





## FRANCHISE APPLICATION



1 Choice Hotels Circle, Suite 400  
Rockville, Maryland 20850  
Phone: 301.592.6373 Fax: 301.592.6226  
ChoiceHotelsDevelopment.com

### INSTRUCTIONS

Choice Hotels International, Inc. ("Choice") is pleased to consider your Franchise Application. Please read these instructions carefully and answer all items completely and accurately. If an item does not apply, please mark not applicable (N/A) – do not leave any fields blank.

**In order to process your application promptly, please supply all of the requested attachments for your property and ownership entity as noted on the Franchise Application Checklist on page 2 of this Franchise Application.**

Please send the completed Franchise Application along with the required supporting documents and required affiliation fee to your Choice Franchise Development representative, or directly to:

Colleen Kruse  
Director, Franchise Development Operations  
Choice Hotels International, Inc.  
1 Choice Hotels Circle, Suite 400  
Rockville, MD 20850

Choice reserves the right to approve or deny this Franchise Application. This is not an offer, and you have not yet been granted a franchise to operate as any of the above-referenced franchises. There is no binding obligation on either party unless and until both Choice and you have executed a Franchise Agreement. Any expenses you incur in constructing, renovating or operating the hotel are at your sole risk.

*\*If for any reason a Franchise Agreement is not executed by both parties, Choice agrees to refund any affiliation fee you paid Choice with this Franchise Application less a non-refundable application fee of \$5,000.*

## FRANCHISE APPLICATION CHECKLIST

- Franchise Disclosure Document (FDD) Acknowledgment of Receipt – signed & dated as of the date you originally received the FDD.
- Check for affiliation fee (must be submitted at least 14 calendar days following your receipt of the FDD).  
**Comfort® brand:** Check for \$50,000 or \$500 per room (whichever is greater).  
**Sleep® brand:** Check for \$40,000 or \$300 per room (whichever is greater).
- Current financial statement(s) (less than a year old) for the Applicant and any individuals with 10% or greater ownership of the hotel.
- Current Profit & Loss Statement and Smith Travel Research Report (for operating hotels only).
- If Applicable, copy of Entity documents for Applicant's legal entity and each of its sub-entities, as noted:

**Entity Type:**

**Documents:**

Corporation:

Articles of Incorporation, Bylaws

General Partnership:

Partnership Agreement

Limited Partnership:

Partnership Agreement

Limited Liability Company:

Articles of Organization, Operating Agreement

Bank:

Bank Formation documents, Bank Management, and Structure documents

- Proof of ownership (*sales contract, deed, option or lease*) in the name of the Applicant.

# FRANCHISE APPLICATION

## A. PROSPECTIVE HOTEL

**LOCATION:** \_\_\_\_\_

**BRAND:**

- Comfort
- Sleep

**PRODUCT TYPE:**

- Inn
- Inn & Suites
- Suites

**APPLICATION TYPE**

- New Construction
- Conversion
- Repositioning (*Choice code*)
- Relicensing (*Choice code*)
- Renewal of existent Choice brand  
(*Choice code*) \_\_\_\_\_

**ROOM COUNT:** \_\_\_\_\_

Current Hotel Name (if applicable): \_\_\_\_\_

Street Address/Site Location: \_\_\_\_\_

City: \_\_\_\_\_ State/Province: \_\_\_\_\_ ZIP/Postal Code: \_\_\_\_\_

County: \_\_\_\_\_ Country: \_\_\_\_\_ Hotel Phone: \_\_\_\_\_

## B. APPLICANT'S REPRESENTATIVE

You authorize the following individual to be your Designated Representative for this Application and for Franchise Agreement, if granted.

Name (Mr./Mrs./Ms.): First: \_\_\_\_\_ M.I.: \_\_\_\_\_ Last: \_\_\_\_\_

Title: \_\_\_\_\_

Company Name: \_\_\_\_\_

Email Address: \_\_\_\_\_

Business Address: \_\_\_\_\_

City: \_\_\_\_\_ State/Province: \_\_\_\_\_ ZIP/Postal Code: \_\_\_\_\_

Business Phone: \_\_\_\_\_ Mobile Phone: \_\_\_\_\_

Home Address: \_\_\_\_\_

City: \_\_\_\_\_ State/Province: \_\_\_\_\_ ZIP/Postal Code: \_\_\_\_\_

Home Phone: \_\_\_\_\_

Social Security Number: \_\_\_\_\_ Birth Date: \_\_\_\_\_

Current Occupation: \_\_\_\_\_

Choice Privileges Number: \_\_\_\_\_

### How did you hear about Choice? (Check one.)

- I am an existing Choice Hotels® franchisee.
- I was contacted by the Choice Hotels Sales team. Please specify who: \_\_\_\_\_
- A friend or business associate referred me.
- Other (please specify) \_\_\_\_\_

## C. PROPOSED FRANCHISEE

### 1. Entity:

(You may not use the names Ascend®, Comfort®, Quality®, Sleep®, Clarion®, Cambria®, MainStay®, Econo, Rodeway®, Suburban® or Choice, or any variation thereof, in the entity's name.)

