



InterContinental Hotels Group



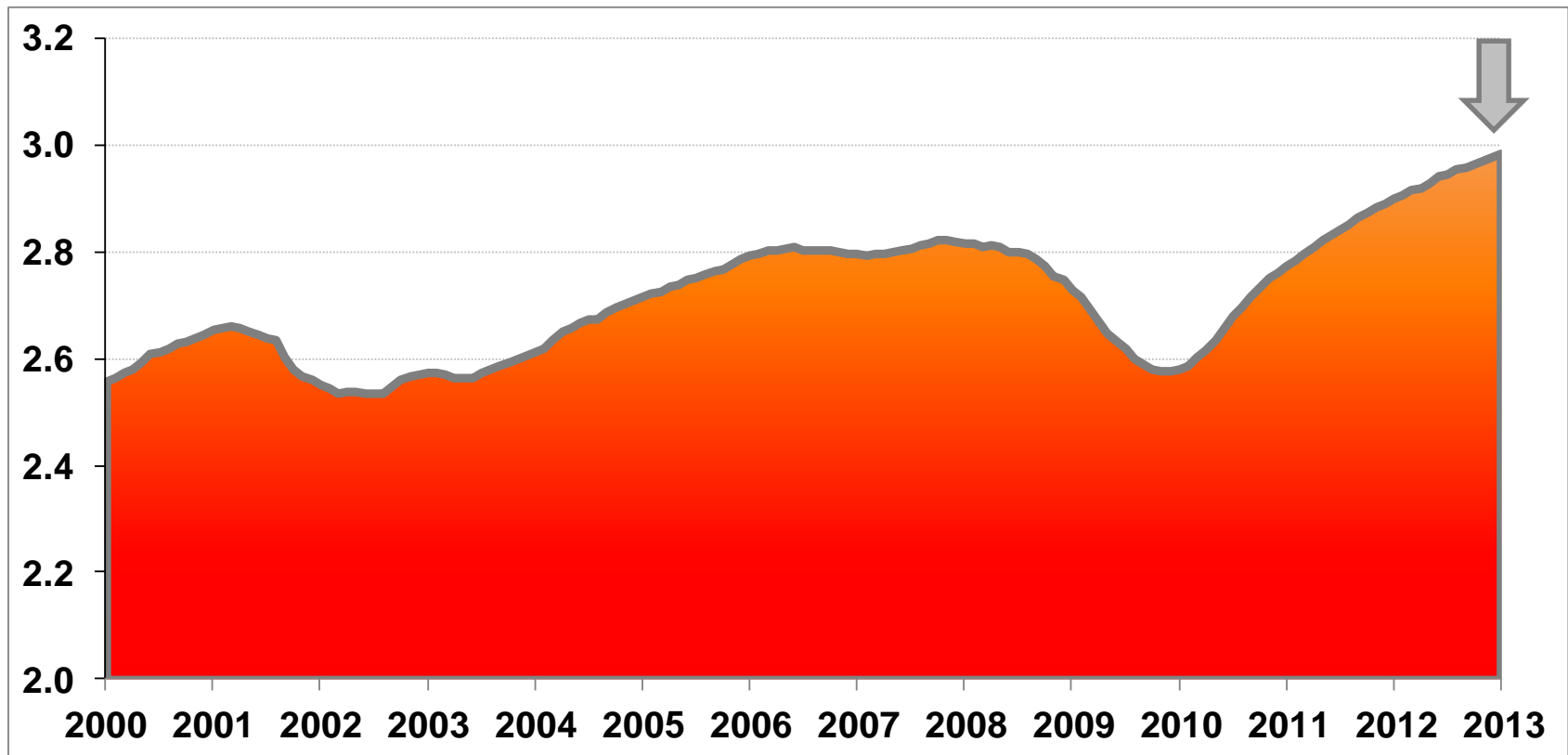
NADCO Annual Meeting

May 18, 2013

Chris Drazba, VP Owner & Franchise Services

Hotel Demand is at Record Highs!

