Choice Hotels International Inc. CHH

NYSE; other; SIC 7011, Hotels & Motels; CIK 0001046311

C

middle fifth of 315 graded peers in other

rank 170 of 315; percentile 53.8; sampling error 2.7 points; lower is stronger

A B C D E

C, the tortoise



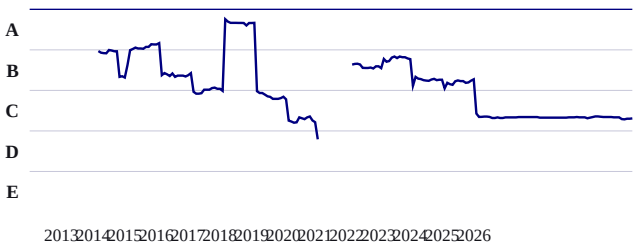
Scoreboard	
Profitability	C percentile 56.1
Solvency	C percentile 55.8
Growth and financing	B percentile 36.2
Reliability	0.94 AUC filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025
Peer failure rate	0.52% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	over $2.67B assets total assets $2.9B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered not computable: distress
Inputs computable	8 of 13
Graded from	filings received through Feb 19, 2026 275 days before the rescan; latest periodic filing 10-Q received Nov 2, 2026
Last close	$117.27 2026-11-20; market equity $5.2B; no price enters the letter

Share price, twelve months to the rescan



Split-adjusted close. Each lollipop is a rescan and carries the letter held then.

Letter at every rescan, 2012 to 2026



Sector percentile at each rescan, stronger toward the top; facts filed by each date only.

Business, in the company's words

opening of Item 1 of the 10-K received Feb 19, 2026

We are primarily a hotel franchisor operating in 49 states, the District of Columbia, and 50 countries and territories. As of December 31, 2025, we had 7,575 hotels with 656,825 rooms open and operating, and 825 hotels with 77,862 rooms under construction, awaiting conversion or approved for development, or committed to future franchise development on outstanding master development agreements (collectively, "pipeline") in our global system.

The thirteen inputs

lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight

Input	Value	Peer median	Percentile, 0 to 100	Pct	Peers	Period end
Profitability, sleeve percentile 56.1						
Gross profitability	not computable	26.7%				
one or more required annual facts are missing						
Return on invested capital	19.5%	10.0%		21.9	147	2025-12-31
Accruals ratio	3.7%	(5.7%)		90.4	458	2025-12-31

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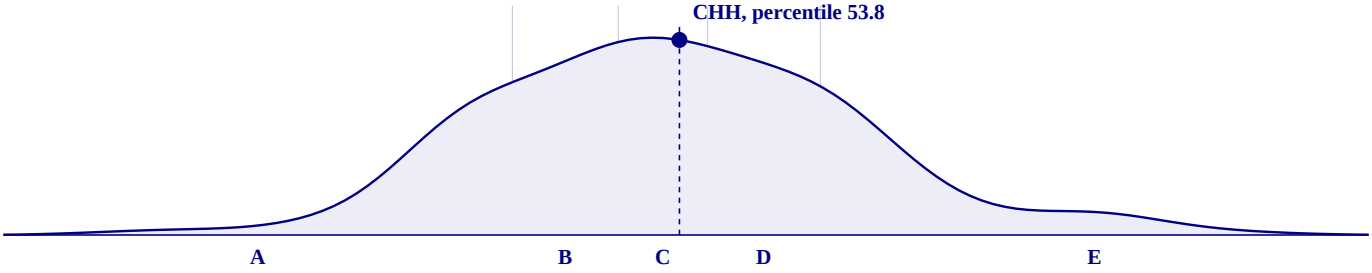
Gross margin stability, five years	not computable	2.2 pts				
five annual gross margins are required; found 0						
Solvency, sleeve percentile 55.8						
Altman Z double-prime	3.55	2.06		27.5	357	2025-12-31
Net debt to EBITDA	3.66x	2.37x		66.9	173	2025-12-31
Interest coverage	not computable	2.93x				
latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31						
Current ratio	0.87x	1.33x		72.9	462	2025-12-31
Growth and financing, sleeve percentile 36.2						
Revenue growth, three-year compound	4.4%	4.9%		49.3	376	2025-12-31
Free cash flow growth, three-year compound	not computable	8.7%				
latest aligned inputs end 2019-12-31; latest annual assets end 2025-12-31						
Reinvestment rate	not computable	13.3%				
latest aligned inputs end 2019-12-31; latest annual assets end 2025-12-31						
Asset growth, three years	11.6%	4.1%		24.2	402	2025-12-31
Net share issuance, one year	(1.6%)	(0.5%)		35.1	354	2026-02-10