Name of Entity: \_\_\_\_\_ Formed in State  
of: \_\_\_\_\_

Date Formed: \_\_\_\_\_

Business Address: \_\_\_\_\_

City: \_\_\_\_\_ State/Province: \_\_\_\_\_ Zip/Postal Code: \_\_\_\_\_

Business Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

### 2. Entity Management Structure/Ownership:

Please list **all** individuals (may include: President, Treasurer, Secretary, Shareholders, Limited Partners, Individual Owners, General Partners, Managing Partners or Managing Members) that will be part of the ownership structure. If listed as a general partner, managing partner or managing member or as an owner in a corporation or other entity, the name/title of the individual within entity must be listed. *(Attach additional pages if necessary.)*

a. Name (Mr./Mrs./Ms.) First: \_\_\_\_\_ Last: \_\_\_\_\_

Percentage Owned: \_\_\_\_\_ %

Title: \_\_\_\_\_ Phone: \_\_\_\_\_ E-Mail

Address: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City: \_\_\_\_\_ State/Province: \_\_\_\_\_ ZIP/Postal Code: \_\_\_\_\_

Social Security Number: \_\_\_\_\_ Birth Date: \_\_\_\_\_

Choice Privileges Number: \_\_\_\_\_

b. Name (Mr./Mrs./Ms.) First: \_\_\_\_\_ Last: \_\_\_\_\_

Percentage Owned: \_\_\_\_\_ %

Title: \_\_\_\_\_ Phone: \_\_\_\_\_ E-Mail

Address: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City: \_\_\_\_\_ State/Province: \_\_\_\_\_ ZIP/Postal Code: \_\_\_\_\_

Social Security Number: \_\_\_\_\_ Birth Date: \_\_\_\_\_

Choice Privileges Number: \_\_\_\_\_

c. Name (Mr./Mrs./Ms.) First: \_\_\_\_\_ Last: \_\_\_\_\_

Percentage Owned: \_\_\_\_\_ %

Title: \_\_\_\_\_ Phone: \_\_\_\_\_ E-Mail

Address: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City: \_\_\_\_\_ State/Province: \_\_\_\_\_ ZIP/Postal Code: \_\_\_\_\_  
Social Security Number: \_\_\_\_\_ Birth Date: \_\_\_\_\_  
Choice Privileges Number: \_\_\_\_\_

d. Name (Mr./Mrs./Ms.) First: \_\_\_\_\_ Last: \_\_\_\_\_  
Percentage Owned: \_\_\_\_\_ %  
Title: \_\_\_\_\_ Phone: \_\_\_\_\_  
E-Mail Address: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
City: \_\_\_\_\_ State/Province: \_\_\_\_\_ ZIP/Postal Code: \_\_\_\_\_  
Social Security Number: \_\_\_\_\_ Birth Date: \_\_\_\_\_  
Choice Privileges Number: \_\_\_\_\_

e. Name (Mr./Mrs./Ms.) First: \_\_\_\_\_ Last: \_\_\_\_\_  
Percentage Owned: \_\_\_\_\_ %  
Title: \_\_\_\_\_ Phone: \_\_\_\_\_  
E-Mail Address: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
City: \_\_\_\_\_ State/Province: \_\_\_\_\_ ZIP/Postal Code: \_\_\_\_\_  
Social Security Number: \_\_\_\_\_ Birth Date: \_\_\_\_\_  
Choice Privileges Number: \_\_\_\_\_

f. Name (Mr./Mrs./Ms.) First: \_\_\_\_\_ Last: \_\_\_\_\_  
Percentage Owned: \_\_\_\_\_ %  
Title: \_\_\_\_\_ Phone: \_\_\_\_\_  
E-Mail Address: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
City: \_\_\_\_\_ State/Province: \_\_\_\_\_ ZIP/Postal Code: \_\_\_\_\_  
Social Security Number: \_\_\_\_\_ Birth Date: \_\_\_\_\_  
Choice Privileges Number: \_\_\_\_\_

## D. FACILITY DESCRIPTION

1. Expected Date to Open as a Choice Hotel: \_\_\_\_\_
2. Year Built: \_\_\_\_\_ Year Last Renovated: \_\_\_\_\_
3. Number of Total Guest Rooms: \_\_\_\_\_ Number of Suites: \_\_\_\_\_ Number of Floors: \_\_\_\_\_
4. Number of Parking Spaces: \_\_\_\_\_
5. Number of Meeting Rooms: \_\_\_\_\_ Total Meeting Spaces: \_\_\_\_\_
6. Is Free Breakfast currently served on hotel premises? \_\_\_\_\_
7. Food and Beverage Outlets:

a. Name: \_\_\_\_\_

On Premises or Distance from hotel : \_\_\_\_\_

Meals of Operation:  Breakfast  Lunch  Dinner  24 Hr.

