March 21, 2023

Wyndham Ramps Up ECHO Development, Pipeline Grows to Over 200 Hotels in Year One

Industry's fastest-growing brand launch adds new institutional developers

PARSIPPANY, N.J., March 21, 2023 /PRNewswire/ -- Wyndham Hotels & Resorts, the world's largest hotel franchising company with approximately 9,100 hotels spanning more than 95 countries, today announced the continued expansion of its innovative ECHO Suites Extended Stay℠ by Wyndham brand, which in just one year, now has more than 200 hotels in its development pipeline.

Rapidly outpacing initial growth expectations, the developer-driven brand caters to the white-hot extended-stay market, which continues to outperform all other industry segments. Late last year, the brand broke ground on its first three hotels and nearly two dozen more ground breaks are expected for this year. The first ECHO Suites hotel is on track to open by the end of this year with additional hotels fast following in 2024.

"By virtually every metric, ECHO Suites is a phenomenal success, becoming not only the fastest-growing brand in our industry but the largest brand launch in the history of Wyndham," said Chip Ohlsson, chief development officer, Wyndham Hotels & Resorts. "Its rapid growth is a testament to the power that comes with the scale and resources of the world's largest hotel franchising company and what can happen when brands take the time to truly engage and understand the needs of the development community."

Infrastructure Tailwinds

The arrival of ECHO Suites coincides with historic infrastructure investments in the U.S., including $1.2 trillion in approved funding as part of the 2021 Infrastructure and Jobs Act, the largest in our nation's history. Concentrated on repairing the nation's major roads and highways, bridges, airports and rail system, among other investments, these projects are creating a tailwind for Wyndham and the everyday business traveler, particularly construction and other trade workers, many of whom will be in need of long-term accommodations as they travel to job sites across the country. Even in the Act's infancy, Wyndham and its brands are already seeing a lift as a result of investments made to grow its share, with general infrastructure-related revenues up more than 20% in Q4 2022, the seventh-consecutive quarter of double-digit growth.

Compounding the opportunities created by the Infrastructure and Jobs Act is the $280 billion CHIPS and Science Act of 2022, of which over $50 billion is for American semiconductor research, development and manufacturing, which is driving construction of new chip manufacturing plants across the U.S. Since the Act was first signed, more than 22 plants have been announced in states including Arizona, Texas, Ohio and Indiana. Collectively, between the two pieces of legislation, Wyndham believes there is a long-term opportunity for

franchisees to realize $3.3 billion in additional room revenue, generating more than $150 million in incremental royalties for the Company over the multi-year period of spend.

Added Ohlsson, "The investments we're seeing in infrastructure represent an incredible opportunity poised to pay dividends for select-service and extended-stay hoteliers for years to come. It's truly one of the most exciting times to be a part of our industry, Wyndham and ECHO Suites."

Modern, Efficient, ROI-Focused Design
ECHO Suites was crafted with the help of development council consisting of some of the largest and most experienced owners and operators currently in the extended-stay segment. The council's insights were paired with the experience and expertise of Wyndham's in-house design and construction team, which spearheaded the creation of La Quinta by Wyndham's highly successful Del Sol prototype, Microtel by Wyndham's Moda prototype, Hawthorn Suites by Wyndham's Haven prototype and Wyndham Garden's Verde prototype.

At a time when rising construction costs are driving the need for ultra-efficiency, Wyndham's prototypes prioritize owner return on investment with an emphasis on value engineering and streamlined operations, helping optimize operating margins on a recurring basis. That attention to owner ROI is a key part of what attracted Dennis Wong, co-founder of SPI Holdings, and his business partner, Richard Squires of Lennox Capital, to recently sign a deal with Wyndham to develop multiple ECHO Suites hotels, focusing on markets like San Diego, Las Vegas and Seattle, among others.

"Extended-stay is the hot segment within hospitality right now and ECHO Suites Extended Stay by Wyndham is undoubtedly the hot brand within that segment," said Wong. "What differentiates Wyndham is their owner-first approach, a commitment to ROI-driven design and best-in-class technology, marketing and distribution. As developers—it's everything we're looking for."

The purpose-built, all new-construction, 124-room ECHO Suites prototype requires under two acres of land and has a highly competitive cost per key. Coming in at approximately 50,000 square-feet—nearly 74 percent of which is rentable—individual rooms average 300 square-feet. The rooms consist of single- and two-queen studio suites with kitchens as well as efficiently-designed public spaces—a lobby, fitness center and 24/7 guest laundry—that help to limit labor needs.

For more information on ECHO Suites Extended Stay by Wyndham, including development opportunities, visit www.wyndhamdevelopment.com.

About Wyndham Hotels & Resorts
Wyndham Hotels & Resorts (NYSE: WH) is the world's largest hotel franchising company by the number of properties, with approximately 9,100 hotels across over 95 countries on six continents. Through its network of approximately 843,000 rooms appealing to the everyday traveler, Wyndham commands a leading presence in the economy and midscale segments of the lodging industry. The Company operates a portfolio of 24 hotel brands, including Super 8®, Days Inn®, Ramada®, Microtel®, La Quinta®, Baymont®, Wingate®, AmericInn®, Hawthorn Suites®, Trademark Collection® and Wyndham®. The Company's award-winning Wyndham Rewards loyalty program offers more than 100 million enrolled members the opportunity to redeem points at thousands of hotels, vacation club resorts and vacation

rentals globally. For more information, visit www.wyndhamhotels.com.

Forward-Looking Statements
This press release contains "forward-looking statements" within the meaning of the federal securities laws, including statements related to the Company's current views and expectations related to rooms growth, development, consumer demand trends, technology offerings and programs. Forward-looking statements include those that convey management's expectations as to the future based on plans, estimates and projections at the time the Company makes the statements and may be identified by words such as "will," "expect," "believe," "plan," "anticipate," "intend," "goal," "future," "outlook," "guidance," "target," "objective," "estimate," "projection" and similar words or expressions, including the negative version of such words and expressions. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release.

Factors that could cause actual results to differ materially from those in the forward-looking statements include, without limitation, general economic conditions, including inflation, higher interest rates and potential recessionary pressures; the continuation or worsening of the effects from the coronavirus pandemic ("COVID-19"); COVID-19's scope, duration, resurgence and impact on the Company's business operations, financial results, cash flows and liquidity, as well as the impact on the Company's franchisees and property owners, guests and team members, the hospitality industry and overall demand for and restrictions on travel; the Company's continued performance during the recovery from COVID-19 and any resurgence or mutations of the virus; concerns with or threats of other pandemics, contagious diseases or health epidemics, including the effects of COVID-19; the performance of the financial and credit markets; the economic environment for the hospitality industry; operating risks associated with the hotel franchising businesses; the Company's relationships with franchisees and property owners; the impact of war, terrorist activity, political instability or political strife, including the ongoing conflict between Russia and Ukraine; risks related to restructuring or strategic initiatives; the Company's ability to satisfy obligations and agreements under its outstanding indebtedness, including the payment of principal and interest and compliance with the covenants thereunder; risks related to the Company's ability to obtain financing and the terms of such financing, including access to liquidity and capital; and the Company's ability to make or pay, plans for, and the timing and amount of any future share repurchases and/or dividends, as well as the risks described in the Company's most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission and any subsequent reports filed with the Securities and Exchange Commission. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, subsequent events or otherwise.

C View original content to download multimedia:https://www.prnewswire.com/news-releases/wyndham-ramps-up-echo-development-pipeline-grows-to-over-200-hotels-in-year-one-301776793.html

SOURCE Wyndham Hotels & Resorts