

PROVISION	SECTION IN choiceADVANTAGE SOFTWARE TERMS OF USE	SUMMARY
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.

The tables below provide certain historic performance information for franchised QUALITY hotels operating in the United States. As of December 31, 2024, there were 1,621 open and operating QUALITY hotels in the United States. Of these 1,621 hotels, all were franchised QUALITY hotels and 1,528 were QUALITY hotels that met the definition of the Performance Sample. The "Performance Sample" means all QUALITY branded hotels that were open and operating as of December 31, 2024 and that were franchised by Choice and operating on or before January 1, 2024, excluding hotels that: (1) repositioned from another Choice brand to QUALITY during the period beginning January 1, 2024 and ending December 31, 2024; (2) had incomplete performance numbers (e.g., missing supply, demand and revenue information) for at least 30 days during the period beginning January 1, 2024 and ending December 31, 2024; and (3) experienced an interruption in operations (for example, due to renovation or natural disaster) of more than 30 consecutive days during the period beginning January 1, 2024 and ending December 31, 2024. There was one QUALITY hotel that closed during Year 2024 after being open less than 1 year.

Table 1: For Year Ended December 31, 2024 - Average Occupancy Rate, Average Daily Rate, and RevPAR for QUALITY Hotels in the Performance Sample

	Aggregate or Average	Median	Low	High	Hotels Meeting or Exceeding Average	
Total Open and Operating Hotels	1,621					
Performance Sample	1,528				Count	Percent

	Aggregate or Average	Median	Low	High	Hotels Meeting or Exceeding Average	
Average Occupancy Rate	51.6%	52.0%	7.8%	99.4%	789	51.6%
Average Daily Rate	\$89.29	\$86.14	\$37.87	\$209.51	656	42.9%
Revenue Per Available Room (“RevPAR”)	\$46.06	\$44.51	\$6.85	\$149.03	707	46.3%

Notes: We used the following definitions in the above table:

“Average Occupancy Rate” is the percentage of available guest rooms actually occupied by guests.

“Average Daily Rate” is the gross room revenue divided by the number of occupied guest rooms.

“RevPAR” is the gross room revenue divided by available guest rooms.

Table 2: For Year Ended December 31, 2024 - Total Choice Enterprise Contribution, Choice Privileges Contribution, and Choice Privileges Average Daily Rate for QUALITY Hotels in the Performance Sample

	Aggregate or Average	Median	Low	High	Hotels Meeting or Exceeding Average	
Total Open and Operating Hotels	1,621					
Performance Sample	1,528				Count	Percent
Total Choice Enterprise Contribution	72.5%	73.7%	0.0%	97.4%	825	54.0%
Choice Privileges Contribution	45.5%	45.4%	0.2%	91.0%	759	49.7%
Choice Privileges Average Daily Rate	\$88.36	\$85.54	\$39.83	\$204.68	664	43.5%

Notes: We used the following definitions in the above table:

“Total Choice Enterprise Contribution” is the average of each hotel’s revenue generated through the CRS (including online travel agent bookings with whom we have negotiated relationships) and non-CRS marketing channels, including members of our Choice Privileges and affiliated guest loyalty programs that booked directly with Choice Hotels branded properties as well as reservation revenue from wholesale group accounts and global sales accounts, excluding cancelled reservations, divided by that hotel’s gross room revenues.

“Choice Privileges Contribution” is the average percentage of gross room revenue attributable to members of Choice Privileges, or other affiliated programs, who occupy and pay for guest rooms and are awarded Choice Privileges or airline points for their stays or redeem points for a reward night.

“Choice Privileges Average Daily Rate” is the Average Daily Rate for reservations generated

through our Choice Privileges guest loyalty program and other affiliated loyalty programs, including airline loyalty programs, excluding cancelled reservations.

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

The financial performance representations in the above tables do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your hotel. Franchisees or former franchisees, listed in this Disclosure Document, may be one source of this information.

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 franchised QUALITY hotels have earned the results indicated above. 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 No. 1
QUALITY INN, QUALITY HOTEL, QUALITY RESORT, QUALITY INN & SUITES and
QUALITY SUITES
System-wide Outlet Summary
For Years 2022 to 2024*

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised Outlets	2022	1,652	1,633	-19
	2023	1,633	1,617	-16
	2024	1,617	1,621	+4
Company Owned	2022	0	0	0
	2023	0	0	0