

CONCLUSIONS

The Market research and analysis, as described in this report, indicate that the composition, strength, and projected demand for lodging accommodations in Umatilla, Florida, are sufficient to support the proposed Fairfield Inn & Suites Hotel.

Market Area Analysis (Section C)

Umatilla, Florida is located in the northern area of Lake County, approximately three miles south of the beginning of the Ocala National Forest on Florida Route 19. This somewhat rural area is supported by a citrus processing plant and ecotourism of the Ocala National Forest.

Lake County, at the beginning of the third decade of the 21st Century is poised for continued growth.

- The Kroger Company and online grocery partner Ocado Solutions are establishing a robotic customer fulfillment center for statewide grocery distribution along the

Florida Turnpike and U.S. Route 27. The facility is programmed to be operational in 2021.

- The Villages, Florida, a prominent retirement community of nearly 130,000 is adjacent to the northwest part of Lake County. The Villages is expected to continue its expanse and growth for the next decade.
- The Wekiva Parkway (State Road 429) is a cooperative effort between these agencies and the Florida's Turnpike Enterprise. The Wekiva Parkway (SR 429) will connect to SR 417, completing the beltway around Central Florida, while helping to protect the natural resources surrounding the Wekiva River. This estimated \$1.6 billion project includes \$500 million of non-toll road improvements such as widening SR 46 in Lake and Seminole Counties, rebuilding US 441/SR 46 interchange in Mount Dora, shifting the CR 46A connection to SR 46 so wildlife can move more safely between habitats, providing non-tolled, one-lane service roads parallel to the parkway in part of east Lake and Seminole Counties, and building a 10-mile, multi-use trail along portions of the parkway in east Lake and Seminole Counties. The 25-mile tolled expressway will provide travel alternatives and relieve US 441, SR 46 and other area roads of traffic congestion resulting from growth and travel between Orange, Lake and Seminole Counties. In 2018, 13 miles of the parkway were open to traffic. The entire Wekiva Parkway is scheduled to be open to traffic in 2022.

During the course of the Field Research of this Hotel Feasibility Study, Interim Hospitality Consultants conducted interviews with various citizens of Umatilla to discuss the proposed hotel development.

- Wally Medley, General Manager, Old Mill Stream Residential Vehicle Resort. The RV Park presently has 461 parking slips. In 2019, 25 additional parking slips will come online to meet demand. The park is forecasted to grow to 500 parking slips by 2022. Mr. Medley stated a hotel is definitely needed to house visiting family and friends for seasonal and year-round guests of the RV Park.
- Gwen Merrill, Lakeview Terrace Senior Center stated the facility has converted five units to transient hotel rooms to meet the demand of visiting family and friends of Lakeview Terrace residents. "Please develop a hotel."
- Jeanne Merrill, owner and operator of Rocking Horse Stables. "There is a definite need for a hotel as five to six times a year we require up to 45 rooms for four to five days during our equestrian events."
- Laura Wright, Vice Mayor, City of Umatilla: "The community requires a hotel to continue to grow into the third decade of this century. As innkeeper of the Moss

Gate Bed & Breakfast, the B&B has only three rooms and is no competition to a new hotel development.”

Umatilla is in position to join with all of Lake County to further expand into the new decades to come.

Site and Area Evaluation

(Section D)

A specific site was not identified in Umatilla, Florida for the development of the subject hotel. However, the Field Research of this Feasibility Study strongly advocates a minimum of a two-acre site south of the Central Business District on Florida Route 19 be secured for the hotel development. A three-to-four acre site would provide future development of a supporting restaurant/lounge facility.

Supply and Demand Analysis

(Section E)

An analysis of 2018, Days of the Week Occupancy, for a given month is presented in Tab 7 of the Smith Travel Report as data from the trailing twelve months ending May 2019.

Days of the Week Analysis

When hotels achieve an occupancy of 85.0% and above, an approaching Sold Out Condition is achieved.