US Industry Average Daily Demand
12-Month Moving Average—In Millions



Brands & Distribution

Over **4,600** hotels

With **675,000** rooms

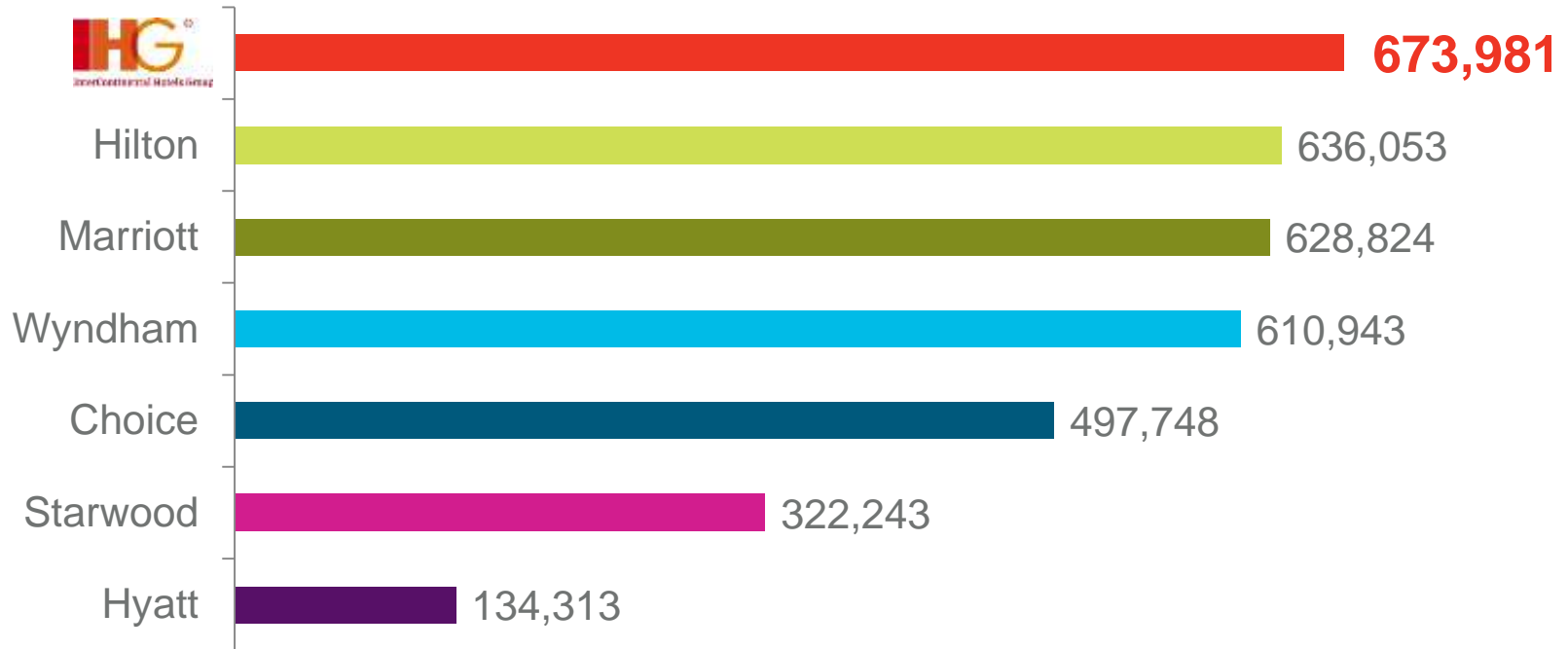
In **100** countries & territories



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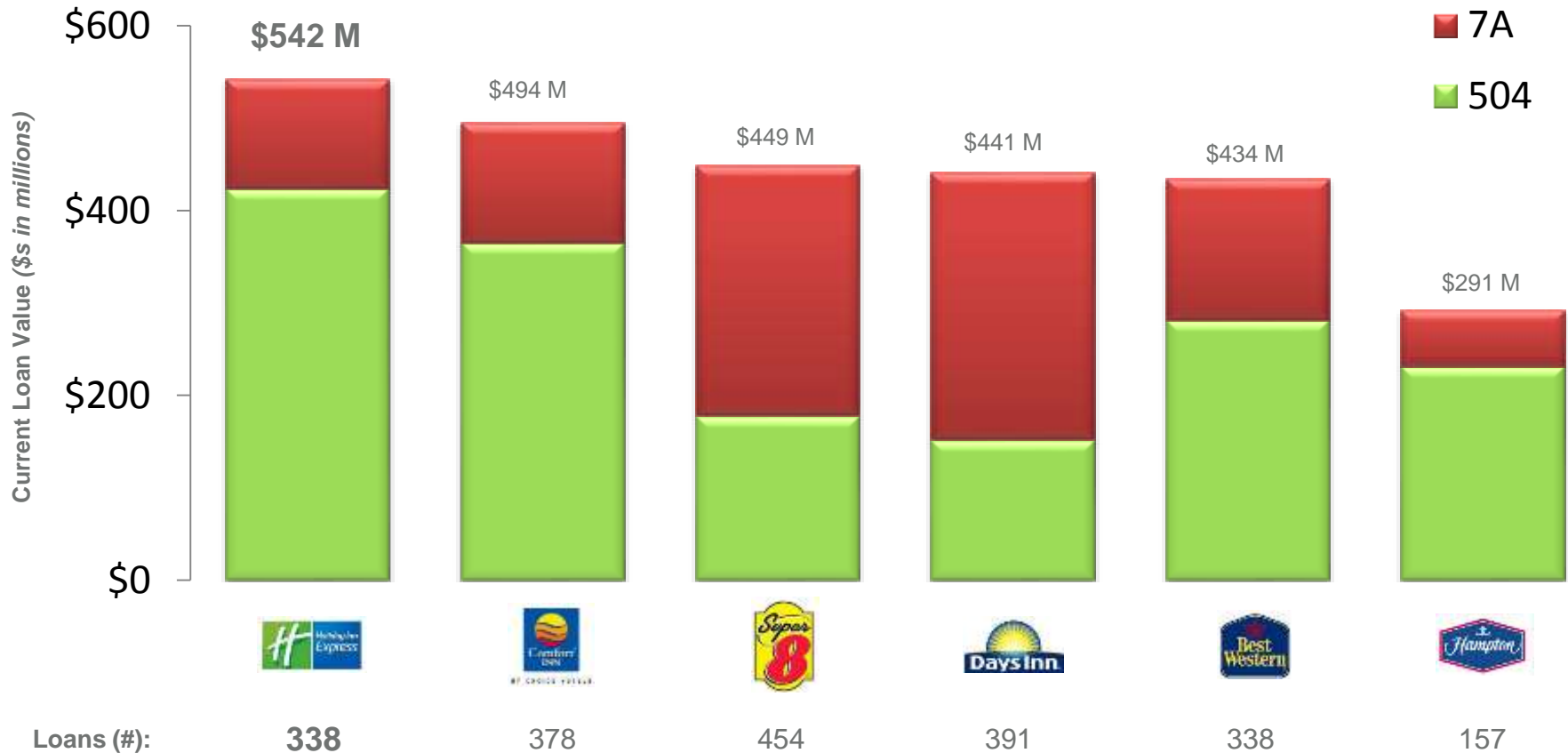
How does IHG compare?



IHG Fun Facts

- We have 4,600 hotels ... ***IHG owns 9 properties***
 - **Franchised** **85%**
 - **Managed** **14%**
 - **Owned** **< 1%**
 - Our pipeline (> 1,000 projects) would rank as the 9th largest hotel company
 - Every second, three guests check into an IHG hotel
 - 9 out of 10 travelers have stayed at a Holiday Inn – more than any other brand
 - In 2013, IHG shifted to 20-year standard term length for new construction deals
 - To increase value on sale of an IHG branded hotel
 - **To better support the project sponsor's financing needs**
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SBA Loan Distribution across major brands



