





LAQUINTA[®]
INNS & SUITES

Proven Name. Proven Numbers.[®]

Visit LaQuintaFranchise.com or call 866.832.6574

La Quinta Inns & Suites

- More than 42 years of success
- The largest owner/operator of select-service hotels
- Strong brand awareness
- A leading provider of select-service lodging with high-quality accommodations
- Appeals to both business and leisure travelers
- More than 800 properties in 46 states, including the top 25 U.S. lodging markets, Canada and Mexico
- La Quinta hotels and its franchisees work cooperatively to exceed our guests' needs and expectations
- Fastest growing midscale, limited service brand in the last 10 years with 166.3% growth*



CORE VALUES

At La Quinta, our purpose is to provide a refreshing and engaging environment that builds long-lasting, valuable relationships with employees, guests and owners. Together, our purpose and core values form the foundation of who we are and what we do.

- PEOPLE
- PASSION
- INTEGRITY
- EXCELLENCE
- UNIQUE

PHILOSOPHY & CULTURE

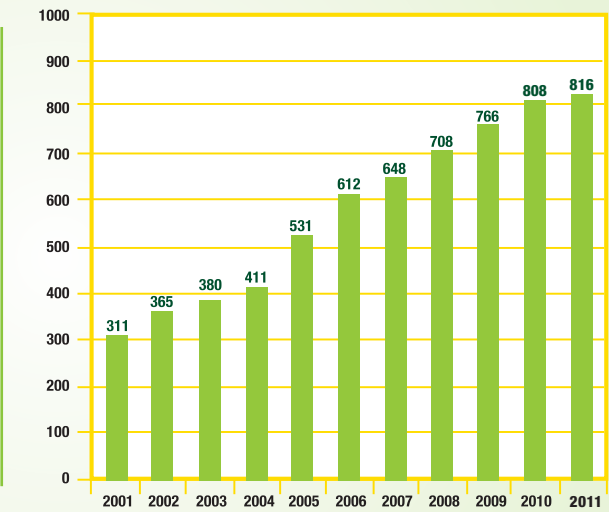
- Promises Made. Promises Kept.
- Lead by example as an owner/operator
- Relationship-based program
- Over 40% of new agreements come from existing owners

FRANCHISE-FRIENDLY AGREEMENTS

- 20-year term
- Performance-based termination rights
- Area of protection for term of the contract
- Favorable transfer rights
- Potential royalty rebate based on guest satisfaction results

