

onPOST

Summer 2010

For Guests and Employees of IHG Army Hotels



An Anniversary, and a Beginning

Just over six months after opening the first IHG Army Hotels under the Privatization of Army Lodging (PAL) program in August 2009, there was already quite a lot to celebrate. And celebrate, we did. On April 7, 2010, at each of the ten Army posts involved in the first phase of the project, IHG Army Hotels hosted anniversary events that included a Mexican fiesta at Fort Sam Houston, a Hawaiian luau at Fort Shafter/Tripler AMC, a beach club party at Fort Leavenworth, and other themed celebrations geared toward thanking hotel guests and installation leadership for their business and support.

An estimated 2,000-plus guests, including Garrison staff and other post personnel, as well as Soldiers and families staying at the hotels, had the opportunity to tour the upgraded hotel facilities and see the completed and ongoing improvements for themselves. Several hotels also held raffles to raise money for Fisher House Foundation,TM a not-for-profit organization that provides a “home away from home” for

families of military hospital patients. Funds were also raised through events at the corporate offices of IHG, helping to support the efforts of the Fisher House locations that share Army posts with IHG Army Hotels: Fort Sam Houston, Fort Hood and Tripler Army Medical Center.

“We’re so happy to celebrate this milestone with the people who have

been so supportive to us over the past six months,” said Jody Sessions, General Manager at Yuma Proving Ground. “These events allowed us to showcase the improvements we’ve already made and to celebrate what we see as just the beginning of a lot of great things to come.”

And Jody is right, of course. This really is just the beginning.



(Photos courtesy of U.S. Army)

You've Got a PAL

We call it "PAL," for short. And already it's proving to be a friend to military travelers. The Privatization of Army Lodging (PAL) program is an Army-led, public-private venture that was established as a means for revitalizing on-post transient housing facilities. Our goal for the new program is to deliver a first-rate lodging experience to Soldiers, their families, and all official guests of the United States Army.

PAL Group A, the first of three phases, encompasses ten Army installations located across the United States:

- 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

Since assuming operations and ownership of the 3,200 rooms located across these ten installations in August 2009, IHG and Actus Lend Lease have made significant strides in improving the overall guest experience for military and government travelers choosing to stay on-post with IHG Army Hotels.

We're currently in the process of converting existing buildings to the Holiday Inn Express® brand and, over the next few years, Actus will build new hotels which IHG will operate under its Candlewood Suites® and Staybridge Suites® brands. Additionally, the project includes a

number of historic buildings which will undergo renovations, all while preserving their historic significance and character under a specially designated "Historic Collection" of hotels.

Based on guest feedback, the upgraded facilities are already seeing very good overall satisfaction scores. Maybe that's because IHG has a mission of its own: to create Great Hotels Guests Love. For more than 50 years, we've worked to provide our guests with a high-quality hotel experience that incorporates the amenities they want and the friendly, welcoming service they deserve. And we're proud to be part of a project that lets us take better care of the military guests who take such good care of all of us.



IHG: Creating Great Hotels Guests Love



Angela Brav,
Chief Operating Officer
North America, IHG

We are honored and excited to be part of a whole new mission to support our troops. In conjunction with

Actus Lend Lease, the leading developer of privatized residential communities for the United States military, IHG is now in the process of introducing the first branded hotels to U.S. Army installations. The PAL program will bring the convenience, consistency and amenities of IHG's consumer-branded hotels to Army travelers, while providing a guest experience tailored specifically to their needs.

At each Army post, improvements will be made to existing hotels to bring them up to IHG's high standards, and new hotels will be built where necessary. The hotels will then be branded as Holiday Inn Express,[®] Candlewood Suites[®] or Staybridge Suites.[®]

This is a journey for us, too. And the purpose of this newsletter is to keep you informed and involved along the way.



A Guest's Perspective



Company Commander Ed Bailey with
Operations Manager Russ Ritson

In February 2009, Company Commander Ed Bailey was wounded in Iraq. A single father with five children, he spent two weeks in the hospital at Fort Sam Houston before being moved to on-post lodging for continued outpatient treatment. Since that time, he has been our guest at the Powless House, one of the on-post hotels now being upgraded by the PAL program.

