

IHG | ARMY
HOTELS



Redefining Army Living

Creating Great Hotels
Guests Love



THE HISTORY OF PAL

The Privatization of Army Lodging (PAL) program was established as a means of revitalizing on-post transient housing facilities. The program is a natural extension of the success achieved in the privatization of Family housing through the Residential Communities Initiative (RCI).

IHG (InterContinental Hotels Group) and Actus Lend Lease, the nation's leader in developing privatized residential communities for the United States military, joined forces in the Privatization of Army Lodging (PAL) program to deliver a first-rate lodging experience to Soldiers and their families and all official guests of the United States Army.

The PAL program's first project, PAL Group A, encompasses 10 installations across eight states. The installations include:

- Fort Rucker, Alabama
- Fort Leavenworth, Kansas
- Fort Riley, Kansas
- Fort Polk, Louisiana
- Fort Sill, Oklahoma
- Fort Hood, Texas
- Fort Sam Houston, Texas
- Yuma Proving Ground, Arizona
- Fort Myer, Virginia
- Fort Shafter/Tripler Army Medical Center, Hawaii

2003

Due to the success of the Military Housing Privatization Initiative (MHPI) in 1996, the Army established the Privatization of Army Lodging (PAL) program.

2005

IHG and Actus Lend Lease team up to respond to Army's Request for Qualifications (RFQ) for the Group A hotels contract.

2006

IHG/Actus deliver proposal to Army for PAL, emphasizing IHG's brand value and hotel acquisition/management expertise and Actus' financing and construction expertise.

IHG/Actus awarded Group A hotels.

2007/2008

Army/OMB approves Lodging Development and Management Plan (LDMP). Notice of Transition (NTT) received from Army.

AUGUST 2009

Assumed operation of Group A hotels. IHG/Actus began renovations and instituted new standards and operational processes.



GUEST SATISFACTION IS OUR #1 GOAL

IHG has been taking care of guests by providing them a home away from home for over 50 years. And we are proud to now do the same for the Soldiers and their families who visit IHG Army Hotels.

Our mission is to create Great Hotels Guests Love. We do this by providing a high quality hotel experience with the amenities guests want and the friendly, welcoming service they deserve.

We are in the process of transforming lodging at Army posts to competitive and highly recognized brands such as Holiday Inn Express®, Candlewood Suites® and Staybridge Suites®. We are already seeing positive effects from our efforts with very good overall satisfaction scores based on guest feedback.

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Sandy Van Bibber has been the General Manager at Fort Hood, Texas for 28 years, having made the transition to IHG, and according to her, the new amenities and services are making a difference. "Our guests really enjoy the complimentary breakfast and the Wednesday night social," she says.

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The employees at these hotels take pride in meeting their guests' needs, and that makes their job more meaningful. **Teresa Colatarci**, Regional Director and GM at Fort Sam Houston sees this every day. "It's rewarding when a 3 star General tells you this is the best stay ever. When the Wounded Warriors constantly thank you for everything you have done for them, that means everything."

IHG appreciates its employees, providing the training and support they need to operate Great Hotels Guests Love. For hotel employees, joining the IHG team has been a positive experience. As **Jody Sessions**, GM at Yuma Proving Ground for the past five years (also making the transition to IHG) says, "I decided to join IHG because I wanted to be a part of providing the best service that the hospitality industry has to offer to our guests who make so many sacrifices for all of us."