SBA 504 Primary IHG Opportunities



Candlewood Suites

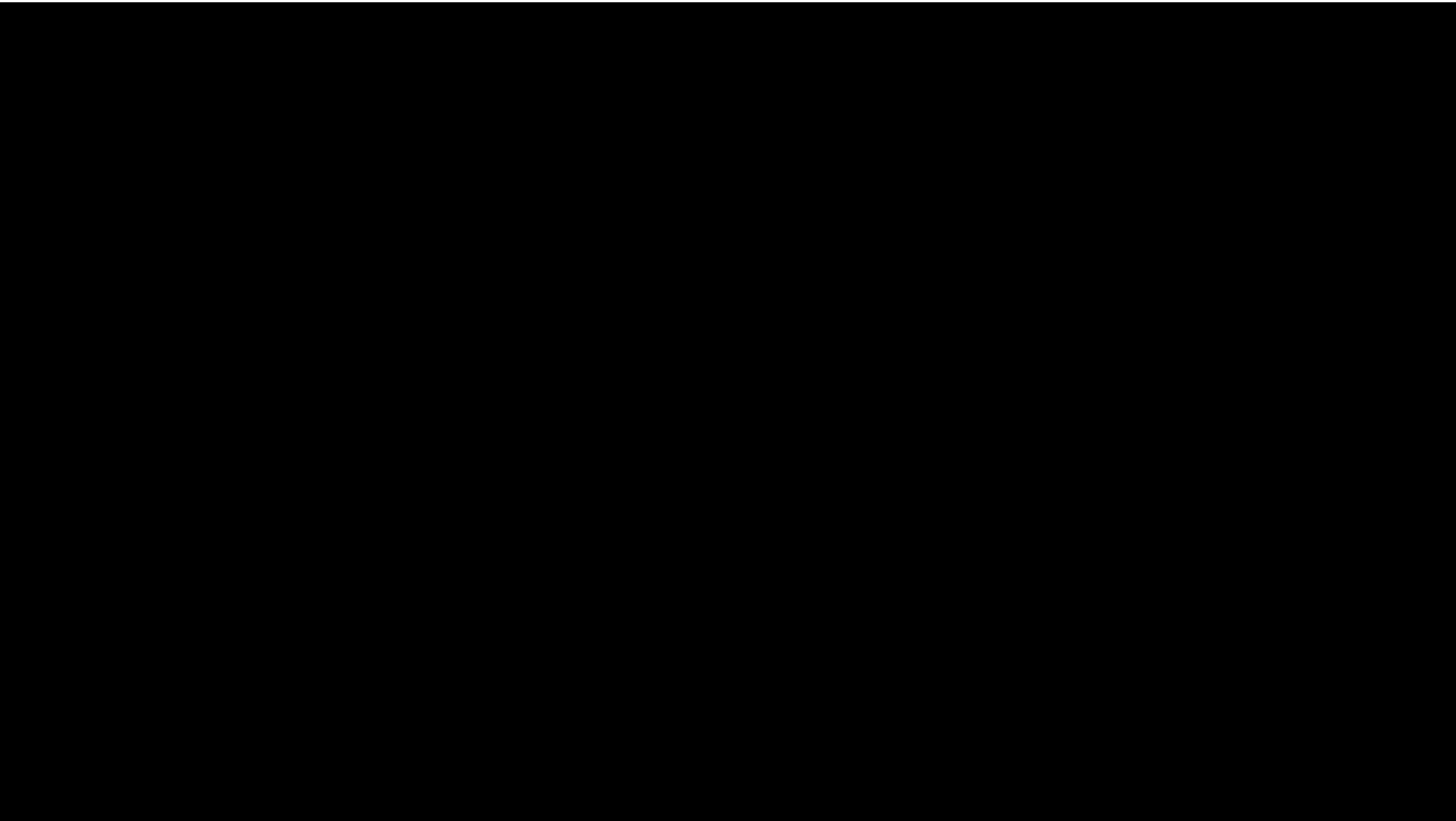
- Most projects range between 70 – 100 rooms
- Total project costs often range between \$8 – 12M
- Rooms are equipped with full kitchens
- Efficient business model
 - Focuses on longer-term stays (7+ contiguous stay nights)
 - Low operating labor levels
 - No dedicated space requirement for F&B
- 300th Candlewood opened in March 2013!



Holiday Inn Express

- Most projects range between 70 – 100 rooms
- Total project costs often range between \$8 – 14M
- Caters very well to the needs of weekday business travelers
- Pure hotel model – not a blended investment
 - Low space requirements for F&B – just breakfast bar area
 - Cap on meeting space allowances
 - Only needs 13-24 employees to operate the property
- **Most recognized IHG brand (2,200 hotels)**
 - **Smart Investment for Owners**
 - **Smart Stay for Guests**







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Thank You!

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