It has long been reported in the Hotel Industry that the Key gauge of Hotel Profitability is Hotel Occupancy percentage regardless of the size of the property:

40.0%	Hotel loses money
50.0%	Hotel breaks even
60.0%	Hotel makes money
70.0%	Hotel makes a profit and is ready for new competition
80.0%	A Sold Out Condition begins to exist
90.0%	The hotel guest is underserved

Group 1 – Lake County Hotels:

Name of Establishment	City & State	Aff Date	Open Date	Rooms
Comfort Inn & Suites Tavares North	Tavares, FL	Dec 2017	Jan 2005	80
Fairfield Inn & Suites Clermont	Clermont, FL	Apr 2007	Apr 2007	85
Hampton Inn Clermont	Clermont, FL	Jan 2006	Jan 2006	87
Days Inn & Suites Clermont	Clermont, FL	Sep 2007	Jun 1972	120
Total Properties: 4				372

Source: Smith Travel Research, Inc., Hendersonville, Tennessee

The four hotels reporting 372 guest rooms have reported the following data of Hotel Room Occupancy.

Occupancy (Group1)								
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total
Jun - 18						70.4	76.2	69.4
Jul - 18								
Aug - 18			65.8	64.6	59.4	64.2		62.0
Sep - 18	51.2							
Oct - 18	45.4	58.3	64.0	63.2	67.8	84.6	84.7	66.4
Nov - 18	55.7	70.8	73.1	73.7	74.3	77.8	82.3	72.8
Dec - 18	60.4	68.9	67.7	66.6	72.5	77.4	79.2	70.3
Jan - 19	59.0	65.3	68.2	70.8	72.6	75.6	78.5	70.1
Feb - 19	63.6	72.0	78.3	78.7	79.3	84.9	85.7	77.5
Mar - 19	71.5	81.2	86.2	84.4	81.3	91.8	94.1	84.5
Apr - 19	46.7	63.2	71.2	72.8	71.2	82.1	86.7	70.3
May - 19	52.5	53.5	65.4	64.6	60.0	79.9	85.3	66.1
Total Year	55.2	64.5	69.3	69.5	68.7	76.4	79.7	69.1
Three Year Occupancy	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total
Jun 16 - May 17	49.2	57.7	62.9	64.3	64.0	73.8	77.0	64.1
Jun 17 - May 18	57.4	65.7	71.9	74.4	73.2	79.8	83.8	72.3
Jun 18 - May 19	55.2	64.5	69.3	69.5	68.7	76.4	79.7	69.1
Total 3 Year	53.9	62.7	68.0	69.4	68.7	76.6	80.2	68.5
ADR (Group1)								
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total
Jun - 18						101.51	101.68	98.74
Jul - 18								
Aug - 18			96.88	96.11	92.03	98.86		95.85
Sep - 18	95.67							
Oct - 18	91.70	97.08	95.52	99.28	100.20	112.10	115.99	102.70
Nov - 18	90.73	93.27	91.64	92.18	100.89	108.23	116.59	100.13
Dec - 18	95.82	98.50	95.19	103.77	94.71	109.40	110.38	101.57
Jan - 19	94.83	90.97	94.87	97.27	97.80	112.59	115.52	100.73
Feb - 19	99.06	106.63	105.20	104.46	105.72	134.23	127.17	112.65
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total

Mar - 19	109.15	119.03	117.92	114.21	112.35	129.94	133.89	120.67
Apr - 19	90.96	96.58	97.97	100.33	103.22	118.38	119.54	104.90
May - 19	91.82	92.27	93.91	94.75	93.84	110.03	113.11	99.98
Total Year	94.99	98.49	98.44	99.40	99.13	112.14	114.16	103.08
Three Year ADR	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total
Jun 16 - May 17	93.78	96.96	97.60	99.60	99.35	111.42	111.06	102.21
Jun 17 - May 18	98.25	100.41	102.73	103.00	103.38	114.09	115.53	105.96
Jun 18 - May 19	94.99	98.49	98.44	99.40	99.13	112.14	114.16	103.08
Total 3 Year	95.78	98.69	99.69	100.74	100.73	112.59	113.65	103.82

Source: Smith Travel Research, Hendersonville, Tennessee

If day of week data is missing, this mean for that portion of time, there are less than four reporting properties report daily data.