Number of Seats: \_\_\_\_\_

b. Name: \_\_\_\_\_

On Premises or Distance from hotel : \_\_\_\_\_

Meals of Operation:  Breakfast  Lunch  Dinner  24 Hr.

Number of Seats: \_\_\_\_\_

8. Recreational Facilities (indoor/outdoor pool, hot tub, spa, fitness center, etc.):  
\_\_\_\_\_

## E. SITE CONTROL

### Deed Holder:

1. Is hotel owned by Applicant?  Yes  No
  - a. If **“Yes”**, please list the ownership name as it appears on the deed (and provide a copy)  
\_\_\_\_\_
  - b. If **“No”**, please provide anticipated date and provide the Purchase Agreement: \_\_\_\_\_
2. When did you obtain possession of the hotel? \_\_\_\_\_
3. Do you have financing secured for this location?  Yes  No

**Lease:**

- 1. Is hotel building leased or to be leased by you?  Yes  No
- 2. Is ground leased or to be leased by you?  Yes  No
- 3. If “Yes” has been indicated for question 1 or 2, please complete the following:

Landlord Name: \_\_\_\_\_ Phone: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State/Province: \_\_\_\_\_ ZIP/Postal Code: \_\_\_\_\_

Date upon which you began leasing the hotel/ground: \_\_\_\_\_

Term of the Lease: \_\_\_\_\_

**Bank Owned Deals Only:**

- 1. Is this hotel owned by a Lender?  Yes  No
- 2. If “Yes” has been indicated for question 1, please complete the following:

Lender Name: \_\_\_\_\_ Phone: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State/Province: \_\_\_\_\_ ZIP/Postal Code: \_\_\_\_\_

**Receivership:**

- 1. Is this hotel in Receivership?  Yes  No
- 2. If “Yes” has been indicated for question 1, please complete the following:

Receiver Name: \_\_\_\_\_ Phone: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State/Province: \_\_\_\_\_ ZIP/Postal Code: \_\_\_\_\_



## F. FINANCIAL INFORMATION

### 1. Bank References:

a. Name of Business Bank: \_\_\_\_\_  
Contact: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State/Province: \_\_\_\_\_ ZIP/Postal Code: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Account in Name of \_\_\_\_\_  
Account #: \_\_\_\_\_

b. Name of Mortgage Company: \_\_\_\_\_  
Contact: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State/Province: \_\_\_\_\_ ZIP/Postal Code: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Account in Name of \_\_\_\_\_  
Account #: \_\_\_\_\_  
Is this mortgage in good standing?  Yes  No

### 2. Insurance Agent:

Company Name: \_\_\_\_\_  
Contact: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State/Province: \_\_\_\_\_ ZIP/Postal Code: \_\_\_\_\_  
Phone: \_\_\_\_\_

## G. FRANCHISING AND HOTEL EXPERIENCE

1. Do any of the individuals/entities listed under ownership currently or previously (but no longer) own any **Choice** properties?

Yes     No

*If "Yes," please complete the section below.  
Attach additional pages if necessary.*

Individual/Entity	Property Name/ Brand	Choice Property Code	City/State	% Owned	Currently Own?

2. Do any of the individuals/entities listed under ownership currently or previously (but no longer) own any **non-Choice** lodging properties?

Yes     No

*If "Yes," please complete the section below.  
Attach additional pages if necessary.*

Individual/Entity	Property Name/Brand	City/State	% Owned	Currently Own?

3. For any of the individuals/entities listed under ownership, please identify the **total number of years** of **hotel ownership and/or hotel management experience.**

Individual/Entity	Number of Years of <i>Hotel Ownership</i> Experience	Current Number of Hotels Under <i>Ownership</i>	Number of Years of <i>Hotel Management</i> Experience	Current Number of Hotels Under <i>Management</i>

4. Do any of individuals/entities listed under ownership own and/or hold an officer position at other **non-hotel franchises** and/or **non-hotel businesses**?

