

FRANCHISE DISCLOSURE DOCUMENT

 <p>HomeTowne STUDIOS by Red Roof</p>	<p>HomeTowne Studios, LLC a Delaware Limited Liability Company The Red Roof Building 7815 Walton Parkway New Albany, Ohio 43054 Telephone (614) 744-2600</p> <p>www.redrooffranchising.com</p>
--	---

The Franchisee will own and operate a "HomeTowne Studios by Red Roof" guest lodging facility that offers hotel rooms and amenities for extended stay, temporary housing or transient visits.

The total investment necessary to begin operation of a HomeTowne Studios by Red Roof lodging franchise for a 65-room conversion hotel ranges from \$215,700 to \$1,020,500. These amounts do not include the costs of land, original construction or acquisition, or ground or building lease rent for the hotel location but do include the approximately \$56,500 to \$62,000 that must be paid to the franchisor 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 the franchisor, or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Franchise Development, HomeTowne Studios, LLC, 7815 Walton Parkway, New Albany, Ohio 43054 or call 1-888-473-8861.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read your entire 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 www.ftc.gov for additional information. Call your state agency or visit your public library for other sources on information on franchising.

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

Issuance Date: June 29, 2018

Effective Dates may differ in some states; please see table following State Cover Page.

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 THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in Exhibit B 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. THIS FRANCHISE AGREEMENT REQUIRES YOU TO SUBMIT CERTAIN KINDS OF DISPUTES TO NON-BINDING MEDIATION BEFORE BRINGING THE DISPUTE TO COURT. ANY MEDIATION MAY TAKE PLACE IN A STATE OTHER THAN THE STATE IN WHICH THE HOTEL IS LOCATED. IT MAY COST YOU MORE TO MEDIATE A DISPUTE OUTSIDE YOUR OWN STATE.
2. THIS FRANCHISE AGREEMENT DOES NOT REQUIRE THAT ALL LITIGATION TAKE PLACE IN COLUMBUS, OHIO, BUT IT DOES REQUIRE THAT YOU AGREE TO SUBMIT TO THE JURISDICTION OF COURTS IN COLUMBUS, OHIO IF WE CHOOSE TO SUE YOU THERE. OUT-OF-STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO LITIGATE WITH US IN OHIO THAN IN YOUR OWN STATE.
3. THIS FRANCHISE AGREEMENT STATES THAT OHIO LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
4. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date: Effective Dates may differ in some states; please see table on next page.

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