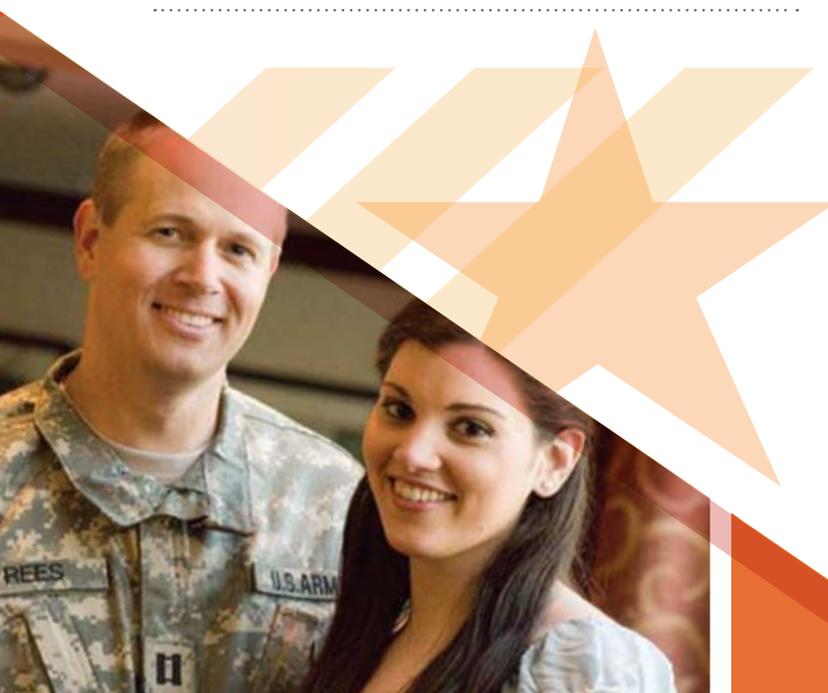
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Roy Yamane, GM at Tripler AMC / Fort Shafter (another transition GM formerly with Army Lodging) says the processes and systems that IHG has introduced have been instrumental during the PAL transition period. "The staff likes the clear, concise communication, defined expectations and consistency of standards. There is a noticeable improvement over what we experienced prior to the transition to IHG," he says.

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Going forward, improvements will be made to the physical product at each post hotel to meet IHG's high level of standards. Hotels in need of renovation will be improved on a scheduled plan specific to that facility. Where new build hotels are needed, they too will be managed on a post-by-post basis. Once standards are met, the hotels will be branded as Holiday Inn Express, Candlewood Suites or Staybridge Suites. Historic buildings will retain their historic nature while incorporating some necessary modernizations.

But it doesn't end there. IHG is committed to maintaining the hotel's standards through a strictly scheduled program that includes housekeeping, maintenance, regular inspections and scheduled renovations. This proven method of ongoing improvement ensures that our hotels continue to meet guests' needs.

And meeting guests' needs is our main goal. We solicit guest feedback through an award-winning satisfaction tracking system (in addition to feedback received at the hotel level through the General Manager), which allows us to monitor guest comments and address their needs quickly and efficiently. All in an effort to provide the best stay experience possible for Soldiers and their families.

Questions or comments? Send us an email at PAL@IHG.com



ihgarmyhotels.com ★ 877.711.TEAM



RESERVATIONS

Our Global Reservations System provides a fast and convenient way for guests to book their hotel stays. Our computerized reservations system allows guests to make reservations online at www.IHGArmyHotels.com or they can call **1-877-711-TEAM** which links to our central reservations offices where we have over 2,000 agents handling calls in 15 languages.

OUR BRANDS

Holiday Inn Express

With locations worldwide, Holiday Inn Express® hotels provide comfortable, inviting accommodations with just the right mix of services and amenities. Guests can enjoy the complimentary Express Start® breakfast bar with a variety of hot and cold breakfast foods, unlimited local calls, complimentary high-speed Internet access, and the comforts of the Simply Smart™ bedding collection.

Staybridge Suites

Staybridge Suites® hotels offer amenities that give guests the comforts and warmth of home along with the conveniences of the office at more than 170 locations. From spacious suites with full kitchens to guest services like the Bridgemarket® 24/7 convenience store, guests make an extended stay an extended pleasure. Staybridge Suites® was recently awarded 'Highest in Guest Satisfaction among Extended Stay Hotel Chains' according to JD Powers and Associates.

Candlewood Suites

Candlewood Suites® is focused on comfort, space and value. At over 240 hotels worldwide, guests find spacious studio and one-bedroom suites each with their own fully equipped kitchen, large workspace, overstuffed recliner, VCR and/or DVD and CD player, complimentary high-speed Internet access and telephones with voicemail and free local calls. The complimentary fitness center and guest laundry are open around the clock, and the Candlewood Cupboard® is open 24 hours for snacks, refreshments, entrées and other necessities.



REDEFINING THE ON-POST EXPERIENCE

IHG and Actus are introducing the first branded hotels to U.S. Army Installations. We bring the convenience and consistency of consumer-branded hotels, affording new levels of comfort for travelers, all while providing a guest experience specially tailored for Army travelers.

