TRAVEL REINVENTED

At Four Points, we cater to well-traveled guests. Timeless classics are woven with modern details to keep guests relaxed and comfortable for both work and play, wherever their travels take them around the globe.

Each Four Points hotel offers an authentic taste of the local with our Best Brews™ experience featuring locally crafted beers on tap that pair well with our signature burger and pretzel. Available at our casual restaurant and bar that provides guests both dine-in and to-go options from breakfast to dinner.

From big urban centers to airports to the beach to the suburbs, Four Points is everywhere guests want to be. With nearly 290 hotels in 45 countries, Four Points is experiencing record growth with 130 hotels in the pipeline. With flexible building options, Four Points offers incredible development opportunities for new builds and conversions.

Distribution (YE 2019)

With nearly 290 hotels globally, Four Points is experiencing record growth with 130 hotels in the pipeline.

<table>
<thead>
<tr>
<th></th>
<th>U.S. &amp; CANADA</th>
<th>GLOBAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Units</td>
<td>Rooms</td>
</tr>
<tr>
<td>Open</td>
<td>159</td>
<td>23,847</td>
</tr>
<tr>
<td>Pipeline</td>
<td>39</td>
<td>4,965</td>
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</tbody>
</table>

Key Competitors

- Hyatt Place, Hilton Garden Inn

Recent Openings

- Four Points by Sheraton Peoria, IL
- Four Points by Sheraton Anchorage Downtown, AK

Franchise Hotel Performance*

<table>
<thead>
<tr>
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<th>Average Daily</th>
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</thead>
<tbody>
<tr>
<td>Occupancy Rate</td>
<td>68.5%</td>
</tr>
<tr>
<td>Average RevPAR</td>
<td>$84.32</td>
</tr>
<tr>
<td>RevPAR Index</td>
<td>93.2</td>
</tr>
<tr>
<td>Loyal Customer Base</td>
<td>Average Percentage of Loyalty Program Contribution to Occupancy at Four Points is 34.4%</td>
</tr>
</tbody>
</table>

Competitive Fee Structure*

- Application Fee: $75,000 plus $400 per guestroom in excess of 150 guestrooms
- Royalty Fee: 5.5% of Gross Room Sales
- Program Services Contribution: 3.15% of gross room sales (which includes a contribution to the Marketing Fund of 1% of gross room sales); plus $10,000 per year; plus $220 per guestroom per year.

Optimized Cost Plan

(for select costs)**

- 80 – 110 Keys: Estimated Cost Per Key $102,000 – $170,000
- 120 – 150 Keys: Estimated Cost Per Key $94,000 – $151,000

ASK US ABOUT OUR DEVELOPMENT INCENTIVES

* 2019 Four Points by Sheraton Franchise Disclosure Document. Additional details included on the back. For all other costs and fees, refer to the FDD.
** The “Estimated Cost Per Key” includes select building construction, kitchen and laundry equipment, FF&E, start-up costs, and certain additional funds. You will incur additional costs. Please refer to our 2019 Four Points by Sheraton Franchise Disclosure Document for complete details.
Always a Great Stay with Four Points by Sheraton

Relaxed, Informal Design

Comfortable guestrooms and beds, productive work spaces and a welcoming lobby – everything that matters most. The look and feel of Four Points is relevant to today’s independent traveler – modern but never trendy, practical yet stylish.

Travel The Way You Like

Guests can relax over a great, local craft beer on tap with signature Best Brews™ at any Four Points hotel around the world, or stay active in our state-of-the-art fitness facilities. Many of our hotels also have space for meetings or special events, big or small.

Essentials Done Right

Free bottled water in each room, free Internet access and great rates – everything that matters most to guests.


Four Points by Sheraton Franchise Disclosure: As of December 31, 2018, there were 152 Four Points by Sheraton hotels open and operating in North America (U.S. and Canada); of these, 151 were franchised. The data reflects the performance of the 122 franchised Four Points by Sheraton hotels open and operating in North America for 24 months as of December 31, 2018, for which Smith Travel Research, Inc. has data and which did not undergo material renovations or expansions during the 24 months preceding December 31, 2018. Of the 122 Four Points hotels, 62 (50.8%) achieved an average occupancy rate equal to or greater than 68.5%; 42 (34.4%) achieved an average daily room rate equal to or greater than $123.14; 40 (32.8%) achieved or exceeded the average RevPAR of $84.32; and 59 (48.4%) achieved or exceeded the average RevPAR Index equal to or greater than 93.2%. Of the 122 Four Points by Sheraton hotels, 59 (48.4%) had 63.9% or more of their total gross room nights booked at their hotel come from all Reservation Channels and 64 (52.5%) achieved or exceeded the average percentage of loyalty program contribution to occupancy of 34.4%. There is no assurance that you will do as well. OFFER AND SALE BY PROSPECTUS ONLY. See Item 19 of our Franchise Disclosure Document dated March 31, 2019, for additional details.