

<b>PROVISIONS</b>	<b>SECTION IN choiceADVANTAGE SOFTWARE TERMS OF USE</b>	<b>SUMMARY</b>
s. Modification of the agreement	PREAMBLE	We may modify, add or remove any terms and conditions without notice or liability to you. You accept and agree to any modifications, additions, or removals by your subsequent use of the software.
t. Integration/merger clause	ENTIRE AGREEMENT	Only the terms of the Terms of Use and the Franchise Agreement are binding (subject to state law). Any representations or promises outside of the Disclosure Document and franchise agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Not Applicable	
v. Choice of forum	Not Applicable	
w. Choice of law	GOVERNING LAW	Maryland law applies (subject to state law) except the Maryland Uniform Computer Information Transactions Act, which is expressly disclaimed.

**ITEM 18**

**PUBLIC FIGURES**

We do not use any public figure to promote our franchise.

**ITEM 19**

**FINANCIAL PERFORMANCE REPRESENTATIONS**

The FTC’s Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the Disclosure Document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

This financial information contained in this Item 19 is based on information that our franchisees provided to us. This Item 19 as represented in Tables 1 through 3 below do not include information for Properties that: (i) did not provide us with complete 2025 full year operating statements (“Full Year Operating Statement”); (ii) were not open for the entire 2025 calendar year; and (iii) were company-owned at any time in 2025. Additionally, there were no WOODSPRING SUITES hotels that closed during Year 2025 after being open less than 1 year.

**Table 1: For the Year Ended December 31, 2025 – Franchised WOODSPRING Properties**

Table 1 below contains certain historic financial information and other data reflecting actual operations of franchised WOODSPRING Properties for the year ended December 31, 2025. As of December 31, 2025, there were 284 open and operating Properties in the system, and we received complete 2025 Full Year Operating Statements from 176 of those Properties. The historic performance data provided below in Table 1 only includes information for these 176 Stabilized Properties. “Stabilized Properties” for the purpose this Table 1 are those that were open and operating the entire 2025 calendar year. There were no WOODSPRING hotels that closed during Year 2025 after being open less than 1 year.

Property Count	176	Avg	Median	Min	Max	# Exceeding Average	% Exceeding Average
Occupancy		76.8%	78.5%	41.1%	91.7%	98	56%
Average Daily Rate		\$61.30	\$60.11	\$31.95	\$102.99	80	45%
Revenue Per Available Room		\$47.01	\$46.08	\$22.70	\$81.00	81	46%
Extended Stay Occupancy 7+ Nights		85.4%	86.4%	46.4%	98.9%	98	56%
Average Length of Stay		12.2	10.1	2.9	76.2	63	36%
Average Length of Stay 7+ Nights		40.1	38.0	16.6	139.7	75	43%
		Avg	Median	Min	Max		
Revenue							
Rooms		\$2,078,220	\$2,049,399	\$861,451	\$3,606,759	77	44%
Other & Miscellaneous Income		\$65,935	\$61,988	\$1,454	\$181,579	84	48%
Total Revenue		\$2,144,155	\$2,115,789	\$900,860	\$3,675,425	78	44%
Rooms Departmental Costs		\$303,160	\$303,243	\$125,508	\$562,058	88	50%
Undistributed Operating Costs							
Administrative & General		\$175,964	\$171,701	\$21,931	\$359,872	80	45%
Information & Telecommunications		\$55,150	\$53,790	\$33,539	\$88,425	74	42%
Sales & Marketing		\$171,619	\$169,395	\$31,196	\$285,909	84	48%
Property Operating & Maintenance		\$124,488	\$121,311	\$57,647	\$221,665	82	47%
Utilities		\$145,739	\$135,612	\$62,306	\$320,203	70	40%
Total Undistributed Operating Costs		\$672,961	\$661,582	\$421,729	\$1,022,946	81	46%
Gross Operating Profit		\$1,163,271	\$1,153,118	\$168,344	\$2,354,597	85	48%
GOP %		53.3%	54.5%	15.8%	66.1%	97	55%
2025 (176 properties)							
Ratios	% of Total Revenue	Per Occupied Room					
Rooms	14%	\$ 9.02					
Administrative & General	8%	\$ 5.23					
Information & Telecommunications	3%	\$ 1.64					
Sales & Marketing	8%	\$ 5.11					
Property Operating & Maintenance	6%	\$ 3.70					
Utilities	7%	\$ 4.34					
Overall Payroll	17%	\$ 10.80					

**Table 2: For the Year Ended December 31, 2025 – Purpose-Built Franchised WOODSPRING Properties**

Table 2 below contains certain historic financial information and other data reflecting actual operations of hotels developed since late 2015 under our purpose-built WOODSPRING SUITES prototype. As of December 31, 2025, there were 102 hotels in the system open and operating under this prototype and that met the definition of “Stabilized Properties”. “Stabilized Properties” for the purpose of this Table 2 are those that were open and operating the entire 2025 calendar year, provided a Full Year Operating

Statement, and excludes those Properties developed under the older “Value Place” prototype.

