

**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) 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.

The following tables set forth certain historical financial, performance, and operating information for established stayAPT Suites hotels (the “Established Hotels”) for the trailing 12-month period ending December 31, 2025 (the “Measured Period”). Established Hotels are stayAPT Suites hotels that: (i) were open and operating under the Brand for at least 18 months as of December 31, 2025; (ii) reported data to us and to STR (defined below) for the Measured Period; and (iii) were not undergoing significant renovations that, during the Measured Period, caused more than 7% of total rooms to be out of order.

As of December 31, 2025, there were 40 stayAPT Suites operating in the United States, 27 of which were owned by our affiliates and 13 were owned by franchisees. Of these, 19 hotels were Established Hotels. 16 Established Hotels were owned and operated by our affiliates (the “Established Company-Owned Hotels”), and 3 Established Hotels were owned by franchisees (the “Established Franchised Hotels”), one of which was managed by our affiliate. The performance results for hotels managed by our affiliates do not materially differ from the performance results for other hotels included in this Item 19.

**1. Average Occupancy, ADR, RevPAR, and RGI of Established Hotels**

| <b>Performance of Established Hotels for the Measured Period</b> |                                  |                               |            |                       |            |
|--|----------------------------------|-------------------------------|------------|-----------------------|------------|
|  | <b>Number of Included Hotels</b> | <b>Average Occupancy Rate</b> | <b>ADR</b> | <b>Average RevPAR</b> | <b>RGI</b> |
| <b>All Established Hotels</b>                                    | 19                               | 75.3%                         | \$91.53    | \$68.85               | 93.9       |
| <b>Established Company-Owned Hotels</b>                          | 16                               | 73.4%                         | \$90.75    | \$66.44               | 90.8       |
| <b>Established Franchised Hotels</b>                             | 3                                | 85.4%                         | \$95.69    | \$81.71               | 110.8      |

Table Notes:

- (1) “Occupancy Rate” means the percentage of occupied rooms for the described period.
- (2) “ADR” means the average daily room rate for the described period.
- (3) “RevPAR” means the revenue per available room for the described period.
- (4) “RGI” means revenue generation index or RevPAR index, which is a measurement of a hotel’s RevPAR in relation to its competitive set for the described period.

This Item 19 does not include 8 company-owned hotels and 10 franchised hotels that were open for less than 18 months as of December 31, 2025, and 3 company-owned hotel that underwent a major room renovation or had more than 7% of rooms OOO during the Measured Period.

Of the 19 Established Hotels for the trailing 12-month period ending December 31, 2025, 10 hotels or 53% had an average occupancy rate that met or exceeded the stated average, 10 hotels or 53% had an ADR that met or exceeded the stated average, and 9 hotels or 47% had an average RevPAR that met or exceeded the stated average; the median occupancy rate was 78.7%, the median ADR was \$91.97, and the median RevPAR was \$68.73. Of the 19 Established Hotels for the trailing 12-month period ending December 31, 2025, 11 hotels or 58% had an RGI that met or exceeded the stated average, and the median RGI was 102.1.

Of the 16 Established Company-Owned Hotels for the trailing 12-month period ending December 31, 2025, 8 hotel or 50% had an average occupancy rate that met or exceeded the stated average, 9 hotels or 56% had an ADR that met or exceeded the stated average, and 8 hotels or 50% had an average RevPAR that met or exceeded the stated average; the median occupancy rate was 71.1%, the median ADR was \$91.64, and the median RevPAR was \$64.73. Of the 16 Established Company-Owned Hotels for the trailing 12-month period ending December 31, 2025, 9 hotels or 56% had an RGI that met or exceeded the stated average, and the median RGI was 95.7.

Of the 3 Established Franchised Hotels for the trailing 12-month period ending December 31, 2025, 1 hotel or 33% had an average occupancy rate that met or exceeded the stated average, 2 hotel or 67% had an ADR that met or exceeded the stated average, and 2 hotel or 67% had an average RevPAR that met or exceeded the stated average; the median occupancy rate was 85.3%, the median ADR was \$97.88, and the median RevPAR was \$83.49. Of the 3 Established Franchised Hotels for the trailing 12-month period ending December 31, 2025, 2 hotel or 67% had an RGI that met or exceeded the stated average, and the median RGI was 114.3.

The “Average Occupancy Rate” was derived by dividing the total number of guest rooms reported as occupied during the trailing 12-month period ending December 31, 2025 by the total number of guest rooms reported as available during the same period. “ADR” was derived by dividing the Gross Room Revenues reported for the trailing 12-month period ending December 31, 2025 by the total number of guest rooms reported as occupied during the same period. “Average RevPAR” was derived by dividing the annual Gross Room Revenues by the total number of available rooms for the trailing 12-month period ending December 31, 2025. The median is the middle data point of the numbers used to calculate the corresponding averages.