Among 315 peers

other; letters are fifths of this list



Composite score of every graded peer, smoothed; vertical rules are the letter band edges; stronger to the left.

Rank	Company	Percentile	Letter	Warnings
165	MGM Resorts International (MGM)	52.2	C	
166	Matson, Inc. (MATX)	52.5	C	
167	Robert Half Inc. (RHI)	52.9	C	fortress balance sheet
168	Wynn Resorts Ltd. (WYNN)	53.2	C	
169	Rimini Street, Inc. (RMNI)	53.5	C	fortress balance sheet
170	Choice Hotels International Inc. (CHH)	53.8	C	
171	Vivakor, Inc. (VIVK)	54.1	C	short runway, late filer
172	Arlo Technologies, Inc. (ARLO)	54.5	C	
173	Union Pacific Corp. (UNP)	54.8	C	
174	Neogenomics Inc. (NEO)	55.1	C	
175	United Airlines Holdings, Inc. (UAL)	55.4	C	

What the price implies

at the 2026-11-20 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	11.1%	0.4%	60
Distance from 52-week high	(5.9%)	(28.8%)	92
EBIT to enterprise value	6.2%	4.6%	65
Free cash flow yield	4.1%	4.1%	50
Book value to price	0.03	0.39	9
Sales to price	0.31	0.75	24
Composite equity issuance, five years	(27.2%)	(9.5%)	19

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Relative strength against the sector, log excess return	(0.02)	(0.12)	60
Twelve-month failure probability, CHS model	not computable	0.04%	

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score None of 9, period end 2025-12-31	
Return on assets above zero	pass
Operating cash flow above zero	pass
Return on assets improved	pass
Operating cash flow exceeds net income	fail
Long-term leverage fell	pass
Current ratio improved	pass
No new shares issued	pass
Gross margin improved	fail
Asset turnover improved	fail
Cash, filings, liquidity	
Cash and equivalents	$170.6M
Operating cash flow, four quarters	$207.6M
Months of runway	not finite
Days since last periodic filing	19 (10-Q received Nov 2, 2026)
Median daily dollar volume, 63 sessions	$59.4M

