

APR 11 2017

Department of  
Business Oversight

FRANCHISE DISCLOSURE DOCUMENT



Stay Express World Wide, LLP  
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Dallas, Texas 75379  
1-800-730-2410  
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You will operate a branded hotel offering standard guest rooms, or a combination of guest rooms and suites, under the service mark STAY EXPRESS, STAY EXPRESS INN, STAY EXPRESS INN & SUITES, STAY EXPRESS HOTEL, or LOCAL SUITES, all of which comprise the CARE HOTEL GROUP family of hotel brands.

The total investment necessary to begin operation of a converted STAY EXPRESS Inn ranges from \$24,250 to \$105,250 (60 room property), \$31,750 to \$95,000 (90 room property), or \$35,500 to \$123,750 (120 room property), and the total investment necessary to begin operation of a newly constructed STAY EXPRESS Inn ranges from \$2,437,750 to \$3,672,750 (60 room property), \$4,806,500 to \$8,194,000 (90 room property) or \$7,121,250 to \$11,604,750 (120 room property). This includes the \$14,250 to \$48,750 that must be paid to licensor or an affiliate for a converted property, and \$54,500 to \$96,250 that must be paid to licensor or an affiliate for new construction.

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 franchise 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 Sharif Khan, P. O. Box 793878, Dallas, Texas 75379, (800) 730-2410.

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 franchise disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this franchise 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](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: April 5, 2017.

## 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 G 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 YOU TO RESOLVE DISPUTES WITH US BY LITIGATION ONLY IN DALLAS COUNTY, TEXAS. OUT OF STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO LITIGATE WITH US IN TEXAS THAN IN YOUR HOME STATE.
2. THE FRANCHISE AGREEMENT STATES THAT TEXAS LAW GOVERNS THE AGREEMENTS, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. THE FRANCHISOR HAS ELECTED THE REASONABLE BUSINESS JUDGMENT STANDARD IN ITS RELATIONSHIPS WITH FRANCHISEES. THIS MEANS THE FRANCHISOR IS NOT REQUIRED TO CONSIDER YOUR PARTICULAR ECONOMIC OR OTHER BUSINESS INTERESTS WHEN EXERCISING ITS JUDGMENT.
4. THE FRANCHISOR IS A DEVELOPMENT STATE COMPANY WITH LIMITED FRANCHISE OPERATING HISTORY.
5. THE FRANCHISOR HAS LIMITED FINANCIAL RESOURCES WHICH MIGHT NOT BE ADEQUATE TO FUND THE FRANCHISOR'S PRE-OPENING OBLIGATIONS TO EACH FRANCHISEE AND PAY OPERATING EXPENSES.
6. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date: See the next page for state effective dates.

### STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Document be registered or filed with the state or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This Franchise Disclosure Document is registered, on file, or exempt from registration in the following state(s) having franchise registration and disclosure laws, with the following effective date(s):

| State        | Effective Date |
|--------------|----------------|
| California   |                |
| Illinois     |                |
| North Dakota |                |
| Washington   |                |
| Wisconsin    |                |

In all other states, the effective date of this Franchise Disclosure Document is the Issuance Date: April 5, 2017.

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