

FOUR POINTS BY SHERATON



Four Points by Sheraton Houston Energy Corridor, TX

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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 over 260 hotels in more than 50 countries, Four Points is experiencing record growth with nearly 120 hotels in the pipeline. With flexible building options, Four Points offers incredible development opportunities for new builds and conversions.

KEY COMPETITORS

Hyatt Place, Hilton Garden Inn

DISTRIBUTION (Q3 2018)

With over 260 hotels globally, Four Points is experiencing record growth with nearly 120 hotels in the pipeline.

U.S. AND CANADA (Units / Rooms)

Open: 147 / 22,454

Pipeline: 41 / 5,237

GLOBAL (Units / Rooms)

Open: 265 / 48,243

Pipeline: 118 / 23,557

RECENT OPENINGS

Four Points by Sheraton Hamilton - Stoney Creek, Ontario
Opened August 2018



Four Points by Sheraton Salt Lake City Airport, UT
Opened August 2018



FRANCHISE HOTEL PERFORMANCE*

Average Occupancy Rate: 71.0%

Average Daily Room Rate: \$117.28

Average RevPAR: \$83.32

Average RevPAR Index: 95.5

Loyal Customer Base:
Starwood Preferred Guest Contributed **43.8%**
of Occupancy

Lower Cost Bookings:
Central Marketing Delivery Channels Generated
81% of Room Revenue

COMPETITIVE FEE STRUCTURE*

Application Fee: The greater of \$60,000 plus \$450 per guest room in excess of 150 guestrooms

Royalty Fee: 5.5% of Gross Room Sales

Program Fee: 4% of Gross Room Sales

OPTIMIZED COST PLAN*

80 – 110 keys
Average Cost Per Key: \$101,000– \$173,000

120 – 150 keys
Average Cost Per Key: \$94,000 – \$153,000

*2018 Four Points Franchise Disclosure Document. For all other costs and fees, refer to the FDD.

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.

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FOUR POINTS BY SHERATON FRANCHISE DISCLOSURE:

The data reflects the performance of all 111 franchised Four Points by Sheraton hotels open and operating in North America for 24 months as of December 31, 2017, for which Smith Travel Research, Inc. has data and which did not undergo material renovations or expansions during the 24 months preceding December 31, 2017. Of the 111 Four Points hotels, 50 (45.0%) achieved an average occupancy rate equal to or greater than 71.0%; 37 (33%) achieved an average daily room rate equal to or greater than \$117.28; 34 (30.6%) achieved or exceeded the average RevPAR of \$83.32; and 55 (49.5%) achieved an average RevPAR Index equal to or greater than 95.5%. Of the 111 franchised Four Points hotels, 49 (44%) had 81% or more of their gross room nights booked through all Reservation Channels for the one-year period ended December 31, 2017 and 57 (51.4%) achieved or exceeded the average percentage of SPG contribution to occupancy of 43.8% for the one-year period ended December 31, 2017. 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, 2018, for additional details.