EXTENDED STAYS IN EUROPE
GROWING OPPORTUNITIES IN THE WORLD’S LARGEST HOTEL MARKET
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>INTRODUCTION</th>
<th>FLOOR PLANS</th>
</tr>
</thead>
<tbody>
<tr>
<td>OPPORTUNITY IS HERE</td>
<td>GROUND FLOOR</td>
</tr>
<tr>
<td>MARRIOTT® KNOWS EXTENDED STAY</td>
<td>TYPICAL FLOOR PLAN</td>
</tr>
<tr>
<td>DEFINING EXTENDED-STAY HOTELS</td>
<td>STUDIO</td>
</tr>
<tr>
<td>RESIDENCE INN®: THE LEGENDARY GLOBAL EXPERT OF EXTENDED STAY</td>
<td>ONE BEDROOM</td>
</tr>
<tr>
<td>PROVEN RECORD OF STRONG SUCCESS</td>
<td>FACILITIES PLAN</td>
</tr>
<tr>
<td>DRIVING THE BOTTOM LINE</td>
<td></td>
</tr>
<tr>
<td>BUILT FOR TRAVELERS WHO NEED MORE THAN A ROOM</td>
<td></td>
</tr>
<tr>
<td>DESIGN STRATEGY: PUBLIC SPACE</td>
<td></td>
</tr>
<tr>
<td>DESIGN STRATEGY: FOOD AND BEVERAGE</td>
<td></td>
</tr>
<tr>
<td>DESIGN STRATEGY: ADDITIONAL PUBLIC SPACE AMENITIES</td>
<td></td>
</tr>
<tr>
<td>GUEST SUITE</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SUMMARY</td>
</tr>
<tr>
<td></td>
<td>POISED FOR GROWTH IN EUROPEAN MARKET</td>
</tr>
<tr>
<td></td>
<td>RESIDENCE INN BRINGS THE POWER OF MARRIOTT</td>
</tr>
</tbody>
</table>

| Ground Floor | 15 |
| TYPICAL FLOOR PLAN | 16 |
| STUDIO | 17 |
| ONE BEDROOM | 18 |
| FACILITIES PLAN | 19 |
| POISED FOR GROWTH IN EUROPEAN MARKET | 20 |
| RESIDENCE INN BRINGS THE POWER OF MARRIOTT | 21 |
OPPORTUNITY IS HERE

With more than 1 billion room nights sold annually, Europe is the world’s largest hotel market. Approximately 25% of these room nights are “extended stays,” or stays of 5+ nights. (On average these longer stays approach two weeks in length). This represents a revenue opportunity of $15 billion. With only 2% of existing hotel supply designed to meet the needs of extended-stay travelers, this presents a huge growth opportunity for Marriott and our development partners.
MARRIOTT KNOWS EXTENDED STAY

Forty years ago Residence Inn created the extended-stay lodging category. Today Marriott operates three extended-stay brands spanning three price tiers. With more than 1,000 extended-stay properties globally and another 350 in the pipeline, Marriott has the most comprehensive offering in this segment and the most experience serving these travelers.
DEFINING EXTENDED-STAY HOTELS

Extended-stay hotels are designed to meet the unique needs of long stay business travelers. **In fact, 75% of extended-stay travelers prefer the amenities of an extended-stay hotel.** The Residence Inn product also appeals to short stay and leisure customers looking for guest suites with:

- Larger, more residential space
- Full kitchen functionality
- Separate sleeping, living and working areas

**Extended-stay hotels are different from Serviced and Corporate Apartments** because they provide more hotel-like services and amenities such as:

- Daily housekeeping service
- 24-hour staff
- Complimentary breakfast
- On-site bar/restaurant
- On-site fitness room
- Business center
- A retail ‘market’ with snacks, beverages and sundries

TOP: RESIDENCE INN EDINBURGH, U.K.
BOTTOM: RESIDENCE INN MUNICH CITY EAST, GERMANY
Residence Inn by Marriott,® the extended-stay category leader, is approaching 700 locations around the world in 2014. Although most are currently located in North America, this established brand is growing in other parts of the world, such as Europe, Central America, the Middle East, and Africa.
PROVEN RECORD OF STRONG SUCCESS

Residence Inn has a 40-year track record of unmatched performance. Here are some important facts:

- **RevPar Index:** Global average between 125-130, with properties outside North America averaging 141.
- Marriott’s third-largest brand in revenue and hotel count.
- Portfolio-leading house profit margins. Industry-wide, Residence Inn averages 10% more than transient hotels and 20% more than traditional full-service hotels.
- Leads all Marriott brands in overall guest satisfaction on every continent where the brand operates.
- 95% Owner and Franchisee satisfaction rating.
The strong profit performance of Residence Inn hotels is driven by high demand, low supply and lower operating costs.

