

A Company History

ZMC Hotels, Inc. is a team of entrepreneurial individuals who have been successful in all aspects of the hotel industry for over forty years. From the early 1970's to today, the company has grown from four hotels with 296 rooms and a volume of \$1,275,000 to more than 30 hotels and developments with over 3,200 rooms and a volume in excess of \$70,000,000.

Because of a strong retailing background, the company's founders have a strong customer relationship and marketing orientation which contributed to the early, notable success of acquiring ailing properties and greatly improving their performance. During the initial growth period, the company established a national reputation for its success in "turning around" these failing properties through strong management, effective marketing and facility upgrades. During this period of time, a major Phoenix financial institution engaged ZMC to manage two foreclosed properties to improve their performance and make them saleable. The properties, one in Arizona and one in Arkansas, were sold immediately after increasing the cash flow from zero to \$300,000.

Beginning in the mid-1990's, ZMC recognized the opportunity for new construction opportunities in the Phoenix area and constructed a Hampton Inn in Scottsdale. This was the beginning of a project to construct an additional four hotels, three in Scottsdale and one in Peoria, in the Phoenix area. They include a Hampton Inn, a Sleep Inn, a Hampton Inn & Suites, and a Comfort Inn. Also during this time, a Hampton Inn was built in Tucson, a Holiday Inn Express in La Junta, Colorado, an upscale, boutique, independent hotel called the Inn On Lake Superior in Duluth, Minnesota, and a Holiday Inn Express in Oxford, Alabama

In addition to being financially successful, two of these properties have received national attention as award winning hotels. The Comfort Inn in Scottsdale was awarded the 1999 Comfort Inn of the Year from Choice Hotels and the Holiday Inn Express in La Junta was awarded the coveted Torchbearer Award from Holiday Inn.

In June of 1999, the company was offered a package of 10 Hampton Inn hotels by Promus Hotels, the Hampton Inn parent company. Mostly located along the eastern corridor from New York to Florida, this acquisition closed in September 1999. This brought ZMC's Hampton Inn portfolio to 14 hotels, making it one of the largest Hampton Inn franchisees in the United States. The portfolio of 10 Hamptons was successfully sold in December 2005.

ZMC Hotels continued to grow into the new century by building a Comfort Suites in Anthem, Arizona and purchasing a Holiday Inn Express Hotel & Suites in Olive Branch, Mississippi. Additional meeting space, rooms and rooftop pool were also added to the Inn On Lake Superior. ZMC has expanded its business interests to condominiums by redeveloping the Scottsdale Pima Inn & Suites to The Inn at Pima, A Condominium Suite Hotel with 40 condominium units along with the Pima's standard hotel rooms and suites.

Always aware of industry changes, ZMC opened northern Minnesota's only full-scale indoor waterpark in December 2005. The Edgewater Resort & Waterpark boasts more than 30,000 square feet of water fun, full concession and family entertainment. In late 2004, forty-five of the oldest hotel rooms were demolished to make room for the waterpark and a 65-room addition.

In 2006, ZMC Hotels began construction on three new hotels: Residence Inn by Marriott in Sebring, Florida, Hampton Inn & Suites in Altus, Oklahoma, and a Hampton Inn & Suites in Rogers, Minnesota. ZMC opened all three of these hotels in 2007.

ZMC Hotels has developed a strong staff of operational and development personnel, several who have been with the company for 20 or more years. The company has offices in Scottsdale, Arizona, and Duluth, Minnesota.

