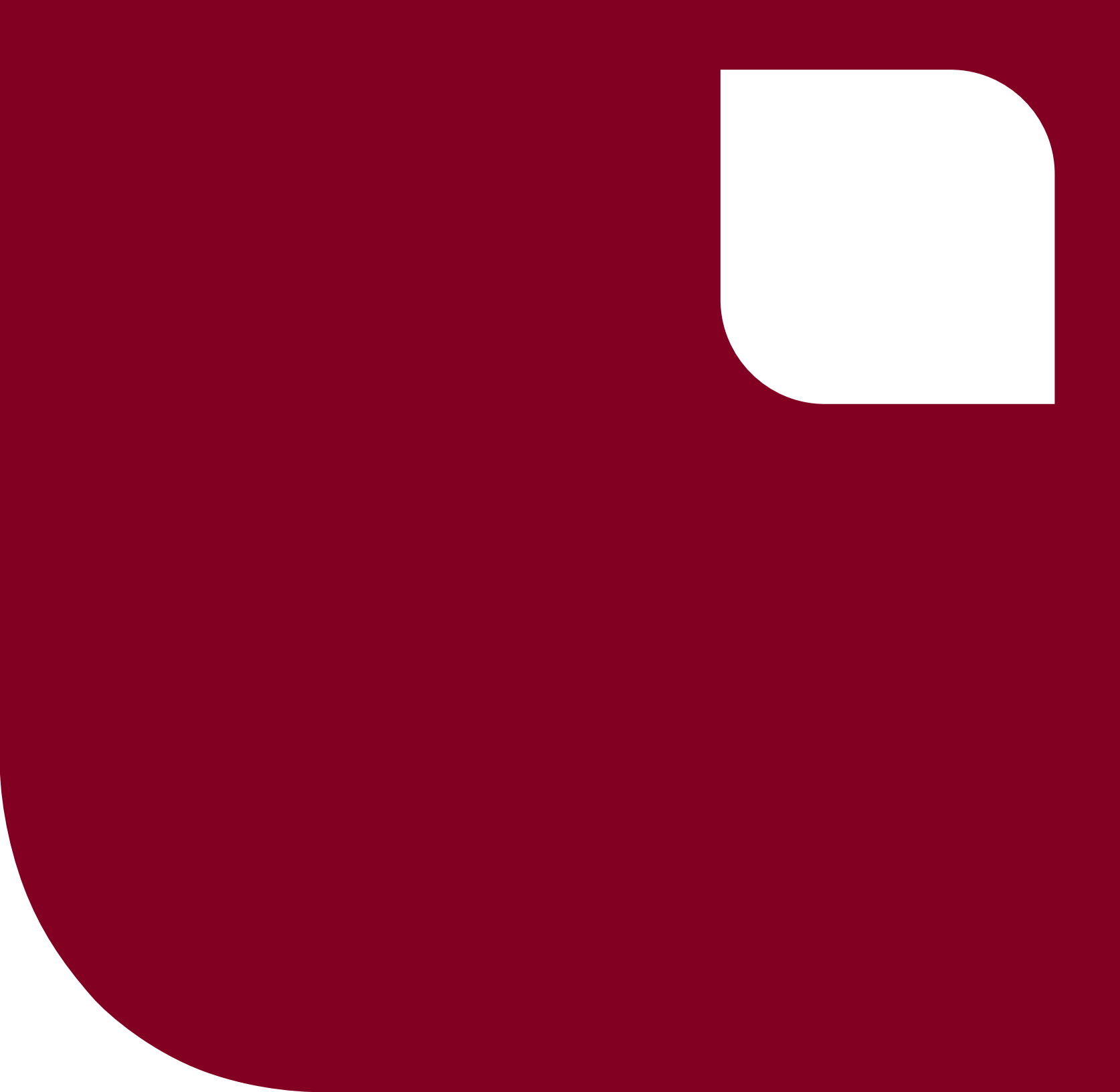




EVOLVE • PERFORM • THRIVE



< Residence Inn San Diego Oceanside, California

Beginning in 1975, Residence Inn[®] pioneered the extended-stay concept. Since then, the brand has been imitated many times but never equaled as a category-leading performer and industry innovator. Today, Residence Inn is a brand on the move, evolving its products and services to meet the needs of the changing consumer and fortifying its dominance in the extended-stay marketplace. The power and profitability of the extended-stay category are strong. There's never been a better opportunity to follow the extended-stay leader – to evolve, perform and thrive.