- Extended-stay room nights comprise 25% of industry room nights.
- Purpose-built, extended-stay supply is 8% of total supply in the United States, the most saturated market. In Europe this supply is less than 2%.
- Residence Inn’s larger, more comfortable suites and fully functional kitchens carry strong appeal with both business and leisure travelers.
- The combination of high demand and short supply leads to a high-occupancy premium, typically +17 points, and drives strong pricing power.
- Extended room nights also carry lower operating costs than short stays.
- With higher occupancy, strong pricing power and lower operating costs, Residence Inn drives portfolio-leading house profit margins.
BUILT FOR TRAVELERS WHO NEED MORE THAN A ROOM …

Marriott launched Residence Inn with the idea that travelers on longer stays have different needs. They want home-like comfort and more flexibility to do what they want, when they want.

That’s why we provide:

- Generous suites with separate living, dining, sleeping and workspaces
- Fully equipped kitchen for easy meal preparation
- Daily housekeeping
- Upscale décor
AND THE PUBLIC AREA AMENITIES OF A HOTEL

- A lobby comfortable for working and relaxing
- A bar lounge offering drinks and a light food offering
- On-site fitness room
- On-site guest laundry facilities
- Business services
- 24-hour hotel staff

RESIDENCE INN
VANCOUVER DOWNTOWN, BC, CANADA
DESIGN STRATEGY: PUBLIC SPACE

Designed as an extension of the guest suite, the hotels’ public spaces give guests an alternative place to dine, work and relax either on their own or in groups. The décor offers a comfortable, residential environment consistent with the guest suite. Furnishings are simple and elegant, with a focus on comfort and productivity.
DESIGN STRATEGY: FOOD AND BEVERAGE

Perfect for a variety of gatherings, a dining area and bar are smartly integrated into the public space.

- Guests can enjoy a complimentary full breakfast each morning, with seating options to accommodate all guests’ needs.
- With softer lighting in the evening, the bar becomes a more intimate, social environment, where guests can order a cocktail and light evening food offering.
• A fitness room featuring state-of-the-art equipment allows guests to maintain their exercise routine. An optional pool and/or spa can also be added as an exercise or leisure alternative.
• The Market, open 24/7, is integrated into the public space, and provides guests with frozen meals, simple snacks, beverages and sundries for purchase.
• Smaller, boardroom-style meeting rooms can be added as an option for properties where guests may need this space for private work or social gatherings.
• Each hotel also has a guest laundry room equipped with washers and dryers, typically located near the fitness room.

TOP: RESIDENCE INN EDINBURGH, U.K.
BOTTOM: RESIDENCE INN MUNICH CITY EAST, GERMANY
Our approach to guest-suite design is based on our years of experience with extended-stay travelers. In fact, guests have told us that a traditional hotel room, with its strong visual focus on the bed, takes an emotional toll on an extended-stay traveler.

Not only are Residence Inn guest suites larger than typical hotel rooms, they also provide:

- A comfortable living area with a sofa that provides an outside view and faces a flat-screen television.
- A dedicated work area with a desk in front of the window that provides an outside view with abundant natural light.
- A large upscale bathing/dressing area
- A fully functional kitchen with an eating area that offers the convenience of heating leftovers or preparing light meals.
Alle Masse sind vom ausführenden Unternehmer auf der Baustelle zu prüfen.

Projekt: Kaltenbrunnen 95
Auftraggeber: 9427 Wolfhalden
Plan-Nr.: M 1:50

Massstab: Plangrösse
gerzeich. v.