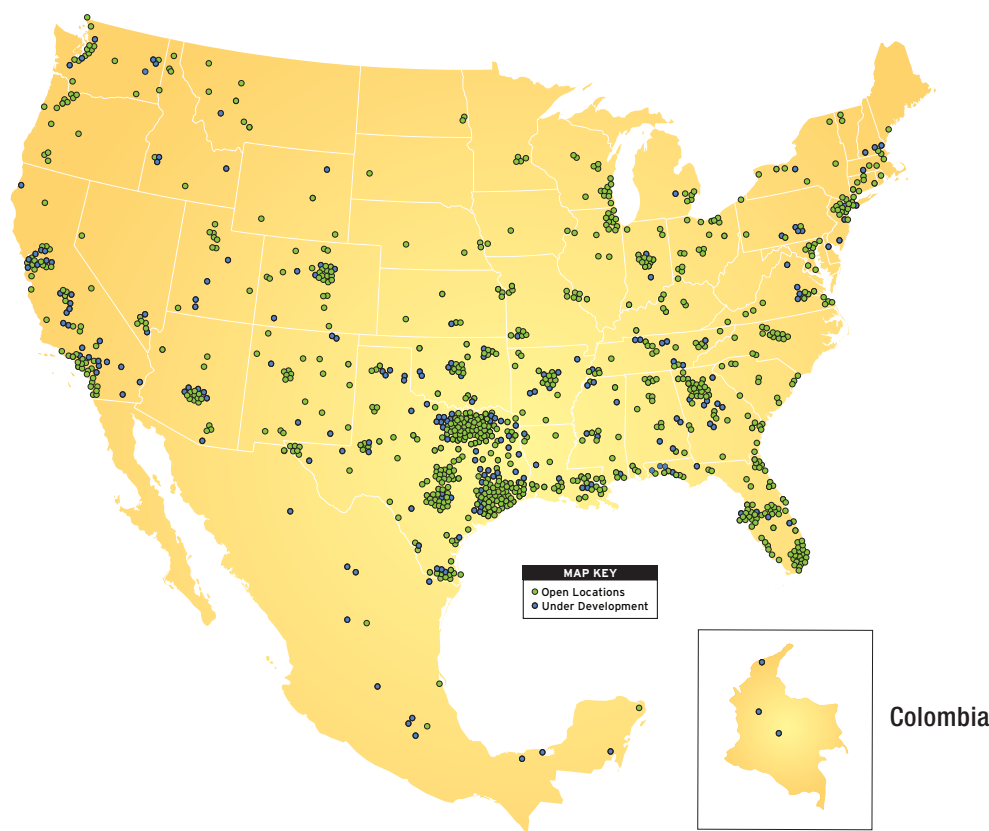
Number of La Quinta® Hotels

- 2001: 311 hotels
- 2002: 365 hotels
- 2003: 380 hotels
- 2004: 411 hotels
- 2005: 531 hotels
- 2006: 612 hotels
- 2007: 648 hotels
- 2008: 708 hotels
- 2009: 766 hotels
- 2010: 808 hotels
- 2011: 816 hotels, pipeline includes over 165 properties in the U.S., Mexico and Central America



- Over 800 properties
- More than 81,000 rooms
- Over 165 properties in the pipeline
- 92% new construction
- 100% La Quinta Inn & Suites

2012 Distribution and Growth Map



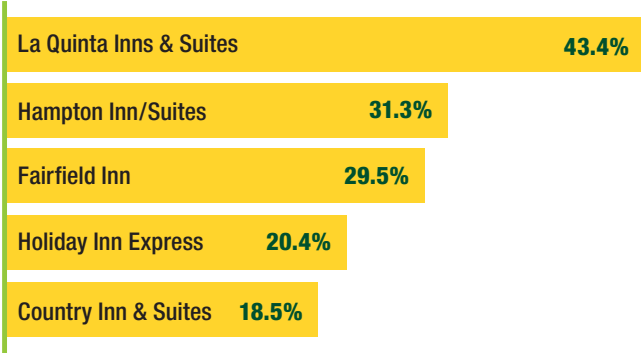
BRAND PENETRATION*: Increase 2.8% over prior year.

Average Occupancy Index* 105.6%	Average ADR Index* 95.2%	Average RevPAR Index* 100.5%
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STR reported on comparable Inn & Suites locations. *Please see additional disclaimer information on inside back cover.

La Quinta’s Domestic Hotel Growth Stands Out Among Brands

Domestic
5-Year
Growth
(by percentage)



Source: Smith Travel Research

Reservation Contribution†:
Increased to 45.5%
and continues to grow, year over year.



*La Quinta Returns™ members
contribute over 40%
of total room revenue.*

Seven consecutive years
of market share gain†



†Comparable Operating Locations

CONSUMER POSITIONING

At La Quinta, we know that travel can be challenging. That’s why we’re here—to help travelers find their inner optimist with our attractive amenities that are delivered with friendly service and a dose of humor. All this keeps our guests coming back again and again. Our Inns & Suites properties appeal to both the leisure guest as well as the business traveler with amenities such as:

- Oversized work space within rooms
- Expansive lobbies with comfortable seating areas
- 32" or larger HDTV with Plug-and-Play feature for guests to play their own content
- Well-equipped workout facilities
- Indoor or outdoor pool options
- Business centers
- Pillowtop mattresses
- Conference / meeting room facilities
- On-property laundry facilities