Smith Travel Research — Umatilla, Florida, Comparative Market Area

The following hotels were combined to report their historical Occupancy and Average Daily Rate from January 2013 through May 2019:

Group 2 – Lake County Hotels:

Hotel	City	Franchise Date	Date Opened	Number of Rooms
Microtel Inn & Suites by Wyndham Lady Lake The Villages	Lady Lake, FL	Jan 2002	Jan 2002	80
Lakeside Inn *	Mount Dora, FL	Jun 1930	Jun 1930	88
Holiday Inn Express & Suites Tavares Leesburg	Tavares, FL	Jan 2004	Jan 2004	73
Villa Lagoon Inn *	Tavares, FL			18
Comfort Inn & Suites Tavares North	Tavares, FL	Dec 2017	Jan 2005	80
Key West Resort on Lake Dora	Tavares, FL	Feb 2015	Aug 2012	40
Inn On The Green *	Tavares, FL	Nov 1989	Jun 1975	70
Fairfield Inn & Suites Clermont	Clermont, FL	Apr 2007	Apr 2007	85
Hampton Inn Clermont	Clermont, FL	Jan 2006	Jan 2006	87
Holiday Inn Express Clermont	Clermont, FL	Dec 1999	Dec 1999	69
Home2 Suites by Hilton Clermont	Clermont, FL	Oct 2018	Oct 2018	102
Days Inn & Suites Clermont	Clermont, FL	Sep 2007	Jun 1972	120
Mission Inn Resort *	Howey In The Hills, FL	Jun 1969	Jun 1969	190
Best Western Plus Chain Of Lakes Inn & Suites	Leesburg, FL	Mar 2011	Nov 2009	70
Groveland Motel *	Mascotte, FL	Jun 1965	Jun 1965	16
Hampton Inn Leesburg Tavares	Leesburg, FL	Sep 2008	Sep 2008	82
Total Properties: 16				1,270

Source: Smith Travel Research, Hendersonville, Tennessee

Note: Room counts in the Smith Travel Research Occupancy Data may vary from the room count reported by individual hotels due to usage of the rooms by the hotel management.

* This hotel ownership elects not to participate in supplying data to Smith Travel Research.

Occupancy (Group2)								
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total
Jun - 18	51.2	66.0	73.1	71.8	65.9	69.7	74.2	67.7
Jul - 18	49.4	62.8	65.3	67.4	67.4	70.4	72.3	64.4
Aug - 18	45.1	60.7	67.1	65.8	59.6	64.1	67.1	61.5
Sep - 18	47.0	52.6	62.4	64.3	57.8	60.4	69.3	59.1
Oct - 18	46.9	61.5	67.2	68.8	71.3	81.8	83.7	68.5
Nov - 18	49.3	61.5	66.2	70.4	72.3	78.3	82.6	69.1
Dec - 18	56.7	67.2	66.2	67.3	66.7	72.1	75.4	67.3
Jan - 19	57.2	65.9	69.0	71.8	72.4	74.8	78.5	70.1
Feb - 19	63.8	76.9	82.3	82.3	80.0	85.7	86.4	79.6
Mar - 19	66.2	80.6	86.3	86.3	82.7	87.6	91.3	82.9
Apr - 19	50.0	66.9	73.4	75.7	72.7	82.5	87.4	72.5
May - 19	50.9	57.1	68.5	68.1	61.9	75.9	83.9	66.8
Total Year	53.1	65.1	70.5	71.5	69.2	75.5	79.4	69.2
Three Year Occupancy								
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total
Jun 16 - May 17	51.2	62.8	69.0	69.6	68.2	75.5	78.1	67.8
Jun 17 - May 18	56.4	67.3	73.4	75.8	72.6	79.0	81.8	72.3
Jun 18 - May 19	53.1	65.1	70.5	71.5	69.2	75.5	79.4	69.2
Total 3 Yr	53.5	65.1	71.0	72.3	70.0	76.6	79.8	69.8

Source: Smith Travel Research, Inc., Hendersonville, Tennessee.

Lake County, the full Comparative Market Area for Umatilla, Florida.

An analysis of Tab 7 of the STR Trend Report revealed 38 days x 4.3 days per month for 163 total days of Occupancy above 70.0% and 45.0% of the past twelve months ending May 2019.

The most important data is the past three years consisting of 2017-2019 with an Average Occupancy of 64.8%.

