

BAINUM STEWART JR
 Form 4
 November 19, 2008

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 BAINUM STEWART JR

2. Issuer Name and Ticker or Trading Symbol
 CHOICE HOTELS INTERNATIONAL INC /DE [CHH]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)
 8171 MAPLE LAWN BLVD, SUITE 375
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 11/18/2008

Director 10% Owner
 Officer (give title below) Other (specify below)
 Chairman

FULTON, MD 20759

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V Amount (D) Price | | | |
| Common Stock | | | | | 126,036 | I | See Footnote (2) |
| Common Stock | | | | | 123,298 | I | See Footnote (3) |
| Common Stock | | | | | 1,446,156 | I | See Footnote (4) |
| Common | | | | | 13,032 | I | See |

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| | | | | | | | | | |
|-----------------|------------|------------|---|--------|---|--------------|-----------|---|-----------------------------|
| Stock | | | | | | | | | Footnote (6) |
| Common Stock | | | | | | 257,183 | | I | See Footnote (7) |
| Common Stock | | | | | | 7,383 | | I | See Footnote (5) |
| Common Stock | | | | | | 304 | | I | See Footnote (10) |
| Common Stock | 11/18/2008 | 11/18/2008 | M | 5,000 | A | \$ 6.3125 | 3,294,860 | I | See Footnote (1) (11) |
| Common Stock | 11/18/2008 | 11/18/2008 | M | 15,000 | A | \$ 6.3125 | 3,309,860 | I | See Footnote (1) (11) |
| Common Stock | 11/18/2008 | 11/18/2008 | M | 5,000 | A | \$ 8.375 | 3,314,860 | I | See Footnote (1) (11) |
| Common Stock | 11/18/2008 | 11/18/2008 | M | 15,000 | A | \$ 8.375 | 3,329,860 | I | See Footnote (1) (11) |
| Common Stock | 11/18/2008 | 11/18/2008 | M | 5,000 | A | \$ 7.315 | 3,334,860 | I | See Footnote (1) (11) |
| Common Stock | 11/18/2008 | 11/18/2008 | M | 15,000 | A | \$ 7.315 | 3,349,860 | I | See Footnote (1) (11) |
| Common Stock | 11/18/2008 | 11/18/2008 | M | 5,000 | A | \$ 13.055 | 3,354,860 | I | See Footnote (1) (11) |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Underlying (Instr. 3 and |
|---|--|---|---|--------------------------------------|--|--|---|
|---|--|---|---|--------------------------------------|--|--|---|

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| Derivative Security | | | | Code | or Disposed of (D) (Instr. 3, 4, and 5) | | Date Exercisable | Expiration Date | Title | |
|-----------------------------|------------------|------------|------------|------|---|-----|------------------|---------------------------|---------------------------|--------|
| | | | | | (A) | (D) | | | | |
| Non-Qualified Stock Options | \$ 6.3125 (9) | 11/18/2008 | 11/18/2008 | M | | | 15,000 | 02/01/2004 ⁽⁹⁾ | 02/01/2009 ⁽⁹⁾ | Common |
| Non-Qualified Stock Options | \$ 8.375 (9) | 11/18/2008 | 11/18/2008 | M | | | 15,000 | 02/07/2005 ⁽⁹⁾ | 02/07/2010 ⁽⁹⁾ | Common |
| Non-Qualified Stock Options | \$ 7.315 (9) | 11/18/2008 | 11/18/2008 | M | | | 15,000 | 02/08/2006 ⁽⁹⁾ | 02/08/2011 ⁽⁹⁾ | Common |
| Non-Qualified Stock Options | \$ 13.055 (9) | 11/18/2008 | 11/18/2008 | M | | | 5,000 | 04/30/2007 ⁽⁹⁾ | 04/30/2012 ⁽⁹⁾ | Common |
| Incentive Stock Options | \$ 6.3125 (8) | 11/18/2008 | 11/18/2008 | M | | | 5,000 | 02/01/2004 ⁽⁸⁾ | 02/01/2009 ⁽⁸⁾ | Common |
| Incentive Stock Options | \$ 8.375 (8) | 11/18/2008 | 11/18/2008 | M | | | 5,000 | 02/07/2005 ⁽⁸⁾ | 02/07/2010 ⁽⁸⁾ | Common |
| Incentive Stock Options | \$ 7.315 (8) | 11/18/2008 | 11/18/2008 | M | | | 5,000 | 02/08/2006 ⁽⁸⁾ | 02/08/2011 ⁽⁸⁾ | Common |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|----------|-------|
| | Director | 10% Owner | Officer | Other |
| BAINUM STEWART JR 8171 MAPLE LAWN BLVD SUITE 375 FULTON, MD 20759 | X | X | Chairman | |

Signatures

Christine A. Shreve,
Attorney-in-fact 11/19/2008

 **Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Shares owned by Stewart Bainum Jr. Declaration of Trust ("Stewart Bainum Jr. Trust") in which Mr. Bainum, Jr. is the sole trustee.
- (2) The proportionate interest of the Stewart Bainum, Jr. Trust in shares (1,200,000) owned by Mid Pines Associates, L.P. ("Mid Pines")
- (3) The proportionate interest of various trusts, the beneficiaries of which are Mr. Bainum, Jr.'s two minor children in shares (1,200,000) owned by Mid Pines.

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- (4) The proportionate interest of the Stewart Bainum, Jr. Trust in shares (7,135,738) owned by Realty Investment Company, Inc. a real estate investment and management company in which Mr. Bainum, Jr. is a non-controlling shareholder.
- (5) Shares in Mr. Bainum, Jr's account pursuant to the terms of the Choice Hotels International, Inc. Non-Qualified Retirement Savings and Investment Plan.
- (6) Shares owned by various trusts, the beneficiaries of which are Mr. Bainum, Jr.'s two minor children.
The proportionate interest of Mr. Bainum, Jr's two minor children in shares (7,135,738) owned by Realty Investment Company, Inc., a real estate investment and management company in which Mr. Bainum, Jr. is a non-controlling shareholder. Also includes 250,100 shares indirectly held through Realty by certain trusts for the benefit of Mr. Bainum, Jr.'s two minor children.
- (7) Incentive Stock Option Plan shares held by Mr. Bainum, Jr.
- (8) Non-Qualified Stock Option Plan shares held by Mr. Bainum, Jr.
- (9) Shares in Mr. Bainum, Jr's account pursuant to the terms of the Choice Hotels International, Inc. Savings and Investment Plan.
- (10) Mr. Bainum exercised non-qualified stock options for 50,000 shares which expired from 2/1/2009 through 4/30/2012 and incentive stock options of 15,000 shares which expired from 2/1/2009 through 2/8/2011.
- (11)

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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