The Average Occupancy Rate, ADR, and Average RevPAR are calculated based on information routinely reported to us on a monthly basis by individual hotels operating in the Business System. One Franchised Hotel that is not managed by our affiliate reported data on an annual basis only, and where required, that hotel’s data was equally divided over twelve months for the purposes of our calculations. ADR and Average RevPAR are calculated on the basis of Gross Room Revenues, which we define as the total revenues and receipts resulting from the rental of guest rooms, whether made for cash or credit and whether or not collected by the franchisee. “Gross Room Revenues” do not include charges for food and beverages, telephone, laundry, entertainment, security deposits or applicable sales tax.

RGI is a standard benchmarking metric used in the hospitality industry to measure a select hotel’s RevPAR performance relative to its competitive set. A “competitive set” is an aggregated group of hotels that would generally compete for the same business and typically consists of at least 3 properties operating either independently or under different brands in the same area and in the same chain scale segment (e.g. luxury, upscale, midscale, etc.) as the select hotel. RGI is calculated using competitive set data routinely reported on a monthly basis by STR, LLC and its affiliates (collectively, “STR”), an independent research company that commonly provides performance data and benchmarking analytics for the hospitality industry. RGI is calculated by dividing the hotel’s RevPAR by the aggregate RevPAR for its competitive set and multiplying the total by 100. An RGI of 100 indicates the hotel is capturing its fair share of available revenue for the market as compared to the performance of its competitive set. Similarly, an RGI above 100 (or below 100) indicates the hotel is capturing more (or less) than its fair share. STR receives performance data directly from hotel properties or hotel chains, and we have not independently verified or audited the information provided by STR.

**2. Average Monthly Operating Results**

The table below shows the average monthly operating results (expenses and gross profit), as a percentage of total revenue, for the 16 Established Company-Owned Hotels for the trailing 12-month period ending December 31, 2025:

|                            | <b>Average Monthly<br/>Expense/Profit as a<br/>Percentage of<br/><u>Total Revenue</u></b> | <b>Median Monthly<br/>Expense/Profit as a<br/>Percentage of<br/><u>Total Revenue</u></b> |
|----------------------------|---|--|
| <b>Operating Expenses:</b> | <b>35.5%</b>  | <b>36.1%</b>   |
| Payroll & Related Expenses | 13.7%   | 14.1%  |
| Rooms Expenses             | 5.0%  | 5.0%   |
| Maintenance Expenses       | 3.4%  | 3.4%   |
| Sales & Marketing          | 2.3%  | 2.4%   |
| General & Administrative   | 6.3%  | 6.5%   |
| Cash/Credit Management     | 0.4%  | 0.3%   |
| Utilities                  | 4.4%  | 4.4%   |
| <b>GOP Margin:</b>         | <b>64.5%</b>  | <b>63.9%</b>   |

The table below shows the average monthly operating results (expenses and gross profit), as a percentage of total revenue, for the 3 Established Franchised Hotels for the trailing 12-month period ending December 31, 2025:

|                               | <b>Average Monthly<br/>Expense/Profit as a<br/>Percentage of<br/><u>Total Revenue</u></b> | <b>Median Monthly<br/>Expense/Profit as a<br/>Percentage of<br/><u>Total Revenue</u></b> |
|-------------------------------|---|--|
| <b>Operating Expenses:</b>    | <b>34.8%</b>  | <b>35.5%</b>   |
| Payroll & Related<br>Expenses | 13.6%   | 15.1%  |

|                          | <b>Average Monthly<br/>Expense/Profit as a<br/>Percentage of<br/><u>Total Revenue</u></b> | <b>Median Monthly<br/>Expense/Profit as<br/>a Percentage of<br/><u>Total Revenue</u></b> |
|--------------------------|---|--|
| Rooms Expense            | 4.7%  | 5.3%   |
| Maintenance Expense      | 3.9%  | 3.2%   |
| Sales & Marketing        | 2.4%  | 2.1%   |
| General & Administrative | 6.7%  | 7.0%   |
| Cash/Credit Management   | 0.3%  | 0.0%   |
| Utilities                | 3.2%  | 2.8%   |
| <b>GOP Margin</b>        | <b>65.2%</b>  | <b>64.5%</b>   |

Table Notes:

- (1) “Operating Expenses” is the sum of monthly expenses in each of the listed categories.
- (2) “Payroll and Related Expenses” includes the salary and benefit costs for general managers, housekeeping staff, and contracted housekeepers.
- (3) “Rooms Expenses” includes costs for linens, guest room supplies, cleaning supplies, and guest laundry.
- (4) “Maintenance Expenses” includes costs for repairs and maintenance at the property, such as plumbing, carpet cleaning, landscaping, safety inspections, and trash removal services.
- (5) “Sales & Marketing” costs include pay-per-click fees, marketing ad spend, and associated marketing fees.
- (6) General & Administrative” costs include telecom, credit card fees, cable and in-room entertainment services, software licensing and support, uniforms, maintenance contracts, postage, and travel and entertainment.
- (7) “Cash/Credit Management” costs include chargebacks, cash, and write-offs.
- (8) “Utilities” costs include the hotel’s cost for gas, electricity, water and sewage.
- (9) “GOP Margin” is derived by dividing the Gross Operating Profit by total revenue. “Gross Operating Profit” is derived by subtracting the monthly Operating Expenses from the monthly total revenue.

For the trailing 12-month period ending December 31, 2025, of the 16 Established Company-Owned Hotels, 7 hotels or 44% reported an average monthly GOP Margin that met or exceeded the stated average; and of the 3 Established Franchised Hotels, 1 hotel or 33% reported an average monthly GOP Margin that met or exceeded the stated average.

### **3. Explanatory Notes**

The information presented in this Item 19 is derived from data reported to us on a monthly basis by company-owned and franchised hotels, including hotels that our affiliates manage. We have not independently verified or audited this information. Actual results vary between hotels and may be impacted by a number of factors, including market conditions, location, competition, customer base, geographic area, demand, and length of time the hotel has been operating.

You should conduct an independent analysis of this franchise offering, consult with attorneys, accountants, appraisers, and other professional advisors who are familiar with the lodging industry, and prepare your own business plan and pro forma cash flow statement, balance sheet, and statement of operations. Franchisees or former franchisees, listed in this disclosure document, may be one source of information.

**Some stayAPT Suites hotels have earned these amounts. Your individual results may differ. There is no assurance that you'll earn as much.**

Written substantiation for the financial performance representations in this Item will be made available to you upon reasonable request.

Other than as described in the preceding financial performance representation, we do not make any representations about a franchisee's financial performance or the financial performance of company-owned or franchised outlets. 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 Christy Williams, Vice President of Franchise Operations, 10801 Monroe, Road, Suite 200, Matthews, North Carolina 28105, the Federal Trade Commission, and the appropriate state regulatory agencies.

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**ITEM 20  
OUTLETS AND FRANCHISEE INFORMATION**

**TABLE NUMBER 1  
Systemwide Hotel 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*         | 2023        | 2                                       | 2                                     | 0                 |
|                     | 2024        | 2                                       | 9                                     | +7                |
|                     | 2025        | 9                                       | 13                                    | +4                |
| Company-Owned       | 2023        | 11                                      | 15                                    | +4                |
|                     | 2024        | 15                                      | 23                                    | +8                |
|                     | 2025        | 23                                      | 27                                    | +4                |
| <b>Total Hotels</b> | 2023        | 13                                      | 17                                    | +4                |
|                     | 2024        | 17                                      | 32                                    | +15               |
|                     | 2025        | 32                                      | 40                                    | +8                |

**TABLE NUMBER 2  
Transfers of Hotels From Franchisee to New Owners (Other than the Franchisor)  
For Years 2023 to 2025**

| <b>State</b> | <b>Year</b> | <b>Number of Transfers</b> |
|--------------|-------------|----------------------------|
| <b>TOTAL</b> | 2023        | 0                          |
|              | 2024        | 0                          |
|              | 2025        | 0                          |

**TABLE NUMBER 3  
Status of Franchised Hotels  
For Years 2023 to 2025**

| <b>State</b> | <b>Year</b> | <b>Outlets at the Start of the Year</b> | <b>Outlets Opened</b> | <b>Terminations</b> | <b>Non-Renewals</b> | <b>Reacquired by Franchisor</b> | <b>Ceased Operations / Other Reasons</b> | <b>Outlets at the End of the Year</b> |
|--------------|-------------|---|-----------------------|---------------------|---------------------|---------------------------------|--|---------------------------------------|
| Alabama      | 2023        | 0                                       | 0                     | 0                   | 0                   | 0                               | 0  | 0                                     |
|              | 2024        | 0                                       | 1                     | 0                   | 0                   | 0                               | 0  | 1                                     |
|              | 2025        | 1                                       | 0                     | 0                   | 0                   | 0                               | 0  | 1                                     |
| Florida      | 2023        | 0                                       | 0                     | 0                   | 0                   | 0                               | 0  | 0                                     |
|              | 2024        | 0                                       | 1                     | 0                   | 0                   | 0                               | 0  | 1                                     |
|              | 2025        | 1                                       | 1                     | 0                   | 0                   | 0                               | 0  | 2                                     |