Occupancy (Group2)								
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total
Jun - 18	91.01	98.68	100.72	99.49	95.25	96.55	98.30	97.43
Jul - 18	88.99	93.97	95.66	95.54	95.12	96.38	96.34	94.68
Aug - 18	87.31	93.91	96.51	95.42	91.87	93.82	93.93	93.58
Sep - 18	90.17	93.26	95.67	95.42	92.34	94.35	98.11	94.48
Oct - 18	93.00	99.03	99.86	101.25	101.42	110.20	112.14	103.10
Nov - 18	92.78	97.65	98.73	100.26	102.19	108.34	112.84	102.91
Dec - 18	97.63	101.56	100.09	103.16	99.56	108.89	107.69	102.91
Jan - 19	101.48	103.43	106.64	107.76	106.44	114.57	115.53	108.24
Feb - 19	108.21	115.12	119.06	118.55	116.32	135.83	134.45	121.77
Mar - 19	111.73	121.88	124.88	122.69	120.58	134.22	137.68	125.83
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total

Apr - 19	98.17	103.61	106.22	107.72	107.24	126.56	126.92	111.84
May - 19	92.26	96.79	100.75	101.04	98.14	109.48	112.87	102.70
Total Year	97.22	102.43	104.57	104.71	103.07	112.34	113.76	106.02
Three Year ADR								
	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total
Jun 16 - May 17	91.49	96.16	98.59	98.99	97.19	105.63	105.53	99.62
Jun 17 - May 18	97.82	102.18	104.72	104.72	103.07	110.66	111.61	105.41
Jun 18 - May 19	97.22	102.43	104.57	104.71	103.07	112.34	113.76	106.02
Total 3 Yr	95.64	100.36	102.72	102.89	101.21	109.63	110.41	103.78

Source: Smith Travel Research, Inc., Hendersonville, Tennessee

The Average Daily Rate of hotels in Lake County has experienced a three-year growth of 2.2% to present a conservative projection in the Proforma for the Umatilla hotel development utilizing a 1.5% growth rate from 2021 to 2025.

With the mid-priced, limited-service Fairfield Inn & Suites Hotel, the success of this hotel development seems to be very positive as the findings of this Hotel market Feasibility Study come to fruition.

Proposed Facilities and Services (Section F)

Based upon field research for the feasibility study, a Fairfield Inn & Suites as an upper midpriced limited-service hotel is recommended. This hotel segment includes such brands as Hampton Inn, Holiday Inn Express, LaQuinta Inn, Comfort Inns, and Springhill Suites.

It is the recommendation of Interim Hospitality Consultants that the developer select Fairfield Inn & Suites, a franchise of Marriott Hotels. Marriott is one of the leading franchises in the Mid-Priced segment of the Hospitality Industry. The Fairfield Inn & Suites concept and design are presented in this section.

The Market Research for the proposed hotel has determined that the room mix should consist of:

Room Mix Umatilla, Florida	
King Studio	25
Queen Studio	20
King Suite	10
King Suite	12
Queen Suite, Wide	8
Total Rooms	75

Source: Interim Hospitality Consultants

In addition to the market-driven suites that are to be furnished to Marriott standards, the Fairfield Inn & Suites should incorporate an outdoor swimming pool and fitness center. A 50-person meeting room and board room are indicated from the Market Research. The pool patio will feature an evening conversation fire pit.

Projected Utilization of the Proposed Hotel
(Section G)

Based upon the occupancy of the Fairfield Inn & Suites, the proposed hotel’s Total Market Penetration and underlying assumptions are summarized as follows:

1. *Leisure:* Due to the hotel being marketed as the number-one quality product in the mid-priced limited-service hotel classification, the hotel’s projected penetration of fair market share will range from 102.9% to 102.8% over the five-year projection period.
2. *Commercial:* The fair market share of commercial business is projected to run from 102.9% to 102.8%. This can be achieved with a professional sales marketing effort. If for any reason the tourist business declines through seasonality or energy shortages, state and local commercial solicitation must be made to offset the decline.
3. *Occupancy:* The projected occupancy should be attainable if the property is built as described, professionally operated in all facets, and business of the area continues to be positive. In years 3 to 5, additional competition may materialize to substantially reduce the projections.

These projections are based on estimates and assumptions developed in connection with the Feasibility Study. However, certain assumptions may not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the projection period may vary from the forecasts, and the variations may be material.

Proposed Fairfield Inn & Suites Umatilla, Florida			
Year	Occupancy	Average Daily Rate	Room Revenue
2021	70.0%	\$105.00	\$2,012,060
2022	71.0%	\$107.00	\$2,079,680
2023	72.0%	\$109.00	\$2,148,390
2024	73.0%	\$111.00	\$2,224,270
2025	74.0%	\$113.00	\$2,289,100

Source: Interim Hospitality Consultants

Financial Analysis

(Section H)

Projections of annual operating returns for the Fairfield Inn & Suites by Marriott were prepared for five years, 2021 through 2025. The projections are based on the results of operations of comparable facilities and our conclusions regarding the environment in which the hotel would operate.