Sources

every fact behind the inputs; each row links to its filing index on sec.gov

#	Concept	XBRL tag	Value	Period end	Received	Form	Accession
1	operating income	us-gaap:OperatingIncomeLoss	$448.4M	2025-12-31	2026-02-19	10-K	26-000008
2	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$456.9M	2025-12-31	2026-02-19	10-K	26-000008
3	income tax	us-gaap:IncomeTaxExpenseBenefit	$86.9M	2025-12-31	2026-02-19	10-K	26-000008
4	total debt	us-gaap:LongTermDebt	$1.9B	2025-12-31	2026-02-19	10-K	26-000008
5	book equity	us-gaap:StockholdersEquity	$181.2M	2025-12-31	2026-02-19	10-K	26-000008
6	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$45.0M	2025-12-31	2026-02-19	10-K	26-000008
7	total debt	us-gaap:LongTermDebt	$1.8B	2024-12-31	2026-02-19	10-K	26-000008
8	book equity	us-gaap:StockholdersEquity	-$45.3M	2024-12-31	2026-02-19	10-K	26-000008
9	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$40.2M	2024-12-31	2026-02-19	10-K	26-000008
10	net income	us-gaap:NetIncomeLoss	$369.9M	2025-12-31	2026-02-19	10-K	26-000008
11	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$270.4M	2025-12-31	2026-02-19	10-K	26-000008
12	assets	us-gaap:Assets	$2.9B	2025-12-31	2026-02-19	10-K	26-000008
13	assets	us-gaap:Assets	$2.5B	2024-12-31	2026-02-19	10-K	26-000008
14	current assets	us-gaap:AssetsCurrent	$406.0M	2025-12-31	2026-02-19	10-K	26-000008
15	current liabilities	us-gaap:LiabilitiesCurrent	$467.3M	2025-12-31	2026-02-19	10-K	26-000008
16	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	$2.3B	2025-12-31	2026-02-19	10-K	26-000008
17	liabilities	us-gaap:Liabilities	$2.7B	2025-12-31	2026-02-19	10-K	26-000008
18	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$59.7M	2025-12-31	2026-02-19	10-K	26-000008
19	operating income	us-gaap:OperatingIncomeLoss	$375.0M	2023-12-31	2026-02-19	10-K	26-000008
20	interest expense	us-gaap:InterestExpense	$63.8M	2023-12-31	2024-02-20	10-K	24-000010
21	revenue	us-gaap:Revenues	$1.6B	2025-12-31	2026-02-19	10-K	26-000008
22	revenue	us-gaap:Revenues	$1.6B	2024-12-31	2026-02-19	10-K	26-000008
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.5B	2023-12-31	2024-02-20	10-K	24-000010
24	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.4B	2022-12-31	2024-02-20	10-K	24-000010
25	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$270.6M	2019-12-31	2022-02-24	10-K	22-000009
26	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$57.3M	2019-12-31	2020-03-02	10-K	20-000011
27	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$242.9M	2018-12-31	2021-02-26	10-K	21-000014
28	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$47.7M	2018-12-31	2020-03-02	10-K	20-000011
29	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$257.4M	2017-12-31	2020-03-02	10-K	20-000011

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30	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$23.4M	2017-12-31	2020-03-02	10-K	20-000011
31	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$152.0M	2016-12-31	2019-02-26	10-K	19-000011
32	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$25.2M	2016-12-31	2019-02-26	10-K	19-000011
33	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$18.8M	2019-12-31	2022-02-24	10-K	22-000009
34	operating income	us-gaap:OperatingIncomeLoss	$318.5M	2019-12-31	2022-02-24	10-K	22-000009
35	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$269.9M	2019-12-31	2022-02-24	10-K	22-000009
36	income tax	us-gaap:IncomeTaxExpenseBenefit	$47.1M	2019-12-31	2022-02-24	10-K	22-000009
37	current assets	us-gaap:AssetsCurrent	$236.6M	2019-12-31	2021-02-26	10-K	21-000014
38	current liabilities	us-gaap:LiabilitiesCurrent	$325.9M	2019-12-31	2021-02-26	10-K	21-000014
39	current assets	us-gaap:AssetsCurrent	$243.8M	2018-12-31	2020-03-02	10-K	20-000011
40	current liabilities	us-gaap:LiabilitiesCurrent	$318.4M	2018-12-31	2020-03-02	10-K	20-000011
41	assets	us-gaap:Assets	$2.4B	2023-12-31	2025-02-20	10-K	25-000007
42	assets	us-gaap:Assets	$2.1B	2022-12-31	2024-02-20	10-K	24-000010
43	shares outstanding	dei:EntityCommonStockSharesOutstanding	45,971,393	2026-02-10	2026-02-19	10-K	26-000008
44	shares outstanding	dei:EntityCommonStockSharesOutstanding	46,728,074	2025-02-11	2025-02-20	10-K	25-000007