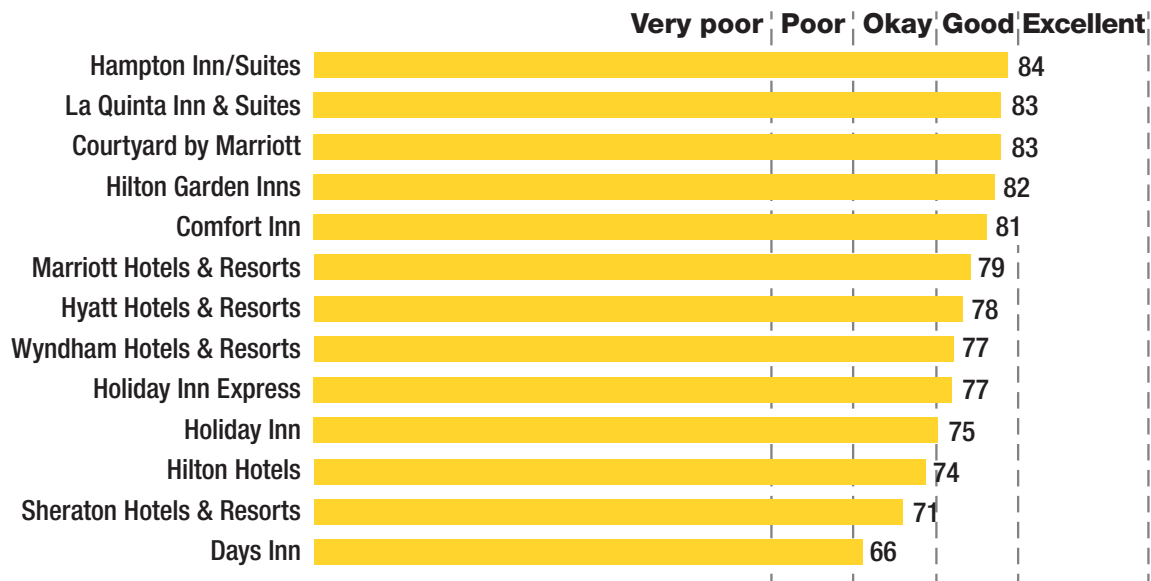
And our goal is to help our guests’ travel dollars go even further with:

- Free high-speed Internet
- Free Bright Side Breakfast®
- Returns®, one of the fastest-rewarding guest loyalty programs in the industry

All this helps our guests *wake up on the bright side®*.



Forrester Research, Inc. Customer Experience Index For Hotels, 2012



Base: US online consumers who have interacted with each brand
(numbers have been rounded)

Source: North American Technographics® Customer Experience Online Survey, Q4 2011 (US)

STRONG BRAND

With over 800 locations in the United States, Canada and Mexico, La Quinta Inns & Suites’ growth is powered by our commitment to guest service and satisfaction. Our brand standards focus on ensuring all La Quinta hotels deliver the same high-quality guest services and products chain-wide.

CONSUMER SEGMENT

Our guest mix includes equal parts leisure guests and business travelers. This helps our properties stay balanced seven days a week.