We are honored and excited to be part of the mission to support our troops. In our continuous effort to deliver Great Hotels Guests Love, IHG is committed to enriching the quality of life for Army Soldiers, their families and government travelers by extending the tradition of providing great service through a host of additional hotel amenities we have incorporated to make their stay easy, convenient and enjoyable at all hotel locations:

Complimentary Breakfast

A complimentary breakfast is served daily, including weekends to help guests start their day right.

BBQ Social

Guests are invited to attend a free BBQ social every Wednesday evening for a little food and fun.

Concierge Service

Guests are welcome to visit the front desk where our friendly concierge is ready to answer questions and provide information to make their stay as comfortable as possible.

Courtesy Shuttle Service

Guests are welcome to use the complimentary shuttle service while staying at the hotel.

Pets Welcome

All IHG Army Hotels are pet friendly. Guests traveling with pets may keep the animals in their rooms rather than having to board them in a kennel.

Professional & Friendly Hotel Staff

We provide effective on-going training in addition to a variety of resources for our hotel staff to enable them to take guest service to the next level.

Training & Standards of Operation

IHG brought all resources to bear at acquisition. Weeks of training took place both prior to and after transition to ensure our award-winning service standards were executed. Every enterprise of IHG was involved to ensure our ongoing expectations were met. Ongoing training reinforcement occurs via various disciplines of IHG as every employee is expected to deliver our Winning Ways philosophy as well as Great Hotels Guests Love.

PRIORITY CLUB REWARDS

We offer our guests more ways to earn points and easily redeem them for great rewards, through our award-winning program, Priority Club Rewards. Guests of IHG Army Hotels now have the opportunity to earn points and enjoy the following benefits of membership:

Earn points for stays at IHG Army Hotels

Points never expire

No blackout dates

Earn and redeem points at over 4,400 IHG hotels globally

Visit priorityclub.com for more information.



ABOUT ACTUS



Actus Lend Lease is a developer of sustainable, mixed-use communities, working extensively through the Military Housing Privatization Initiative (MHPI), a public-private partnership program focused on improving housing conditions for service personnel. Using an integrated approach to community development, Actus has become a leader in the planning, design, building and management of fully master-planned communities on military installations throughout the United States. Among these are: Army Hawaii Family Housing and Hickam Community Housing (HI); Fort Campbell Family Housing and Knox Hills (KY); Fort Drum Mountain Community Homes (NY); Fort Hood Family Housing (TX); Soaring Heights Communities (Davis-Monthan AFB, AZ and Holloman AFB, NM); Tierra Vista Communities (Peterson AFB and Schriever AFB, CO and Los Angeles AFB, CA); Atlantic Marine Corps Communities (NC, SC, NY, and MA) and most recently, Fort Wainwright and Fort Greely (AK).

Actus Lend Lease has financed, developed, built, renovated and will operate these sites for at least 50 years. In total, Actus Lend Lease has a portfolio of more than 40,000 residential units, 4,200 U.S. Army lodging rooms and nearly 200 apartments for single and unaccompanied officers and senior enlisted soldiers.

Founded in 1999 and headquartered in Nashville, Tenn., Actus Lend Lease employs more than 500 employees nationwide and is a subsidiary of the Lend Lease global family, which includes Bovis and Delfin Lend Lease. Actus Lend Lease is known for its commitment to fostering sustainability in all areas of development on its projects. The company has earned its position as the leading Military Housing Privatization Initiative (MHPI) developer by creating smart solutions that protect the environment, create significant social returns and deliver superior financial results for its partners.



ABOUT IHG

IHG (InterContinental Hotels Group) is one of the **world's largest hotel groups** by number of rooms. IHG owns, manages, leases or franchises, through various subsidiaries, nearly 4,400 hotels and more than 640,000 guest rooms in 100 countries and territories around the world. We have been a leading player in the global market for more than 50 years, with a targeted focus on building and operating great hospitality brands.

Our portfolio of seven industry-leading, well-recognized and respected hotel brands includes InterContinental® Hotels & Resorts, Holiday Inn® Hotels & Resorts, Holiday Inn Express®, Staybridge Suites®, Candlewood Suites®, Crowne Plaza® Hotels & Resorts and Hotel Indigo®.

IHG also manages the world's largest, award-winning, hotel loyalty program, **Priority Club® Rewards**. With more than 47 million members worldwide, the PCR program has proven to be an extremely effective tool for driving customers to IHG hotels and creating guest loyalty.