Erstellt am: Telefon: +41 - (0)71 - 898 60 60
Telefax: +41 - (0)71 - 898 60 69
E-Mail (Büro): info@carbone-design.ch


SV (Schweiz) AG
Memphispark, Wallisellenstrasse 57
CH-8600 Dübendorf 1
Residence Inn Hotel
Orleansstrasse 71-85
D-München

Telefon +41 43 814 11 11
Telefax +41 43 814 11 12
info@sv-group.ch

A1

Gefährliche Stoffe:

ENTERTAIMENT TV
INFOBOARD
B / H / T 1120 x 664 x 135 mm

UK GK
BW

+3.50
+3.60
+3.50
+3.0
40
40
40
40

10.00.024.1
GK 1.3
WD 2.1 10cm

Pers.-Aufzug
2.1 1025kg
Pers.-Aufzug
2.2 1025kg
Pers.-Aufzug
2.3 1025kg

TH2
DIN*

TV
TV
TV

13.10.2010
Fitness-Bereich und Vorhänge geändert

18.08.2009
Plan erstellt; Pläne Architekt, Möblierung + Deckenspiegel übereinandergelegt und angepasst

18.08.2010
Diverse Anpassungen Möblierung + Deckenspiegel

09.09.2010
Änderungen der Beleuchtung Drehtür und Fliesen Sauna/Dampfbad

30.09.2010
Spez.-Nummern hinzugefügt, Grundriss z.T. angepasst, Details aktualisiert

13.10.2010
Fitness-Bereich und Vorhänge geändert

20.08.2010
Änderungen der Beleuchtung Drehtür und Fliesen Sauna/Dampfbad

23.03.2011
GR an Architektengrundriss angepasst / Div Wandstärken Änderungen

13.10.2010
Fitness-Bereich und Vorhänge geändert

29.10.2010
Internet-Corner geändert

FLOOR
Alle Masse sind vom ausführenden Unternehmer auf der Baustelle zu prüfen.

Projekt: Kaltenbrunnen 95
Auftraggeber: 9427 Wolfhalden
Plan-Nr.: 95
Massstab: 1:100
Plangröße: 21.04.2010
gezeichnet von:
Erstellt am: 
Telefon: +41 - (0)71 - 898 60 60
Telefax: +41 - (0)71 - 898 60 69
E-Mail (Büro): info@carbone-design.ch


SV (Schweiz) AG
Memphispark, Wallisellenstrasse 57
CH-8600 Dübendorf 1

Residence Inn Hotel
Orleansstrasse 71-85
D-München
Telefon +41 43 814 11 11
Telefax +41 43 814 11 12
info@sv-group.ch

TYPICAL FLOOR PLAN
STUDIO

Living space takes center stage in the studio:

- The layout provides ample access to the seating area.
- The kitchen is sleek and efficient.
- A generous island with counter-height stools divides the living area from the kitchen, providing a natural gathering place as well as an alternative workspace.
**FACILITIES PLAN**

### UNIT MIX

<table>
<thead>
<tr>
<th>Units</th>
<th>% Mix</th>
<th>COMMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>One-bedroom</td>
<td>12</td>
<td>10%</td>
</tr>
<tr>
<td>Studio Queen A with armchair</td>
<td>30</td>
<td>24%</td>
</tr>
<tr>
<td>Studio Queen B with sofa bed</td>
<td>83</td>
<td>66%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>125</td>
<td>(a) 100%</td>
</tr>
</tbody>
</table>

### FOOD OUTLETS

<table>
<thead>
<tr>
<th>NUMBER OF SEATS</th>
<th>TOTAL NET (SQM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Breakfast/bar/lounge</td>
<td>65 (c)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>65</td>
</tr>
<tr>
<td>Meeting room/quiet area</td>
<td>5 (d)</td>
</tr>
<tr>
<td>TOTAL SM</td>
<td>70</td>
</tr>
</tbody>
</table>

(a) Mix TBD by the market. Other details for the room:
- A shelf at the entrance where guests can unload keys and cellphones (“Shed the day”)
- Significant in-room storage recommended.
- Extensive selection of TV channels recommended.
- Based on the assumption that 40% of the clients eat breakfast at the same time at 85% occupancy. Area should be “zoned” with sofas, high tables, low tables, bar, dining, etc. [e.g.: new CYBM public area]
- Look into high-quality vending option for bar area to serve drinks and dried snacks.
- Equipped with large sofa, two built-in TVs. Recreational amenity (e.g.: flip-over table) to activate space (e.g.: pool table, backgammon, chess)
- The meeting room could be a spa quiet zone within the main lounge/F&B area.
- Can be separately zoned as part of the public area.
- German domestic corporate clients drive company cars.
- The amount of bike parking spaces depends on the city.
- Good visibility and more extensive items needs to be considered such as local beers, frozen products and ready-made meals. Look into high-quality vending options.
- Can offer free basic/good service (email, Internet, etc.) with paid upgrade for higher bandwidth for streaming videos, etc.

