

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 this 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.

Lodging facilities report performance for a time period on the basis of Average Daily Room Rate (“ADR”) (gross room revenue divided by the number of occupied guest rooms), “Occupancy Rate” (the percentage of available guest rooms actually occupied by guests), and “RevPAR” or gross room revenue per available room (Occupancy Rate multiplied by Average Daily Room Rate). Our Chain also reports on Central Reservation System activity, such as the percentage of gross room revenue generated from reservations booked through the Central Reservation System or by members of our loyalty program. In calculating gross room revenue in this Item 19, we take the price paid by the consumer for the room, after all discounts, credits and allowances, and subtract all applicable taxes.

The information contained in this Item 19 is a historic financial performance representation about Chain Facilities operated by franchisees in the United States (including the continental United States, Alaska, and Hawaii) and Canada.¹ The Chain Facilities included in the samples in this Item 19 do not differ materially from those of prospective franchisees to whom we may offer franchises under this Disclosure Document. This Item 19 contains financial performance representations relating to 2024. All the Chain Facilities whose information is represented in this Item 19 were operated by franchisees during the time period reflected in this Item 19. The financial performance representations do not include information from any Chain Facilities that were open on January 1, 2024 but left the System on or before December 31, 2024. During 2024, 29 Chain Facilities operated by franchisees left the System; none of the 29 Chain Facilities operated by franchisees that left the System during 2024, were open in the System less than 12 months.

Some facilities have earned this amount. Your individual results may differ. There is no assurance that you’ll earn as much.

Average and Median ADR, Occupancy Rate, and RevPAR

The following table sets forth the average and median ADR, Occupancy Rate, and RevPAR for Qualified Chain Facilities for the period from January 1, 2024 through December 31, 2024. “Qualified Chain Facilities” means those Chain Facilities in the United States and Canada that opened before January 1, 2023 and achieved a “Comparable Social Review Score².” The total number of Chain Facilities in the United States and Canada as of December 31, 2024 was 886. Of those 886 Chain Facilities, 377 were Qualified Chain Facilities.

2024		Average Daily Room Rate				Occupancy Rate				RevPAR			
	# of Qualified Chain Facilities	Avg.	# Meet or Exceed Avg.	% Meet or Exceed Avg.	Median	Avg.	# Meet or Exceed Avg.	% Meet or Exceed Avg.	Median	Avg.	# Meet or Exceed Avg.	% Meet or Exceed Avg.	Median
Total Sample	377	\$115.74	149	39.5%	\$110.78	67.6%	207	54.9%	68.5%	\$78.27	166	44.0%	\$74.63

¹ Revenue information from Canadian Chain Facilities was converted into U.S. dollars based on the average OANDA exchange rate each month.

² A “Comparable Social Review Score” means that, during 2024, a Chain Facility (i) received at least ten total reviews via Medallia, which aggregates reviews from Tripadvisor, major online travel agencies, and other online social review sites, and (ii) achieved an average score from such reviews of 4.0 or above (out of a possible maximum score of 5.0).

The following table sets forth the average and median ADR, Occupancy Rate, and RevPAR for the “Del Sol Prototype B Facilities” for the period from January 1, 2024 through December 31, 2024. “Del Sol Prototype B Facilities” means those Qualified Chain Facilities in the United States and Canada that were newly constructed as Chain Facilities in accordance with our Del Sol Prototype B plans and specifications. Of the 377 Qualified Chain Facilities, 33 were Del Sol Prototype B Facilities.

2024		Average Daily Room Rate				Occupancy Rate				RevPAR			
	# of Del Sol Prototype B Facilities	Avg.	# Meet or Exceed Avg.	% Meet or Exceed Avg.	Median	Avg.	# Meet or Exceed Avg.	% Meet or Exceed Avg.	Median	Avg.	# Meet or Exceed Avg.	% Meet or Exceed Avg.	Median
Total Sample	33	\$116.92	15	45.5%	\$114.84	69.5%	18	54.5%	71.3%	\$81.21	17	51.5%	\$82.11

The information above was obtained from the monthly revenue reports of Chain Facilities submitted by franchisees and represents the most reliable information available to us. For any months in which Chain Facilities did not submit revenue reports, Occupancy Rate and ADR were computed based upon actual data sent to us each night by the Facility’s property management system. You set your own room rates.

Average and Median RevPAR Index

RevPAR Index measures a hotel’s RevPAR performance relative to an aggregated grouping of facilities (e.g., competitive set, market, or chain scale). The average and median RevPAR index information presented in this Item 19 reflects RevPAR index information relative to a Chain Facility’s competitive set obtained from monthly data provided by Smith Travel Research, Inc., an independent research firm that provides information to the hotel industry. A competitive set is a peer group of hotels that competes for business and is selected to benchmark the subject property’s performance. An index of 100 represents that a hotel is capturing its “fair share” compared to the hotel’s competitive set. An index greater than 100 represents that a hotel is capturing more than its “fair share” compared to the hotel’s competitive set; an index less than 100 represents that a hotel is capturing less than its “fair share” compared to the hotel’s competitive set. We have not audited or independently verified the information provided by Smith Travel Research.

