

Settle Inn & Suites® & GuestHouse International® Set to Bring Shoney's Inn® Brand back to National Scene

Fair-franchising kings bring back Shoney's Inn® based upon the principles of their fair-franchising doctrine

HENDERSONVILLE, TN, (August 9, 2007) — Fresh off the heels of their Dec. 2006 purchase of GuestHouse International, which included the Shoney's Inn brand, from Sholodge Inc., Settle Inn & Suites is on the move again.

“The Shoney's Inn hotel brand is a great brand. During its initial launch and expansion, it experienced tremendous growth. Shoney's is a well known brand with quality properties and reviving a great brand is a no-brainer”, said Tim O'Connor, SVP Brand Management for the company now franchising the Settle Inn & Suites and Guesthouse International lodging brands. The first Shoney's Inn was opened in 1976 in Hinesville GA, from where it eventually grew to over 100 hotels at its peak.

“With the relaunch of the Shoney's Inn brand, we intend to provide experienced owners with a great brand in the economy sector without the high fees, long-term contracts, and punitive mandates common in today's franchisee agreements, yet with the power to stand up to the strongest of competitors,” O'Connor said.

Working with the American Association of Franchisees & Dealers (AAFD), Settle Inn & Suites developed a franchise agreement that has been recognized as the most franchisee friendly, not only in the lodging industry, but across all sectors - achieving a near perfect score of 99.3% conformity to the AAFD standards.

“Settle Inn & Suites has demonstrated its commitment to fair franchising, as the cornerstone of its franchise program, by working with the AAFD to get within 1 percent of a perfect score in our grading process,” said Robert Purvin, AAFD Chairman. “The Settle Inn & Suites agreement truly sets a new standard for franchise agreements, and the AAFD is delighted to welcome Settle Inn & Suites to take its place on our marketplace pedestal for all to see”, said Purvin.

Terry Kline, SVP of Franchise Sales & Development for the company added, “Bottom-line, with Shoney’s Inn, you’ll get a smart experienced franchise partner, an award winning franchise agreement, and some of the lowest fees in the industry, plus we have access to the best markets in America.” Kline said the Shoney’s Inn brand will be headquartered in Hendersonville, TN with both the Settle Inn & Suites and GuestHouse International brands.

Currently, the company operates over 5700 rooms domestic U.S. with one GuestHouse International property in China.

About Settle Inn & Suites, Guesthouse International and Shoney’s Inn

Settle Inn & Suites, Guesthouse International and Shoney’s Inn are brands with a simple approach to lodging that focuses on delivering the most important services and amenities to guests at a reasonable rate. Based out of Hendersonville, TN, the company’s brands focus on what guests really want: clean, comfortable accommodations, friendly helpful staff, time-saving amenities, and consistently great rates. Most properties feature indoor swimming pools, free expanded breakfast (with hot waffles) and free wireless internet access. To learn more, please contact Tim O’Connor at 920-830-3673, or log onto www.friendlyfranchising.com.

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***Shoney’s Inn and Shoney’s Inn & Suites hotel brands are not affiliated with Shoney’s Restaurants.**