Proposed Fairfield Inn & Suites Umatilla, Florida			
Year	Total Revenue	Net Operating Income Before Debt Service	
2021	\$2,169,020	\$665,110	30.7%
2022	\$2,243,110	\$728,780	32.5%
2023	\$2,308,600	\$99,890	33.8%
2024	\$2,401,680	\$849,540	35.4%
2025	\$2,473,820	\$910,790	36.8%

Source: Interim Hospitality Consultants

Marriott Hotels

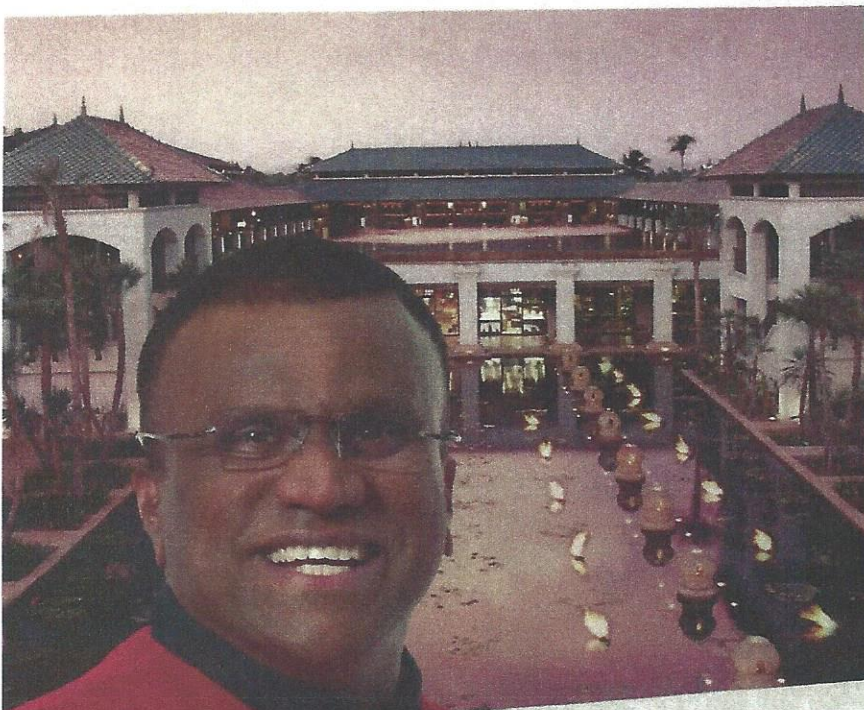
Information on the Marriott Hotels, the franchise company of Fairfield Inn & Suites, is printed on the following pages.



MARRIOTT INTERNATIONAL, INC.

People. Places. Purpose.





PEOPLE. PLACES. PURPOSE.

At Marriott International, our enduring commitment to service sets us apart. For more than 80 years, we have built a reputation for putting people first. Our outstanding associates deliver genuine care, making guests feel welcome at more than 3,400 properties in 70 countries and territories. As a global hospitality leader, we constantly innovate to meet our guests' changing needs, and operate our business with a sense of purpose in every community we call home.

ABOVE: [LEFT] Marriott's Phuket Beach Club, A Marriott Vacation Club Resort — Thailand
[RIGHT] Residence Inn Newport News Airport — Virginia

COVER: [LEFT] La Concha Renaissance San Juan Resort — Puerto Rico
[RIGHT] JW Marriott Khao Lak Resort & Spa — Thailand

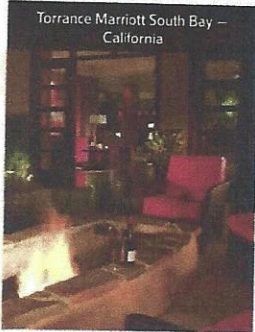
OPPOSITE PAGE: Atlanta Marriott Marquis — Georgia



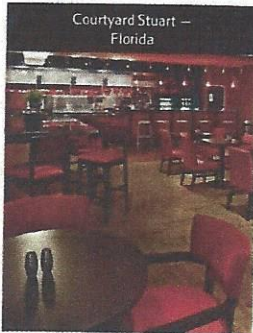
Brand Differentiation

With 18 brands, Marriott® International offers the broadest and most diverse portfolio in the lodging industry. Each brand has been designed to deliver a unique type of travel experience across a range of customer segments. We are always reinventing and refreshing our classic brands for our loyal customers, while introducing new brands to attract additional guests.