Property Count	102	Avg	Median	Min	Max	# Exceeding Average	% Exceeding Average
Occupancy		77.5%	79.5%	41.1%	91.7%	60	59%
Average Daily Rate		\$67.13	\$65.02	\$43.32	\$102.99	42	41%
Revenue Per Available Room		\$51.89	\$50.40	\$23.87	\$81.00	46	45%
Extended Stay Occupancy 7+ Nights		82.5%	83.8%	46.4%	96.8%	62	61%
Average Length of Stay		10.2	9.0	2.9	36.5	32	31%
Average Length of Stay 7+ Nights		39.0	37.4	16.6	102.4	45	44%
		Avg	Median	Min	Max		
Revenue							
Rooms		\$2,310,045	\$2,259,732	\$1,071,542	\$3,606,759	46	45%
Other & Miscellaneous Income		\$69,420	\$66,675	\$1,454	\$181,579	48	47%
Total Revenue		\$2,379,466	\$2,335,532	\$1,097,602	\$3,675,425	46	45%
Rooms Departmental Costs		\$335,514	\$325,745	\$173,555	\$562,058	45	44%
Undistributed Operating Costs							
Administrative & General		\$188,755	\$191,329	\$101,231	\$296,534	53	52%
Information & Telecommunications		\$56,186	\$54,085	\$37,092	\$88,425	40	39%
Sales & Marketing		\$191,643	\$188,956	\$31,196	\$285,909	47	46%
Property Operating & Maintenance		\$130,274	\$126,673	\$63,896	\$221,665	45	44%
Utilities		\$155,062	\$140,524	\$62,306	\$320,203	42	41%
Total Undistributed Operating Costs		\$721,920	\$709,896	\$424,425	\$1,022,946	47	46%
Gross Operating Profit		\$1,314,833	\$1,285,194	\$357,212	\$2,354,597	47	46%
GOP %		54.6%	54.8%	32.5%	66.1%	55	54%
2025 (102 properties)							
Ratios	% of Total Revenue	Per Occupied Room					
Rooms	14%	\$ 9.86					
Administrative & General	8%	\$ 5.55					
Information & Telecommunications	2%	\$ 1.65					
Sales & Marketing	8%	\$ 5.63					
Property Operating & Maintenance	5%	\$ 3.83					
Utilities	7%	\$ 4.56					
Overall Payroll	16%	\$ 11.53					

**Table 3: For the Year Ended December 31, 2025 – Former Value Place Properties That Rebranded to WoodSpring Suites**

Table 3 below contains certain historic financial information and other data reflecting actual operations of franchised hotels formerly offered under the name “Value Place” during the period of 2004 to April 2015. While these hotels rebranded to “WOODSPRING SUITES” in late 2015, these hotels were developed under the older Value Place prototype. As of December 31, 2025, there were 74 hotels in the system that were developed under this older prototype and that met the definition of “Stabilized Properties”. “Stabilized Properties” for the purpose of this Table 3 are those that were open and operating the entire 2025 calendar year, provided a Full Year Operating Statement, and excludes those Properties that were developed under the newer, purpose-built WOODSPRING SUITES prototype.

Property Count	74	Avg	Median	Min	Max	# Exceeding Average	% Exceeding Average
Occupancy		75.9%	76.9%	41.6%	91.2%	42	57%
Average Daily Rate		\$53.25	\$53.39	\$31.95	\$72.77	37	50%
Revenue Per Available Room		\$40.27	\$39.42	\$22.70	\$61.52	34	46%
Extended Stay Occupancy 7+ Nights		89.4%	89.8%	75.4%	98.9%	44	59%
Average Length of Stay		15.0	12.6	5.2	76.2	24	32%
Average Length of Stay 7+ Nights		41.6	39.7	19.8	139.7	30	41%
		Avg	Median	Min	Max		
Revenue							
Rooms		\$1,758,677	\$1,714,883	\$861,451	\$2,717,379	33	45%
Other & Miscellaneous Income		\$61,132	\$59,227	\$19,416	\$124,892	34	46%
Total Revenue		\$1,819,809	\$1,789,440	\$900,860	\$2,803,544	33	45%
Rooms Departmental Costs		\$258,565	\$236,990	\$125,508	\$489,855	32	43%
Undistributed Operating Costs							
Administrative & General		\$158,333	\$159,782	\$21,931	\$359,872	38	51%
Information & Telecommunications		\$53,722	\$53,016	\$33,539	\$77,313	35	47%
Sales & Marketing		\$144,018	\$138,145	\$69,757	\$232,508	33	45%
Property Operating & Maintenance		\$116,514	\$113,843	\$57,647	\$212,487	34	46%
Utilities		\$132,889	\$129,659	\$69,529	\$247,919	34	46%
Total Undistributed Operating Costs		\$605,476	\$590,570	\$421,729	\$965,925	35	47%
Gross Operating Profit		\$954,363	\$965,519	\$168,344	\$1,605,822	39	53%
GOP %		51.5%	53.8%	15.8%	63.7%	42	57%
2025 (74 properties)							
Ratios	% of Total Revenue	Per Occupied Room					
Rooms	14%	\$ 7.83					
Administrative & General	9%	\$ 4.79					
Information & Telecommunications	3%	\$ 1.63					
Sales & Marketing	8%	\$ 4.36					
Property Operating & Maintenance	6%	\$ 3.53					
Utilities	7%	\$ 4.02					
Overall Payroll	18%	\$ 9.76					

