



## FRANCHISE DISCLOSURE DOCUMENT

GuestHouse International, L.L.C.  
(GuestHouse International)  
a South Dakota limited liability company  
130 Maple Drive North  
Hendersonville, Tennessee 37075  
Telephone (615) 348-5153  
[www.guesthouseintl.com](http://www.guesthouseintl.com)

GuestHouse International franchisees provide transient lodging (hotel) services to the public. Franchisees in the "GuestHouse International" system conduct business using the names GuestHouse International Inn, GuestHouse International Suites, GuestHouse International Suites Plus, GuestHouse International Inn & Suites, GuestHouse International Hotel and GuestHouse International Hotel & Suites.

The total investment necessary to begin operation of a GuestHouse International transient lodging facility (hotel) is between \$2,759,795 and \$4,794,725 (excluding land costs). This includes \$26,145, that must be paid to Guesthouse International, L.L.C. or an affiliate.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, GuestHouse International, L.L.C. or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at <http://www.ftc.gov> for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

Issuance Date of this Franchise Disclosure Document: March 15, 2013.

**THIS PAGE NOT APPLICABLE IN INDIANA**

**STATE COVER PAGE**

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state. REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THE DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in Exhibit A for information about the franchisor, or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise:

1. THE FRANCHISE AGREEMENT REQUIRES FRANCHISEES TO ARBITRATE WITH GUESTHOUSE INTERNATIONAL, L.L.C. ONLY IN TENNESSEE OR SOUTH DAKOTA. THE FRANCHISE AGREEMENT ALSO REQUIRES THAT ANY SUIT THE FRANCHISEE FILES ARISING OUT OF THE FRANCHISE AGREEMENT BE FILED IN DAVIDSON COUNTY, TENNESSEE. OUT OF STATE ARBITRATION/LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO ARBITRATE/LITIGATE WITH GUESTHOUSE INTERNATIONAL, L.L.C. IN A STATE OTHER THAN YOUR HOME STATE.
2. MINN. STAT. §80C.21 AND MINN. RULE 2860.4400J PROHIBIT US FROM REQUIRING LITIGATION TO BE CONDUCTED OUTSIDE MINNESOTA. IN ADDITION, NOTHING IN THE DISCLOSURE DOCUMENT OR FRANCHISE AGREEMENT CAN ABROGATE OR REDUCE ANY OF YOUR RIGHTS AS PROVIDED FOR IN MINNESOTA STATUTES, CHAPTER 80C, OR YOUR RIGHTS TO ANY PROCEDURE, FORUM OR REMEDIES PROVIDED FOR BY THE LAWS OF THAT JURISDICTION.
3. THE FRANCHISE AGREEMENT STATES THAT THE LAW OF THE STATE OF TENNESSEE GOVERNS THE FRANCHISE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
4. IT IS IMPORTANT TO NOTE THAT GUESTHOUSE INTERNATIONAL, L.L.C. LIABILITIES EXCEED ITS TANGIBLE ASSETS WHICH MAY ENTAIL ADDITIONAL RISK OF FINANCIAL LOSS.

5. **THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.**

We use the services of one or more **FRANCHISE BROKERS** or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.

The effective dates of this Franchise Disclosure Document in the states with franchise registration laws in which we have sought registration or exemption appear on the following page.

This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: <https://franchisepanda.com/franchises/guesthouse-red-lion-hotels>