Modern Classics



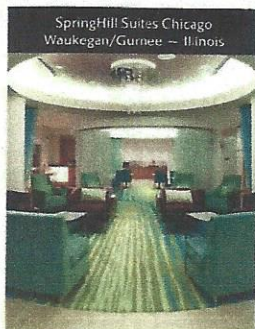
Marriott® Hotels & Resorts is the hotel brand that helps guests make the most out of every day. With more than 500 properties worldwide, including conference centers, and a focus on exceptional service and genuine comfort, our hotels are designed to maximize the travel experience for our guests.



Courtyard by Marriott® offers a refreshing environment that helps guests stay connected, productive and balanced. Intuitive services and design accommodate guests' needs for choice and control in more than 850 locations in over 30 countries.

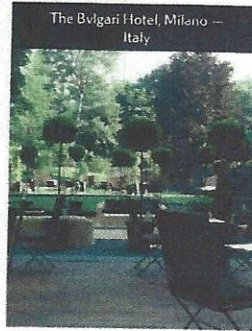


Fairfield Inn & Suites by Marriott® allows guests to travel with confidence by giving them just what they need at an exceptional value. With nearly 630 properties throughout the United States, Canada and Mexico, guests can rely on Fairfield Inn & Suites to deliver outstanding service so travel is easy, comfortable and productive.

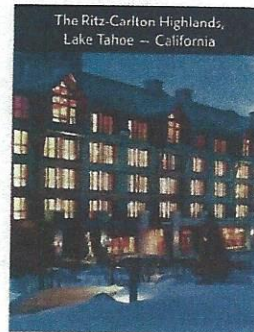


SpringHill Suites by Marriott® offers a fresh perspective in the upper-moderate lifestyle tier. With more than 250 properties in North America, SpringHill Suites blends substance and style through spacious suites, relaxing ambience and inspired service and guest amenities.

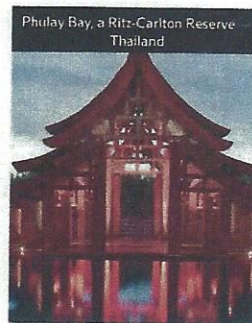
Luxury



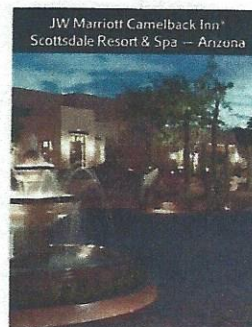
Bvlgari Hotels & Resorts,® developed in partnership with jeweler and luxury goods designer Bvlgari SpA, currently features two sophisticated and intimate properties located in Milan and Bali. Each property showcases Bvlgari's striking contemporary interpretation of luxury design.



The Ritz-Carlton® Hotel Company, recognized worldwide as "the gold standard of hospitality," manages over 100 award-winning hotels and resorts; private condominiums; fractional ownership properties; golf communities with exclusive private homes; elegant spas; and highly successful restaurants.



Ritz-Carlton Reserve® is for those who seek to escape the stresses of everyday life and immerse themselves in a personally-tailored-to-suit vacation experience. Ritz-Carlton Reserve provides one-of-a-kind, intimate resorts located in "hideaway" destinations, each with a distinctive personality reflecting the local history and culture.



The JW Marriott® luxury portfolio consists of beautiful properties in gateway cities and distinctive resort locations worldwide. Guests are at ease in an environment of relaxed elegance and effortless luxury that reflects its locale. These quietly luxurious hotels offer services that help affluent travelers achieve personal goals without distraction or disruption.

Lifestyle

Renaissance Paris Arc de Triomphe Hotel — France



R RENAISSANCE® HOTELS

Renaissance® Hotels speaks to the modern discoverer in all of us, who lives to unearth life's hidden gems, collecting new tastes, sights, sounds, and experiences along the journey. At over 140 properties worldwide, there's always something wonderfully new to be found.

The Waikiki EDITION — Hawaii



EDITION™

EDITION,™ a collaboration with Ian Schrager, will be the next generation of boutique hotels. This truly global lifestyle hotel brand will combine outstanding innovation and design with the highest levels of service execution.

