

FRANCHISE DISCLOSURE DOCUMENT

Choice Hotels International, Inc.
a Delaware corporation

Before December 1, 2023
1 Choice Hotels Circle, Suite 400
Rockville, Maryland 20850

On or about December 1, 2023
915 Meeting Street
North Bethesda, Maryland 20852

(301) 592-5000

e-mail: development@choicehotels.com

<https://choicehotelsdevelopment.com>



The franchise offered is for the right to construct and operate a hotel under our name and primary business trademark “MAINSTAY SUITES®” (“MAINSTAY SUITES”).

The total investment necessary to begin operation of a newly constructed MAINSTAY SUITES hotel franchise is between \$8,218,173-\$14,948,447, assuming the MAINSTAY SUITES hotel contains 106 guestrooms but excludes the cost of real estate. The total investment necessary to convert an existing hotel and begin operation of a MAINSTAY SUITES hotel franchise is between \$268,650-\$1,746,195, assuming the hotel contains 56 guestrooms but excludes the cost of real estate. This includes \$58,750 to \$71,595 that must be paid to the franchisor or its affiliates as follows: an affiliation fee of \$300 per room for new constructions or conversions and \$550 per room for transfers and renewals (\$50,000 minimum for each); a property management system software license and systems training fee of between \$8,750 and \$10,750; and orientation and hospitality training fees of \$0 – \$10,845 per person. These sums do not include the cost of purchasing or leasing land or any real estate taxes.

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 us or an affiliate in connection with the proposed franchise sale. **Note, however, that no government 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 Ron Burgett, Senior Vice President, Extended Stay Development at 1 Choice Hotels Circle, Suite 400, Rockville, Maryland 20850 until December 1, 2023, and on or after December 1, 2023, at 915 Meeting Street, North Bethesda, Maryland 20852, or by telephone, at (301) 592-5000.

The terms of your contract will govern your franchise relationship. Do not rely on the Disclosure Document alone to understand your contract. Read all of your contracts carefully. Show your contract and this Disclosure Document to an advisor, like a lawyer or 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 (“FTC”). 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 on franchising.

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

Issuance Date: April 1, 2023

How To Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits O or P.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor’s direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit C includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my MainStay business be the only Comfort business in my area?	Item 12 and the “territory” provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What is it like to be a MainStay franchisee?	Item 20 or Exhibits O and P list current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this Disclosure Document to better understand this franchise opportunity. See the table of contents.

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