"From the very first day after the transition to IHG Army Hotels, I saw improvements," he tells us. "They replaced the carpets, they painted, they're in the process of replacing hundreds of mattresses. And since a lot of us are confined to eating in the hospital while we're here, the new grills have been great."

Most important of all, he tells us, "The staff is very aware of our needs. The majority of us are wounded veterans with lots to deal with—all kinds of meds and appointments. Everybody, from management on down, just gets it. They're there to help, no matter what we need."

"They just show a little bit of kindness."

Redefining On-Post Lodging

We know you have an important job to do. And our job is to give you all the support we can. So we've added some new amenities and services we hope will make your stay not only more convenient, but also more enjoyable:

Complimentary Breakfast – Served daily, including weekends, to help you start your day right.

Free BBQ Social – A little food, a little fun. You're invited, every Wednesday evening.

Concierge Service – Our friendly concierge can answer your questions and give you the information you need to make the most of your stay.

Courtesy Shuttle Service* – Our complimentary shuttle service for guests can help you get around the post a little easier. Just check at the front desk for a schedule.

Pets Welcome - All IHG Army Hotels are pet-friendly. So you can keep your four-legged family members right where they belong – with you, in your room.

* Based on availability.

Tidbits



The invention of M&Ms actually served a tactical military purpose. The candies were the brainchild of Forrest Mars Sr., who had seen Soldiers in the Spanish Civil War of the late 1930's eating small pellets of chocolate with a hard sugary coating. M&Ms were introduced in 1941 and quickly became a favorite, easily portable energy snack for Soldiers serving in World War II.

Priority Club[®] Rewards

The rewards of staying at IHG Army Hotels also come in a more tangible form. Priority Club Rewards is IHG's award-winning guest loyalty program. By signing up to be a member, you can earn points when you stay at any IHG Army Hotels location – or any of more than 4,400 other IHG hotels around the world. It's just our way of thanking you for choosing to stay with us.

In just six months, IHG Army Hotels has already awarded millions of Priority Club points. In fact, you can check the poster in the lobby of any IHG Army Hotels location to see how many points that hotel has awarded to its guests to date. So, if you're not already a member, sign up today to make sure you get your fair share.

Once you've earned those points, what can you do with them? Lots of things, including redeem them for hotel stays, dining certificates and brand-name merchandise. For more information or to sign up online, visit IHGAmyHotels.com or priorityclub.com.



From the Owner/Developer's Desk: A Look at What's Changed...So Far

Along with all the great new guest services and hotel amenities IHG has implemented, Actus Lend Lease has completed a number of significant improvements to the PAL Group A facilities since assuming ownership in August 2009.

Some of these improvements, such as the upgrades and renovations taking place in guest rooms and common areas, can be easily seen. Others, such as new fire alarm systems, new guardrails and railing repairs, aren't as visible to guests but are equally important. Our first priority is to make sure that all guests are both comfortable and safe.



Here's a quick look at some of the changes and improvements already made to the hotels:



For Your Comfort and Convenience:

- More than 3,000 new IHG-branded bedding and linen packages
- More than 2,000 new mattresses
- Nearly 2,500 new flat-screen TVs
- Nearly 3,000 new showerheads, shower rods and curtains
- More than 6,500 light bulbs in process of being replaced with CFLs
- 12 new courtesy shuttle vans
- New laundry equipment
- New paint and flooring in guest rooms and common areas
- High-speed internet access improvements
- Kitchen and bathroom upgrades
- Front desk upgrades, lobby improvements and new breakfast bars
- Landscape improvements, new barbecue grills and outdoor furniture

For Your Safety:

- New fire alarm systems
- New exit lighting and signs
- Critical roof repairs and replacements
- HVAC and mechanical equipment repairs
- New electronic door locks
- ADA improvements
- Railing repairs and modifications



Renovated guest room at Fort Sill

Actus will continue with large-scale improvements, upgrades and renovations needed to bring several of the hotels up to the standards required for operating under IHG's Holiday Inn Express® brand. The grand opening of our first

Holiday Inn Express is currently on track for summer 2010 at Fort Polk, Louisiana.

The improvements made so far are only the beginning of what's to come. We are both excited and honored to be part of this great initiative.