Grand Bohemian Hotel — Asheville, North Carolina

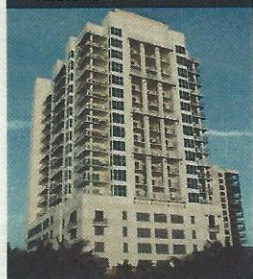


AUTOGRAPH COLLECTION™

The Autograph Collection,™ the company's newest brand, features a select group of upscale and luxury independent hotels, each with its own distinct personality and unique experiences, style and features. Located in major cities and desired destinations worldwide, Autograph hotels are for travelers who favor a hotel stay as unique and original as they are.

Timeshare

Marriott's Oceana Palms, A Marriott Vacation Club Resort — Florida



Marriott VACATION CLUB®

Marriott Vacation Club® is a worldwide leader in the vacation ownership industry. One-, two- and three-bedroom villas feature a fully equipped kitchen, living/dining area, master suite, balcony and washer/dryer. Owners may exchange weeks for other Marriott Vacation Club resorts or trade for Marriott Rewards® points.

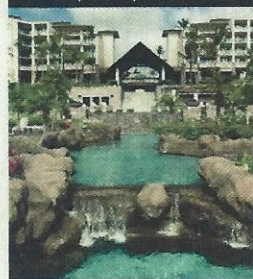
Grand Residences by Marriott — Mayfair London — England



GRAND RESIDENCES by Marriott

This unique brand of fractional and private ownership combines all the advantages of a second home with the amenities and personal service of a luxury resort. It offers the ultimate alternative to condominiums and seasonal rentals, while providing flexible usage options that reveal endless travel possibilities.

The Ritz-Carlton Club and Residences, Kapalua Bay — Hawaii



THE RITZ-CARLTON DESTINATION CLUB®

The Ritz-Carlton Destination Club® is an equity-based luxury vacation program. Members select either a Home Club Membership, which provides use of a residence at a property they can return to every year, or a Portfolio Membership, which affords the opportunity to discover a wide variety of worldwide locations and experiences.

Extended Stay

Residence Inn Tampa Suncoast Parkway at NorthPointe Village — Florida



Residence Inn® Marriott

Residence Inn by Marriott® helps guests thrive on long stays. With more than 600 properties, spacious suites with full kitchens offer the comforts of the modern home, while associates provide intuitive service with a human touch. Residence Inn helps guests perform at their best.

Millennium Park Plaza — Chicago, Illinois



EXECUSTAY® Marriott

Marriott ExecuStay® provides furnished apartments for stays of 30 days or longer. All of the details — furniture, full kitchen, and utilities — are in place providing guests the comfort and conveniences they need. Locations in over 300 U.S. cities range from urban studios to suburban three-bedroom apartments.

TownePlace Suites Tampa Westshore/Airport — Florida



TownePlace SUITES® Marriott

TownePlace Suites by Marriott® provides guests a place to settle in and connect to the local area. With a casual, residential atmosphere and full kitchen in every suite, at nearly 185 properties, TownePlace Suites is designed for real living.

Yeouido Park Centre, Seoul — Marriott Executive Apartments — South Korea



Marriott EXECUTIVE APARTMENTS

Marriott Executive Apartments® provides upscale accommodations for guests on extended stays of 30 days or longer outside the United States. Offering studios to three-bedroom apartments, the brand combines the comfort of residential living and services of a Marriott hotel. Each property features state-of-the-art technology.

GLOBAL REACH

[LEFT] The Ritz-Carlton, Sanya — China

[RIGHT] Renaissance Shanghai Zhongshan Park Hotel — China



Courtyard Istanbul International Airport — Turkey

As more travelers do business globally and explore new destinations and cultures, Marriott International wants to be there to welcome them.

Our portfolio encompasses more than 3,400 properties in 70 countries and territories and is growing, fueled by global development across a range of brands. More than a third of the nearly 100,000 new rooms in our development pipeline are located outside of North America, including Europe where we plan to double our presence by 2015.

One of our fastest-growing markets is Asia, where we have 145 properties and another 58 in the pipeline. We expect to operate 60 hotels in China alone by year-end 2010, making it our largest market outside of North America.



The m.i.greatroomSM, a signature of the Marriott Hotels & Resorts brand, has arrived at the Aruba Marriott Resort & Stellaris[®] Casino, which was transformed with a \$50 million renovation.

A stunning feat of architecture, The Ritz-Carlton and the JW Marriott Los Angeles L.A. LIVE are the cornerstone of the \$2.5 billion sports, residential and entertainment district in a resurgent downtown Los Angeles.