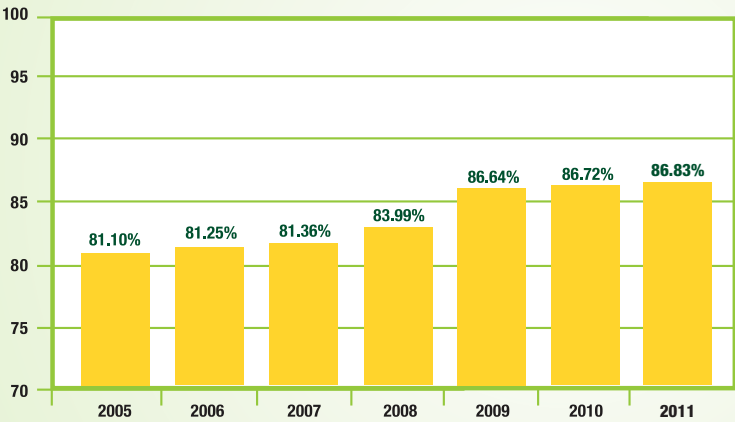
According to corporate traveler buyers, La Quinta Inns & Suites earned the #2 ranking in the *midprice* category of the “2010 U.S. Hotel Chain Survey” published in the March 2010 issue of *Business Travel News* magazine. The annual survey evaluates hotel chains on a number of criteria including “Physical Appearance of Hotels,” “Helpful Courteous Staff,” “Quality of In-Room Amenities,” “Quality of Food,” “Overall Price/Value Relationship” and more.

La Quinta Inns & Suites was ranked #2 in the Midprice Category.

MIDPRICE	ARRANGE INDIVIDUAL TRAVEL	ARRANGE GROUP TRAVEL	FACILITIES FOR MEETINGS	CORPORATE RATE PROGRAMS	COMMISSION PAYMENT SYSTEM	QUALITY OF FOOD	HELPFUL COURTEOUS STAFF	PHYSICAL APPEARANCE OF HOTELS	QUALITY OF IN-ROOM AMENITIES	QUALITY OF IN-ROOM BUS. AMENITIES	QUALITY OF BUSINESS CENTER	OVERALL PRICE-VALUE RELATIONSHIP	OVERALL AVERAGE SCORE
1. HAMPTON INN	4.40	3.98	3.51	3.88	3.87	3.57	4.15	3.96	3.83	3.75	3.71	4.04	3.89
2. LA QUINTA INNS & SUITES	4.39	3.67	3.19	3.58	3.47	3.25	4.12	3.84	3.52	3.57	3.70	3.93	3.69
3. HOLIDAY INN EXPRESS	4.14	3.78	3.41	3.59	3.54	3.36	3.87	3.74	3.52	3.57	3.53	3.75	3.65
4. HOLIDAY INN	4.15	3.89	3.62	3.60	3.45	3.40	3.79	3.58	3.55	3.55	3.49	3.64	3.64
5. FAIRFIELD INN	4.30	3.65	3.22	3.41	3.36	3.23	4.03	3.74	3.59	3.48	3.42	3.69	3.59
6. BEST WESTERN	3.97	3.46	3.32	3.23	3.13	3.32	3.71	3.62	3.44	3.45	3.55	3.53	3.48
7. COMFORT INN	3.92	3.41	3.00	3.05	3.16	3.06	3.59	3.49	3.26	3.24	3.25	3.39	3.32

GUEST SATISFACTION

Year over year La Quinta continues to increase guest satisfaction scores.



All numbers are based on Medallia Quality Scores for franchise hotels. Dates are calculated on a calendar year.

BRAND MARKETING

La Quinta successfully implements a national marketing strategy by using market research, consumer insight studies and guest feedback. Our strategy to reach and influence our marketplace is shaped by our goals to:

- Constantly develop a better understanding of our brand and its users
- Drive brand awareness and perception that will generate trial and repeat bookings
- Craft and communicate a distinctive, memorable positioning based on consumer insights
- Focus communications to the most relevant guest segment to increase penetration over our competitive market segment

Over a two-year period, La Quinta brand and advertising awareness grew 40% nationally, faster than Hampton and Comfort.