Yes       No

*If “Yes,” please complete the section below.  
Attach additional pages if necessary.*

*(Types of non-hotel franchises may include: Fast food, restaurant, convenience store, real estate, gas station, services, etc.)*

*(Types of businesses may include: Automobile sales, convenience stores, construction, energy, entertainment, finance, home décor, law, medical, pharmaceutical, real estate, restaurants, retail, shopping centers/malls, technology, travel and transportation, etc.)*

*(Title/Office may include: President, Vice President, Chief Executive Officer, Chief Financial Officer, Director, Chairman, Partner, etc.)*

Individual/ Entity	Type of Business/ Non-Hotel Franchise/ Membership	Business Name	City/State	% Owned	Title/Office

## H. BACKGROUND INFORMATION

For purposes of this section, “Applicant” includes anyone owning a direct or indirect interest in the hotel.

1. Is any Applicant now, or has any Applicant ever been a defendant in any lawsuit?  
 Yes     No
  
2. Has any Applicant ever filed for bankruptcy?  
 Yes     No
  
3. Has any Applicant ever been convicted of a crime other than minor traffic violations?  
 Yes     No
  
4. Is any Applicant a “Specially Designated National” or a “Blocked Person” (as defined below)?  
 Yes     No

If “Yes” has been indicated for any of questions 1-4, please identify the person, court, case number and outcome below.

Person	Court	Case Number	Outcome

“Specially Designated National” or “Blocked Person” means (I) a person designated by the U.S. Department of Treasury’s Office of Foreign Assets Control from time to time as such status, (II) a person described in Section 1 of U.S. Executive Order 13224, issued September 23, 2001, or (III) a person otherwise identified by government or legal authority as a person with whom Choice or its affiliates are prohibited from transacting business. A list of such designations and the text of the Executive Order are published under the Internet web site address [www.ustreas.gov/office/enforcement/ofac](http://www.ustreas.gov/office/enforcement/ofac).

## I. OPERATIONAL DATA (for operating hotels only)

Please include your most current Profit & Loss Statement and Smith Travel Research Report with your supporting documents.

I certify that, to the best of my knowledge, the information I provided in this application is complete and accurate.

Furthermore, I agree that in order for Choice to obtain and maintain accurate contact and credit information, I authorize the referenced companies and/or individuals named in this application and credit reporting agencies to disclose such information to Choice. This disclosed information will be used for the exclusive and confidential use of Choice and its affiliated companies. I also release Choice, its affiliates and their employees, agents, all other entities and its and their employees providing information or reports about me from all liabilities arising out of the release of any informational reports.

I understand that by submitting this application I agree to the terms and statements made in this application. *(Please have ALL OWNERS AND/OR APPLICANTS sign below.)*

Signature \_\_\_\_\_ Type Name \_\_\_\_\_ Date \_\_\_\_\_

Signature \_\_\_\_\_ Type Name \_\_\_\_\_ Date \_\_\_\_\_

Signature \_\_\_\_\_ Type Name \_\_\_\_\_ Date \_\_\_\_\_

Signature \_\_\_\_\_ Type Name \_\_\_\_\_ Date \_\_\_\_\_

Signature \_\_\_\_\_ Type Name \_\_\_\_\_ Date \_\_\_\_\_

## Personal Financial Statement

Name: \_\_\_\_\_

Social Security Number: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Street Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP/Postal Code: \_\_\_\_\_

Home Phone: \_\_\_\_\_

Email Address: \_\_\_\_\_

<b>Assets</b>		<b>Liabilities</b>	
Cash on Hand and in Banks (Schedule A)		Notes Due to Banks and Others (Schedule F)	
Cash Value of Life Insurance (Schedule B)		Loans on Life Ins. Policies (Schedule B)	
Securities – Marketable (Schedule C)		Credit Cards and Bills Payable (Schedule G)	
Securities – Non-Marketable (Schedule C)		Mortgage on Homestead (Schedule D)	
IRA and Tax Deferred Accounts		Other Mortgages Payable (Schedule D)	
Homestead/Residence (Schedule D)		Personal Property (Schedule E)	
Other Real Estate (Schedule D)		Taxes	
Personal Property (Schedule E)		Other Debts – Itemize:	
Mortgages and Contracts Held by You (Schedule H)			
Other Assets – Itemize:			
<input type="checkbox"/> (See attached itemization)		<input type="checkbox"/> (See attached itemization)	
<b>Totals Assets</b>		<b>Totals Liabilities</b>	
<b>Net Worth</b> (Total Assets Minus Total Liabilities):			

<b>Annual Income</b>	
Salary Bonuses and Commissions	
Dividends and Interest	
Rental and Lease Income (Net)	
Other Income	
<b>Total</b>	

## Personal Financial Statement (continued)

For the purpose of obtaining or establishing credit from time to time, the undersigned certify that the above statement and supporting schedules, including all federal tax returns, prepared by or for the undersigned, are a complete and true statement of the financial condition of the undersigned on the date indicated. You are authorized to make whatever inquiries about the undersigned deemed necessary and appropriate for the purpose of evaluating the credit application provided, including inquiries to the Internal Revenue Service.

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date