### FACILITIES

<table>
<thead>
<tr>
<th>COMMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Well equipped and has separate sauna and large rain shower.</td>
</tr>
<tr>
<td>Well equipped and has separate sauna and large rain shower.</td>
</tr>
<tr>
<td>No</td>
</tr>
<tr>
<td>No</td>
</tr>
<tr>
<td>Microwave/oven combination, sink, two hob/burners, coffee and tea maker, dishwasher, refrigerator, silverware.</td>
</tr>
<tr>
<td>Two washers and two dryers available onsite, and easily accessible to guests, e.g.: adjacent to the fitness/public areas.</td>
</tr>
<tr>
<td>Providing information about hotel service, in-room appliances, map of the surrounding area and city guide</td>
</tr>
<tr>
<td>Welcome letter, toiletries, dishwashing product for the first few days and some cleaning materials.</td>
</tr>
<tr>
<td>Large enough to accommodate a laptop.</td>
</tr>
<tr>
<td>45 SM, including self-storage lockers available near the public area.</td>
</tr>
<tr>
<td>Ability to stay fully connected with multiple devices throughout the hotel.</td>
</tr>
</tbody>
</table>

### RECREATIONAL AMENITIES

<table>
<thead>
<tr>
<th>Facilities</th>
<th>COMMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fitness room</td>
<td>Yes</td>
</tr>
<tr>
<td>Business lounge</td>
<td>Yes (e)</td>
</tr>
<tr>
<td>Room service</td>
<td>No</td>
</tr>
<tr>
<td>Mini bar</td>
<td>No</td>
</tr>
<tr>
<td>Kitchen</td>
<td>Yes</td>
</tr>
<tr>
<td>Self-service laundry</td>
<td>Yes</td>
</tr>
<tr>
<td>Parking</td>
<td>75 (f)</td>
</tr>
<tr>
<td>Bike parking</td>
<td>30 (g)</td>
</tr>
<tr>
<td>Grab and Go/Market</td>
<td>Yes (h)</td>
</tr>
<tr>
<td>Electronic check-in/out kiosks</td>
<td>No</td>
</tr>
<tr>
<td>In-room hotel guide</td>
<td>Yes</td>
</tr>
<tr>
<td>Welcome pack</td>
<td>Yes</td>
</tr>
<tr>
<td>Luggage room and self-storage</td>
<td>Yes</td>
</tr>
<tr>
<td>Internet</td>
<td>Yes (i)</td>
</tr>
</tbody>
</table>
POISED FOR GROWTH IN EUROPEAN MARKET

With nearly 700 hotels at year-end 2014 and a pipeline of approximately 200 hotels globally over the next 3 years, Residence Inn has:

- A history of high occupancy
- House profit margins significantly higher than full-service or transient hotels
- Stability in occupancy for easy forecasting
- Lower costs per occupied room
- A stellar reputation among customers across four continents
- Highest guest satisfaction on every continent where the brand operates
- Flexibility for development as a conversion or new-build property and as a Marriott managed or franchised product
RESIDENCE INN BRINGS THE POWER OF MARRIOTT

With the Residence Inn brand comes the power of Marriott—unrivaled in our industry, and built on a foundation of outstanding service, integrity and pioneering brands.

With powerful platforms to support more than 4,000 properties and 18 brands globally, Marriott International is at the forefront of the global hospitality industry. Residence Inn will bring the power of these platforms to your new hotel.

- The broadest portfolio of brands in the industry
- A powerful global sales strategy
- More than 45 million Marriott Rewards® members
- A global reservations system generating more than 100 million reservations and more than $34 billion in gross room revenue per year
- The Marriott.com website, generating $9.6 billion in annual revenue, making it one of the top 10 revenue generating websites in the U.S.
- Industry-leading revenue management
- Innovative architecture and construction services

See the potential in Europe for the extended-stay market and work with Marriott, your trusted partner. To learn more about opportunities, visit www.marriottdevelopment.com.