SPRINGHILL SUITES BY MARRIOTT®

Guests love SpringHill Suites by Marriott, the upper moderate tier, largest all-suites style brand, for its refreshing and stylish take on the travel experience. The brand consistently ranks among the top Marriott brands in guest satisfaction, and has won numerous J.D. Power awards for service. Owners and franchisees love SpringHill Suites® too, with a development model presenting options to ease new-build costs, nationally recognized marketing campaigns driving demand, and an optimized operating model delivering remarkable returns.

Fusing form and function and wrapping it all in attractive, modern décor, SpringHill Suites offers little extras such as craft beer and wines in the Market and fitness options attuned to evolving guest needs. The lobby and guest suite feature proprietary west elm® furniture in an industry-leading partnership and deliver a highly differentiated experience that solidifies the brand’s leadership in the upper-moderate tier.

SpringHill Suites delivers strong year over year RevPAR growth with remarkable occupancies/rates on both weekdays and weekends. With a robust pipeline, this differentiated product is well received by owners, large REITS and investment firms with continued growth in both urban and suburban markets.

KEY COMPETITORS: Hyatt Place, Hotel Indigo, Hampton

DISTRIBUTION (YE 2018)
As the largest upper-moderate all-suite brand, SpringHill Suites continues its growth with a strong pipeline of nearly 200 hotels.

U.S. AND CANADA (Units / Rooms)
Open: 414 / 48,959
Pipeline: 199 / 22,701

SPRINGHILL SUITES Idaho Falls, ID

FRANCHISE HOTEL PERFORMANCE*

Average Occupancy Rate: 74.8%
Average Daily Room Rate: $121.60
Average RevPAR: $90.91
Average RevPAR Index: 109.3

Loyal Customer Base:
Average Percentage of Loyalty Program Contribution to Occupancy at SpringHill Suites is 52.5%

Lower Cost Bookings:
Marriott’s channels generate 70.3% of SpringHill Suites reservations

COMPETITIVE FEE STRUCTURE*
Application Fee: $75,000 plus $400 per suite in excess of 150 suites
Royalty Fee: 5.5% of Gross Room Sales
Program Services Contribution: 3.85% of gross room sales (which includes a contribution to the Marketing Fund of 2.5% of gross room sales); plus $10,000 per year; plus $220 per suite per year.

OPTIMIZED COST PLAN (for select costs)**
80 – 110 keys
Estimated Cost Per Key: $103,000 - $167,000

120 – 150 keys
Estimated Cost Per Key: $98,000 - $155,000

*2019 SpringHill Suites by Marriott Franchise Disclosure Document. Additional details included on the back. For all other costs and fees, refer to the FDD.

**The “Estimated Cost Per Key” includes select building construction, kitchen and laundry equipment, FF&E, start-up costs, and certain additional funds. You will incur additional costs. Please refer to our 2019 SpringHill Suites by Marriott Franchise Disclosure Document for complete details.
SpringHill Suites partnered with the modern home brand *west elm*® to co-develop furniture in the suites - a first in the industry.

**LOBBY**
- The enhanced lobby design maximizes space for efficiency and functionality and features select *west elm*® items.
- The Palettes décor, a neutral palette with two lobby accent color schemes—Renew and Alive, reflects the brand personality and offers operational sustainability.
- The SpringHill Suites S-Canvas, an interactive digital art wall, features brand curated artwork with moving elements and brand/hotel information designed to activate the lobby space and create engagement with guests.
- The 24/7 Market with “grab and go” options creates additional revenue opportunities for the property, offering elevated F&B curated selections including craft beer and wines.
- An optional bar plan is available to enhance the evening experience with detailed bar programming to help drive profitability.
- Hot complimentary breakfast with a variety of proteins, fresh fruit and healthy options, available daily.
- A dedicated business center is equipped with internet-enabled computer stations allowing guests to work at any time of the day.

**GUEST SUITE**
- Spacious suites allow separate living and sleeping areas and feature custom designed items through the *west elm*® partnership. A sleep sofa with trundle and accent pillow offer additional space equivalent to a king size bed surface area. Other items include an ottoman with tray, floor lamp, desk lamp and task chair.
- The newly designed case goods with rustic mocca fir wood laminate, exposed metal frames and a durable, powder coat finish on table/counter-tops, provide a clean, modern look and an ease for operational maintenance.
- A new headboard design features two wall vinyl options—Onyx and Twilight.
- Suites are technically functional with USB ports strategically built-in throughout.
- Flexible options are offered for the built-in dry bar and closet.
- The spa-like, spacious one-compartment bathroom features a walk-in shower. A two-compartment bath is optional.

**OTHER AMENITIES**
- A larger fitness center with over 600+ square foot offers a variety of fitness equipment.
- Outdoor spaces featuring a fire pit and pool, offer places to connect and relax.
- Scalable meeting space options to meet the demands of your market.

**SPRINGHILL SUITES FRANCHISE DISCLOSURE:**
As of December 31, 2018, there were 418 SpringHill Suites by Marriott hotels open and operating in North America (U.S. and Canada); of these, 383 were franchised. The data reflects the performance of the 326 franchised SpringHill Suites by Marriott hotels open and operating in North America for 24 months as of December 31, 2018, for which Smith Travel Research, Inc. has data and which did not undergo material renovations or expansions during the 24 months preceding December 31, 2018. Of the 326 SpringHill Suites hotels, 156 (47.9%) achieved an average occupancy rate equal to or greater than 74.8%; 124 (38.0%) achieved an average daily room rate equal to or greater than $121.60; 136 (41.7%) achieved or exceeded the average RevPAR of $90.91; and 169 (51.8%) achieved an average RevPAR Index equal to or greater than 109.3%. Of the 326 SpringHill Suites by Marriott hotels, 172 (52.8%) had 70.3% or more of their total gross room nights booked at their hotel come from all Reservation Channels and 180 (55.2%) achieved or exceeded the average percentage of loyalty program contribution to occupancy of 52.5%. 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, 2019, for additional details.

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