EVOLUTION

Residence Inn has been evolving since its inception, and its current direction is changing the competitive landscape. New exterior and interior designs provide owners and franchisees with options and flexibility. The new look and feel of Residence Inn also attracts high-value target guests willing to pay higher rates for superior environments and amenities. The hotel's core, the Activated Gatehouse[®], provides a sense of place, with distinct zones for relaxing, enjoying a hot breakfast, or connecting to free wireless Internet access. Developed using key insights on how guests would like to use the space, the Activated Gatehouse and its IMPROV Décor package are strengthening Residence Inn's competitive advantage.



◀ Residence Inn Newport News Airport, Virginia





RevPAR Index

September 2008, YTD

125.8*

* Source: United States RevPAR Index results by Smith Travel Research Services, year-to-date Sept. 2008. Competitive set of managed and franchised hotels opened and operating at least one full year or longer (Starview Comparable). See franchise disclosure document for franchise-specific analysis.

PERFORMANCE

Extended-stay hotels are a healthy segment of the industry when it comes to demand growth. What was once solely the domain of the business traveler has gained wider acceptance from leisure guests looking to add value to their stays. Since 2000, Residence Inn has achieved a 25 percent Revenue Per Available Room (RevPAR)¹ premium over its competitors, making the brand a high-performing investment for owners and franchisees. Residence Inn is poised to capture growth in extended-stay business the same way it has in the past – with a sound business model, the smart and powerful engine that drives performance of Marriott’s brands, and an up-to-date brand positioning that resonates with high-value target guests. Already, the brand has earned a consistent ESOcc (Extended Stay Occupancy) of over 45 percent, driving the powerful extended-stay business model.²

¹ Source: United States RevPAR Index results by Smith Travel Research Services, year-end 2000-2007. Competitive set of managed and franchised hotels opened and operating at least one full year or longer (Starview Comparable). See franchise disclosure document for franchise-specific analysis.

² Source: Marriott International data, 2004-2007 YE.

THIRIVE

With three times the number of suites as its nearest competitor, Residence Inn is designed for the marathon business traveler who is driven not only to succeed, but to thrive on long trips. These guests seek a hotel that offers the comforts of a modern home, with staff that brings an intuitive human touch, supporting them during the isolation of extended-stay travel. The innFUSION guest room updates living space with vibrant, contemporary décor. The brand is evolving to attract upscale guests seeking a warm, welcoming environment where they can work, engage and recharge – either in the privacy of stylishly comfortable guest suites or in innovative public spaces. With a focus on delivering superior results, Residence Inn continues to secure its position as a lodging industry leader for guests, owners and franchisees.



< Residence Inn Tampa Suncoast Parkway at NorthPointe Village, Florida





The Power of a Lodging Leader

Fueled by an industry-leading reservation system, world-class sales and marketing organization, and decades of operational expertise, Marriott® is a global powerhouse that provides exceptional revenue and profit performance to owners and franchisees. With the foresight to redefine the hotel experience in a way that resonates with today's guests, Marriott International is the smart and powerful engine that drives the best-in-class performance of our brands.

Uniquely Engaged

Marriott's strong culture, legacy of service, and focus on long-term relationships facilitate effective partnerships with owners and franchisees that help to continually improve our brands. Marriott's dedicated account managers facilitate ongoing communication and provide owners and franchisees the resources to get their hotels up and running.

Loyalty Has Its Rewards

With more than 29.5 million members worldwide, Marriott Rewards® is the industry's most preferred loyalty program*. By building and sustaining powerful connections with our guests through cutting-edge, customized marketing and communications campaigns, Marriott cultivates customers that are among the most loyal in the industry.

*2007 Harris Interactive Portfolio Study.

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