BRAND INNOVATION

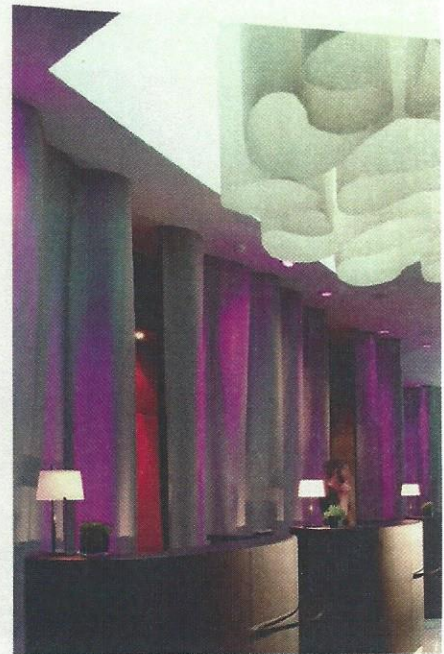
[LEFT] Courtyard Chevy Chase — Maryland

[RIGHT] Casa Monica,® Autograph Collection — St. Augustine, Florida



Across Marriott International, we are continually innovating our brands to meet the changing needs of our customers. We are thinking outside the “big-box,” whether it means an urban renewal and mixed-use development project such as L.A. LIVE, or creating the Autograph Collection, a new hotel brand of upscale independent hotels.

Renaissance hotels around the world are being discovered for their unique style and design after a three-year \$2 billion makeover by our owners and franchisees. And more than 100 Courtyard hotels feature a new lobby design, shown above at the Courtyard Chevy Chase in Maryland, which has been certified LEED® (Leadership in Energy and Environmental Design) Gold by the U.S. Green Building Council.



Renaissance Paris Arc de Triomphe Hotel — France

The recently opened JW Marriott San Antonio Hill Country Resort & Spa in Texas is pursuing LEED certification by the U.S. Green Building Council.



MARRIOTT
SPIRIT TO
PRESERVE

Building on more than 20 years of energy and water conservation, Marriott International is committed to protecting the environment — we call it our Spirit To Preserve.® Creating more sustainable hotel operations is a business priority, not only a social responsibility strategy.

Our environmental vision is to be the global hospitality leader that demonstrates how responsible management can be a positive force for the environment and create economic opportunities around the world, and by example, inspire personal action.

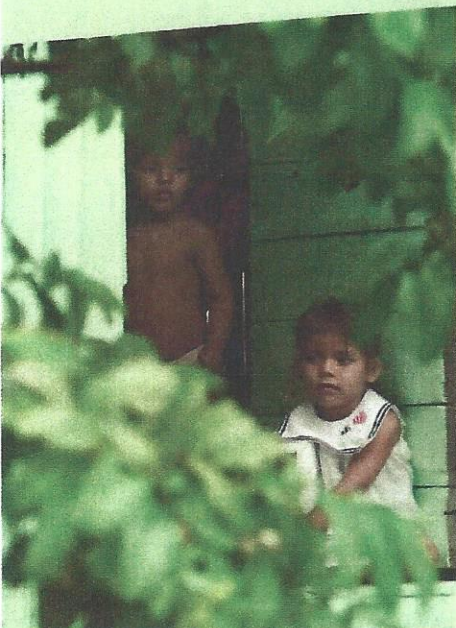
Our environmental strategy calls for:

- Further reducing fuel and energy consumption by 25 percent per available room;
- Greening our \$10 billion supply chain;
- Expanding our green hotel development ten-fold in five years;

- Educating and inspiring associates and guests to support the environment;
- Preserving the rainforest through a \$2 million commitment to protect the 1.4 million acre Juma Reserve in Brazil. Guests can contribute too, when they reserve a room on Marriott.com.

We have shared our perspectives on the importance of rainforest preservation projects, first as a signatory of the Tropical Forest Climate Unity Agreement submitted to the U.S. Congress by Avoided Deforestation Partners, and then as a participant in the United Nations Climate Conference in Copenhagen.

To learn more, visit Marriott.com/SaveTheRainforest and Marriott.com/Environment.



Families of the Juma Reserve in Brazil now have a school, health center and other provisions to empower them as "guardians" of the rainforest.

Visit Marriott.com/SocialResponsibility for a complete report on our social responsibility portfolio: poverty alleviation, the environment, community workforce development, the well-being of children, and global diversity and inclusion.