

PROVISION	SECTION IN choiceADVANTAGE SOFTWARE TERMS OF USE	SUMMARY
v. Choice of forum	Not Applicable	
w. Choice of law	GOVERNING LAW	Maryland law applies (subject to state law) except the Maryland Uniform Computer Information Transactions Act, which is expressly disclaimed.

ITEM 18

PUBLIC FIGURES

We do not use any public figure to promote our membership.

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

**Table 1: 2018 Average Occupancy Rate, Average Daily Rate, RevPAR and Total Choice Contribution for ASCEND hotels in the Performance Sample
(Notes 1, 2 and 3)**

	For Year Ended December 31, 2018
Average Occupancy Rate	62.4%
Average Daily Rate	\$137.59
Revenue per Available Room ("RevPAR")	\$85.81
Total Choice Proprietary Contribution	47.4%

As of December 31, 2018, there were 170 open and operating ASCEND hotels in the United States. Of these 170 hotels, all were franchised ASCEND hotels and 54 were ASCEND hotels that met the definition of the Performance Sample. The data presented in the above table are based on the 54 hotels in the Performance Sample. For the 54 hotels that were included in the sample, 29 hotels or 53.7% met or exceeded the Average Occupancy Rate; 26 hotels or 48.1% met or exceeded the Average Daily Rate; 24 hotels or 44.4% met or exceeded the average RevPAR, and 33 hotels or 61.1% met or exceeded the Total Choice Proprietary Contribution presented. For the 54 hotels in the Performance Sample, the median Average Occupancy Rate equaled 65.7% (with a low of 30.8% and a high of 90.6%); the median Average Daily Rate equaled \$135.62 (with a low of \$82.20 and a high of \$310.00); the median RevPAR equaled \$84.07 (with a low of \$30.40 and a high of \$170.70); and the median Total Choice Proprietary Contribution

equaled 50.0% (with a low of 17.7% and a high of 92.9%).

Table 2: 2018 Net Reservations Contribution and CRS Average Daily Rate for ASCEND hotels in the Performance Sample (Notes 1, 2 and 3)

	For Year Ended December 31, 2018
Net Reservations Contribution	66.2%
CRS Average Daily Rate	\$145.95

For the one-year period ending December 31, 2018, reservations generated through the CRS distribution sources presented in the above table represented an average of 66.2% of gross room revenue at an Average Daily Rate of \$145.95 for the 54 ASCEND hotels that met the definition of the Performance Sample. For the hotels that were included in the sample, 24 hotels or 44.4% met or exceeded the Net Reservations Contribution presented in the table above, and 23 hotels or 42.6% met or exceeded the CRS Average Daily Rate presented in the table above. For the 54 hotels in the Performance Sample, the median Net Reservations Contribution equaled 63.2% (with a low of 23.2% and a high of 100.0%); and the median CRS Average Daily Rate equaled \$134.66 (with a low of \$88.34 and a high of \$308.59).

Note 1: “Performance Sample” means all ASCEND branded hotels that were open and operating as of December 31, 2018, and that were franchised by Choice and operating as ASCEND, on or after January 1, 2017, excluding hotels that: (1) had reservations suspended by Choice of more than 30 consecutive days during the period beginning January 1, 2017 and ending December 31, 2018; (2) experienced an interruption in operations (for example, due to renovation, natural disaster, etc.) of more than 30 consecutive days during the period beginning January 1, 2017 and ending December 31, 2018; (3) had no hotel room inventory changes resulting in greater than 10% fluctuation of annual available room nights during the period beginning January 1, 2018 and ending December 31, 2018; and/or (4) repositioned from another Choice brand to the ASCEND brand since January 1, 2018.

Note 2: From April 1, 2005 through April 30, 2008, we offered franchises under the name CLARION COLLECTION. We began the similar offering called ASCEND in 2008 and we no longer offer CLARION COLLECTION franchises. As of December 31, 2017, there were 3 CLARION COLLECTION memberships that had not converted to ASCEND. Financial performance data for these 3 CLARION COLLECTION memberships have not been included in the preceding tables.

Note 3: We used the following definitions in the preceding tables: “Average Occupancy Rate” is the average of each hotel’s occupied rooms reported for each hotel divided by its total number of available rooms. “Average Daily Rate” is the average of each hotel’s gross room revenue reported divided by its total number of occupied rooms reported. “RevPAR” is the average of each hotel’s gross room revenues reported divided by its number of available rooms. “Total Choice Proprietary Contribution” is the average of each hotel’s revenue generated through the CRS (excluding online travel agent bookings) and non-CRS marketing channels, including members of our Choice Privileges and affiliated guest loyalty programs that booked directly with Choice Hotels branded properties as well as reservation revenue from wholesale group accounts and global sales accounts, excluding cancelled reservations, divided by that hotel’s gross room revenues. “Net Reservations Contribution” is the average of each hotel’s revenue generated through the CRS, excluding cancelled reservations, divided by that hotel’s gross room revenues. “CRS Average Daily Rate” is the Average Daily Rate for reservations generated through the CRS, excluding cancelled reservations.

* * *

The financial performance representations in Tables 1 and 2 do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your hotel. Members or former members, listed in this disclosure document, may be one source of this information.

The data presented in Tables 1 and 2 above relate to historical performance of franchised ASCEND hotels in the United States and represent average performance of ASCEND hotels in a specific performance sample. We do not claim that you can expect to achieve the same results. Actual results vary from hotel to hotel and depend on the specific size, location, and seasonality of your hotel, and on factors such as your real estate and construction costs, financing terms and arrangements, the length of time that your hotel has been open and operating, the efficiency with which you operate your hotel, and the competitive factors affecting demand for your hotel. In addition, this is an offering of a new concept under a different name. We cannot, therefore, estimate the results of any particular location. Typically, a new hotel requires at least two years of operating experience to reach a stabilized performance, and new franchisees should not expect the same results as the data presented in Tables 1 and 2 above.

Some franchised ASCEND hotels have earned the results indicated above. Your individual results may differ. There is no assurance that you'll earn as much.

The data presented in Tables 1 and 2 are based on information that individual members provided to us and verified as accurate. We have not audited or otherwise verified the accuracy of the information that the members provided to us. Written substantiation of the financial information that forms the bases for our financial performance representations will be made available to you within a reasonable period of time following receipt of your written request.

Except as stated in this Item 19, we do not furnish to you or authorize our salespersons to furnish to you any oral or written information or representation on the actual or potential sales, income or profits of any ASCEND hotel membership.