The following table sets forth the Average RevPAR Index and Median RevPAR Index for the period January 1, 2024 through December 31, 2024 for Qualified Chain Facilities.

RevPAR Index					
	# of Qualified Chain Facilities	Avg.	# Meet or Exceed Avg.	% Meet or Exceed Avg.	Median
Total Sample	377	100.3%	201	53.3%	102.3%

The following table sets forth information about average and median RevPAR Index for the Del Sol Prototype B Facilities for the period from January 1, 2024 through December 31, 2024.

RevPAR Index					
	# of Del Sol Prototype B Facilities	Avg.	# Meet or Exceed Avg.	% Meet or Exceed Avg.	Median
Total Sample	33	103.6%	17	51.5%	103.9%

Central Reservation System and Loyalty Program Activity

The following section provides revenue contribution information for Chain Facilities from reservations generated by the Central Reservation System and the Wyndham Rewards loyalty program. The “Central Reservation System” means reservations processed via our and the Lodging Affiliates’ call centers (“Call Centers”), our and the Lodging Affiliates’ brand websites (“Brand Websites”), other electronic channels such as the global distribution systems (“GDS”), the Wyndham Rewards loyalty program, third party websites and certain reservations by the Global Sales Organization. Reservations by Wyndham Rewards members were made through the Call Centers, the Brand Websites, other electronic channels and directly with Chain Facilities. Contribution information is reported to us by all franchised Chain Facilities in the System.³

The following table sets forth “Central Reservation System Contribution” and “Wyndham Rewards Contribution” for all 886 Chain Facilities in the United States and Canada that were part of the System and as of December 31, 2024 (the “Contribution Group”). The Central Reservation System Contribution is calculated by dividing the gross room revenue from reservations generated by the Central Reservation System (including by Wyndham Rewards members) at the Contribution Group from January 1, 2024 through December 31, 2024⁴ by all gross room revenue at the Contribution Group from the same period, expressed as a percentage. The Wyndham Rewards Contribution is calculated by dividing the gross room revenue from reservations generated by members of the Wyndham Rewards loyalty program at the Contribution Group from January 1, 2024 through December 31, 2024 by all gross room revenue at the Contribution Group from the same period, expressed as a percentage.

2024 Contribution		Total Central Reservation System				Wyndham Rewards (included in Total)			
	# of Chain Facilities	Average	# Meeting or Exceeding Avg.	% Meeting or Exceeding	Median	Average	# Meeting or Exceeding Avg.	% Meeting or Exceeding	Median
Total	886	85.3%	519	58.6%	86.3%	54.3%	473	53.4%	55.3%

We have written substantiation for the historical performance representations contained in this Item 19, which we will make available to you upon reasonable request. We will not disclose the performance data of a specific Chain Facility and its identity without the franchisee’s prior written consent.

Other than the preceding financial performance representations, we do not make any representations about a franchisee’s future performance or the past 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 or former 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 our management by contacting Paul F. Cash, Executive Vice President and General Counsel, La Quinta

³ If a Chain Facility was operated pursuant to an agreement with one of the Lodging Affiliates on January 1, 2024 but converted to our Chain during 2024, then the totals in this section include contribution information for that Chain Facility for all of 2024.

⁴ As used in this paragraph, reservations in 2024 include room nights from stays with an arrival between January 1, 2024 and December 31, 2024. For greater clarity, these reservations may include room nights after December 31, 2024, provided the first night of occupancy for such stays occurred on or before December 31, 2024.

Franchising, LLC, 22 Sylvan Way, Parsippany, NJ 07054, (973) 753-6333; the Federal Trade Commission; and the appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION¹

Table No. 1
Systemwide Outlet Summary
for Years 2022 to 2024* (U.S. Only)

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022 ²	769	901	+132
	2023	901	899	-2
	2024	899	884	-15
Company-Owned and Managed	2022	137	0	-137
	2023	0	0	0
	2024	0	0	0
Total Outlets	2022	906	901	-5
	2023	901	899	-2
	2024	899	884	-15

* As of December 31 of each year.

Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
for Years 2022 to 2024* (U.S. Only)

State	Year	Number of Transfers
AL	2022	2
	2023	0
	2024	1

¹ For purposes of this Item 20, U.S. includes the continental United States, Alaska, Hawaii, and Puerto Rico.

² As of January 1, 2022, LQ RE Owner owned 137 La Quinta lodging facilities managed by LQ Management L.L.C. From January 1 through March 2, 2022, LQ RE Owner sold 14 of the La Quinta lodging facilities it owned to third parties, 13 of which signed Franchise Agreements with us, and 1 of which did not. On March 3, 2022, LQ RE Owner was acquired by a third party and concurrent with that transaction, entered into an agreement to terminate the remaining 123 hotel management agreements with our affiliate, LQ Management, LLC, and to sign 123 Franchise Agreements with us. Subsequently, 1 of these La Quinta lodging facilities rebranded with our affiliate, Wingate Inns International, Inc., and 2 more terminated their Franchise Agreements for other reasons. As a result of these transactions, as of December 31, 2022, these 137 outlets were no longer Managed by LQ Management L.L.C., but 133 were Franchised outlets.