LA QUINTA RETURNS

La Quinta Returns is one of the fastest-rewarding and fastest-growing guest programs in the industry. Members contribute **OVER 40%** of total room revenue, and more than **70%** rank the program as their **#1 or #2 favorite program** based on:

- Fast rewards, including free nights at La Quinta locations and select luxury hotel/resort destinations, airlines miles/credits, and Gift Cards/Certificate from national restaurants and retailers
- Fast Gold and Elite status, after as few as 10 nights

*La Quinta Returns members contribute **over 40%** of total room revenue.*



Over the last 3 years, La Quinta Returns grew significantly:

- ↑ **118%** increase in active members
- ↑ **56%** increase in Revenue contribution from Members
- ↑ **63%** increase in Elite member nights
- ↑ **80%** increase in nights from existing Members
- ↑ **45%** increase in Gold member nights
- ↑ **56%** increase in New Member enrollment



- *In 2011, visits to LQ.com increased over 13% from previous year.*
- *Top-line LQ.com revenue grew over 8% reaching \$358MM.*

LQ.COM/E-MAIL MARKETING

- E-mail marketing revenue has increased 11.8% year over year.
- Over \$52MM in 2011 e-mail marketing revenue

GLOBAL SALES TEAM

- Our team works with both Fortune 500 companies and small businesses to increase our corporate travel base.
- Global sales accounts are continually managed to maximize account contribution.
- The bright now® small business program offers a streamlined program to acquire new accounts.



PARTNERSHIP MARKETING

The La Quinta Marketing team has partnerships with some of the largest travel, financial and retail brands in the world. We partner with these companies to help drive trial stays and increase awareness by delivering over 200 million brand impressions to new and existing travelers annually.



RESERVATIONS SYSTEMS

In 2011, La Quinta Inns & Suites corporate contributions through central reservation channels accounted for 45.5%[†] of the net revenue between all mature La Quinta Inns & Suites.

1-800-SLEEPLQ

24-hours-a-day service representatives are there to answer calls and make bookings. We have the ability to handle high call volumes and deliver high conversion rates with no additional cost to the franchisee.

GDS and Online Booking Tools

These provide Travel Agents access to your property information, rates and real time reservations, 24 hours a day, seven days a week. La Quinta represents you on all four major GDS systems. With real-time seamless processing and rate management, we put your property in front of Travel Agents everywhere.

LQ.com® and e-commerce

LQ.com is important for your property. You get a page on the Internet—the most powerful booking agent in lodging today. We continually work to ensure that information important to a booking decision for each of our properties, such as services, amenities, area restaurants, businesses and attractions, is complete, accurate, and up-to-date... and is easy to find.



Cutting Edge Technology

New Mobile App for easy booking

- Quickly hold a room with LQ Instant Hold™
- See TripAdvisor® ratings & reviews
- Find what's nearby with Yelp

Guests can now see their favorite hotels or find ones near them, check photos and more.



[†]Please see additional disclaimer information on inside back cover.

OPERATIONS & SERVICE SUPPORT

It takes a proven and diverse collection of resources, systems and services to support the quality of product and performance we expect at La Quinta hotels.

We are in this together. We provide everything our franchisees need to develop the kind of operation that lives up to our name and your guests' expectations.

COMPREHENSIVE TRAINING PROGRAMS

The La Quinta training team, known as LQUniversity®, has been nationally recognized by the American Society of Training and Development for running a BEST organization two consecutive years. Our expert team of trainers has both training and operations



experience. LQUniversity offers comprehensive training solutions to enable your hotel to operate more successfully, including Owner Development, Pre-Opening Training, PIRFect Opening Training, INNtegration,

our one-week Corporate Office program for new General Managers, PIRFect Management Field Training PIRFect Product Quality training for the Heart of the House, as well as other customized solutions.

We also offer both video-based and computer-based learning modules.



REVENUE MANAGEMENT

Focus on Revenues, Maximize Profitability

La Quinta has a proven track record of successfully maximizing revenues and overall hotel performance for more than 40 years. Our dedicated revenue management team will partner with your team to develop the right pricing strategies for your property. Working in collaboration with your team, your professional revenue manager provides continual analysis of opportunities and performance within your market, strategic systems management and tools to help better manage your business – allowing your team the time to focus on all the necessary elements to improve your hotel's bottom line.



