.76. There were 504 franchised Residence Inn by Marriott hotels open and operating in North America for at least two years and that satisfied each of the Conditions (the “N.A. Included Franchised Hotels”). Of the 504 Residence Inn hotels, 251 (49.8%) had at least 65.4% of their gross room nights booked through the Marriott Channels and 305 (60.5%) achieved or exceeded the average percentage of Marriott Rewards contribution to Occupancy of 66%. There is no assurance that you will do as well. OFFER AND SALE BY PROSPECTUS ONLY. See Item 19 of our Franchise Disclosure Document dated March 31, 2016, for additional details.