BAINUM STEWART JR

Form 4 June 26, 2006

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

OMB APPROVAL OMB

3235-0287 Number:

January 31, Expires: 2005

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if no longer subject to Section 16. Form 4 or Form 5

obligations

may continue.

See Instruction

Check this box

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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * BAINUM STEWART JR	2. Issuer Name and Ticker or Trading Symbol	5. Relationship of Reporting Person(s) to Issuer		
	CHOICE HOTELS INTERNATIONAL INC /DE [CHH]	(Check all applicable)		
(Last) (First) (Middle) 10770 COLUMBIA PIKE, SUITE 100	3. Date of Earliest Transaction (Month/Day/Year) 06/22/2006	_X_ Director _X_ 10% Owner _X_ Officer (give title Other (specification) below) Chairman		
(Street)	4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check		
SILVER SPRING MD 20901	Filed(Month/Day/Year)	Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting		

SILVER SPRING, MD 20901

(State)

(City)

Person

(City)	(State)	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. Transacti Code (Instr. 8)	omr (In	Securities Disposed astr. 3, 4 a	of (D)		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)	
Common Stock								126,036	I	See Footnote (2)	
Common Stock								116,046	I	See Footnote (3)	
Common Stock								7,250	I	See Footnote	
Common								1,446,156	I	See	

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Stock									Footnote (5)
Common Stock							13,032	I	See Footnote (7)
Common Stock							257,183	I	See Footnote (8)
Common Stock	01/31/2006	01/31/2006	J	16,800	D	\$ 0	70,346	I	See Footnote (9) (14)
Common Stock							7,062	I	See Footnote (6)
Common Stock							226	I	See Footnote
Common Stock	06/22/2006	06/22/2006	M	120,000	A	\$ 6.0565	3,114,614	I	See Footnote (1) (13)
Common Stock	06/22/2006	06/22/2006	S	13,500	D	\$ 54.55	3,101,114	I	See Footnote (1) (13)
Common Stock	01/31/2006	01/31/2006	J	16,800	A	\$ 0	3,117,914	I	See Footnote (1) (14)

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

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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 orDerivative Securities Acquired (A) or	7. Title Underly (Instr. 3
	Derivative Security				Disposed of (D) (Instr. 3, 4, and 5)	

Code V (A) (D)

Date Exercisable Expiration Date

SEC 1474

(9-02)

Title

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Non-Qualified Stock Options	\$ 6.0565 (11)	06/22/2006	06/22/2006	M	120,000	07/01/2001(11)	07/01/2006(11)	Comm
Incentive Stock Options	<u>(10)</u>					(10)	(10)	Comn

Reporting Owners

Reporting Owner Name / Address	Relationships						
Transfer and the same and the s	Director	10% Owner	Officer	Other			
BAINUM STEWART JR 10770 COLUMBIA PIKE SUITE 100 SILVER SPRING MD 20901	X	X	Chairman				

Signatures

Christine A. Shreve, Attorney-in-fact 06/26/2006

**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 the Stewart Bainum, Jr. Grantor Retained Annuity Trust dated September 10, 1996 ("GRAT"), the sole trustee of which is Mr. Bainum Jr., in shares (1,200,000) owned by Mid Pines.
- (4) 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.
- (5) 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.
- (6) Shares in Mr. Bainum, Jr's account pursuant to the terms of the Choice Hotels International, Inc. Non-Qualified Retirement Savings and Investment Plan.
- (7) 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.
- (9) Shares owned by the Stewart Bainum Jr. Grantor Retained Annuity Trust dated September 10, 1996 ("GRAT") in which Mr. Bainum, Jr. is the sole trustee.
- (10) Incentive Stock Option Plan shares held by Mr. Bainum, Jr.
- (11) Non-Qualified Stock Option Plan shares held by Mr. Bainum, Jr.
- (12) Shares in Mr. Bainum, Jr's account pursuant to the terms of the Choice Hotels International, Inc. Savings and Investment Plan.
- (13) Mr. Bainum exercised 120,000 stock options and subsequently sold 13,500 shares.
- (14) Mr. Bainum transferred shares from his GRAT to the Stewart Bainum Jr. Declaration of Trust.

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

Reporting Owners 3

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