**Notes:** We used the following definitions in the above Tables:

1. “Occupancy” was calculated by dividing the total rooms occupied by guests by the total rooms available.
2. “Average Daily Rate” was calculated by dividing room revenue by the number of rooms occupied by guests.
3. “Revenue per Available Room” was calculated by dividing room revenue by the total rooms available.
4. “Extended Stay Occupancy 7+ Nights” was calculated by dividing the total number of 7+ stay room nights by the total number of room nights.
5. “Average Length of Stay” was calculated by dividing the total number of room nights by the total number of stays.
6. “Average Length of Stay 7+ Nights” was calculated by dividing the total number of 7+ stay room nights by the total number of 7+ night stays.
7. “Rooms Revenue” is all revenues derived from the rental of guestrooms, including revenue from

no shows and late checkout fees.

8. “Other Revenue” is composed primarily of pet fees, laundry, vending, telephone, sales of dish packs, linen charges and internet fees.

9. “Rooms Departmental Expenses” include labor costs such as salaries and wages for front desk, housekeeping, transportation and laundry, plus employee benefits and payroll taxes. Other operating expenses in the rooms department include linen, cleaning supplies, guest supplies, uniforms, central or franchise reservation fees and travel agent commissions.

10. “Other Departmental Expenses” comprise of those expenses which offset the revenue generated from such departments such as the cost of dish packs or gift shop items sold at the hotel.

11. “Administrative & General” costs include payroll and related expenses for the general manager, human resources & training, security, clerical staff, controller and accounting staff, as well as regional and/or corporate wages allocated back to a hotel. It also includes the cost of office supplies, computer services, accounting & legal fees, cash overages & shortages, bad debt expenses, travel insurance, credit card commissions, transportation (non-guest) and travel and entertainment.

12. “Information & Telecommunications” costs include all system-related technology expenses, including the cost of internet services, local & long distance calls, software licenses, uncapitalized hardware costs, system costs for property management systems and electronic platforms for accounting, energy management, human resources, facilities management and sales & marketing.

13. “Sales & Marketing” costs include direct sales expenses, advertising & promotion, travel expenses for the sales staff and civic and community projects. The royalty fees and advertising assessments fees charged by franchise companies are also included in this department.

14. “Property Operation & Maintenance” costs include payroll and related expenses for maintenance personnel, cost of maintenance supplies, cost of repairs and maintenance of the building, furniture & equipment, the grounds and the removal of waste matter.

15. “Utilities” costs include the hotel's cost for electricity, fuel, water and sewage.

16. “Salaries & Wages” are defined as earnings paid to an employee, such as regular pay, overtime, severance, incentive, holiday, sick vacation and bonus pay. Benefits include all other payroll-related expenses, such as employer-paid health insurance expenses, cost of meals furnished to employees and pension contributions. Payroll Taxes include FICA, FUTA & SUTA, SDI and other mandated payroll-related taxes or social insurance items.

17. **“Gross Operating Profit” is Total Revenue less Total Departmental Costs and Total Undistributed Operating Costs. “GOP %” is the Gross Operating Profit divided by Total Revenue.**

\* \* \* \* \*

The data presented in the above tables relate to historical performance of franchised WOODSPRING SUITES hotels in the United States and represent average performance of WOODSPRING SUITES branded hotels in a specific performance sample.

The data presented in the above tables are based on information that individual franchise owners provided to us. Written substantiation of the financial information that forms the bases for our financial

performance representations will be made available to you within a reasonable period of time following receipt of your written request.

**Some WOODSPRING SUITES hotels have earned this amount. Your individual results may differ. There is no assurance that you will earn as much.**

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor’s management by contacting our General Counsel at 915 Meeting Street, Suite 600, North Bethesda, Maryland 20852 and at (301) 592-5000; the Federal Trade Commission; and the appropriate state regulatory agencies.

**ITEM 20**

**OUTLETS AND FRANCHISEE INFORMATION**

**TABLE 1**

**System-wide Outlet Summary for Years 2023 to 2025\***

<b>Outlet Type</b>	<b>Year</b>	<b>Outlets at the Start of the Year</b>	<b>Outlets at the End of the Year</b>	<b>Net Change</b>
Franchised Outlets	2023	212	235	+23
	2024	235	256	+21
	2025	256	284	+28
Company-Owned	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Total Outlets	2023	212	235	+23
	2024	235	256	+21
	2025	256	284	+28

\*As of December 31, for each year.

**TABLE 2**

**Transfers of Outlets from Franchisees to New Owners  
(Other than the Franchisor)  
For Years 2023 to 2025\***

<b>State**</b>	<b>Year</b>	<b>Number of Transfers</b>
Alabama	2023	1
	2024	0
	2025	0
Arizona	2023	0
	2024	0