DESIGN AND CONSTRUCTION

The Design and Construction team at La Quinta has the experience and knowledge of building over 800 corporate and franchise properties—experience that enables us to adapt our prototype to meet the needs of individuals and markets. Our team understands how to be flexible while still maintaining the high quality standards that each La Quinta property requires.

La Quinta uses a pass-along pricing structure. This means our franchisees benefit from our combined corporate purchasing power to obtain the best possible pricing direct from vendors.

Our network allows all franchisees access to quality products direct from vendors



DESIGN STANDARDS AND BUILDING REQUIREMENTS

Our Design and Construction team has developed a prototype that offers flexibility and efficiency of design. The prototype design can adapt from four stories to over 14 stories tall, and the number of rooms can be adjusted to meet the demands of your location. The design includes our iconic bell tower, porte-cochere and decorative balcony. The prototype has been improved over the years; many of these improvements have come from our very own franchisees.



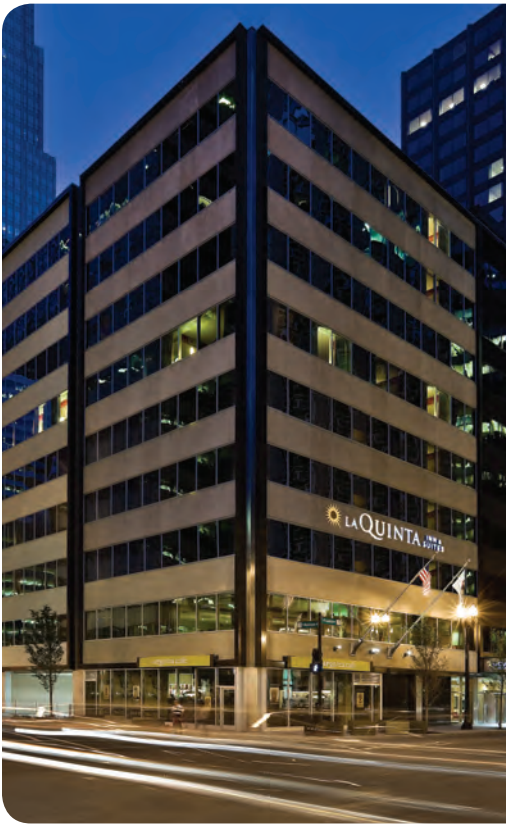
OUR FUTURE

OUR ENGINES FOR GROWTH INCLUDE:

- Enhancing RevPAR, margin and EBITDA growth for properties through continued revenue initiatives and cost management
- Commitment to product, consistent service and continued improvement of the properties in our system
- Redeveloping existing locations, real estate acquisitions, brand acquisitions and improve existing units

WITH SIGNIFICANT OPPORTUNITIES FOR GEOGRAPHICAL EXPANSION, WE PLAN TO GROW OUR STRONG BRAND MORE RAPIDLY:

- Gain exposure in new markets
- Penetrate high-demand markets with barriers to entry
- Improving property economics
- Redevelop existing locations
- Continue our global expansion



**To learn more about La Quinta Inns & Suites
or how to become part of the
La Quinta Inns & Suites family:**

please call 866-832-6574
or e-mail us at franchise@laquinta.com
or visit our website at LaQuintaFranchise.com.

PROVEN NAME. PROVEN NUMBERS.

Become a part of the La Quinta family.

This is not an offer. An offer can only be made through a Franchise Disclosure Document. MNREG #F-4544. Contribution, RevPar and Occupancy information is based on samples of La Quinta Inns & Suites lodging facilities that had been open 3 years as of December 31, 2011 as described in the March 30, 2012 US Franchise Disclosure Document. Performance varies by hotel, location, market and experience of the operator. If you rely on any performance representation, you must accept the risk of not doing as well.

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La Quinta Franchising, LLC | 909 Hidden Ridge, Suite 600 | Irving, Texas 75038 | 866.832.6574 | LaQuintaFranchise.com