

FRANCHISE DISCLOSURE DOCUMENT

Joe Homebuyer Franchising, LLC

A Utah limited liability company
10122 S. Redwood Rd., Ste B
South Jordan UT 84095

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We are **JOE HOMEBUYER FRANCHISING, LLC** a Utah limited liability company. We offer franchises to qualified individuals and entities to own and operate a Joe Homebuyer™ franchise under our service marks, trade names, programs, and systems under the name “**Joe Homebuyer**.” Our franchisees operate their businesses to provide real estate solutions by buying, rehabilitating, and disposing of residential and commercial properties and using other investment strategy services under the Service Marks and the Joe Homebuyer programs and systems (the "Method of Operation").

The total investment necessary to begin operation of a **Joe Homebuyer** franchised business is **\$131,200 to \$444,500**. This includes **\$50,000** that must be paid to us or our affiliate.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Mark Stubler at 10122 S. Redwood Rd., Ste B, South Jordan UT 84095 and (833) 397-2560.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as “A Consumer's Guide to Buying a Franchise,” which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

ISSUANCE DATE: May 8, 2026

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit A includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Joe Homebuyer business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Joe Homebuyer franchisee?	Item 20 lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit E.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About *This* Franchise

Certain states require that the following risks be highlighted:

1. Out-of-State Dispute Resolution

The franchise agreement requires you to resolve disputes with us by mediation, arbitration, and litigation only in Utah. Out-of-state arbitration, litigation and mediation may force you to accept a less favorable settlement for disputes. It may also cost you more to sue, arbitrate, or mediate with us in Utah than in your own state.

2. Financial Condition

The Franchisor's financial condition as reflected in the financial statements (see Item 21) calls into question the Franchisor's financial ability to provide services and support to you.

3. Spousal Liability

Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

4. Mandatory Minimum Payments

You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

5. Supplier Control

You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

6. Turnover rate

During the last 3 years, 43 outlets were terminated, not renewed, reacquired, or ceased operations for other reasons. This franchise could be a higher risk investment than a franchise in a system with a lower turnover rate.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

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1.

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

We are **JOE HOMEBUYER FRANCHISING, LLC** (called “We,” “Us,” or “Our”). We were organized in Utah on April 2, 2019. We do business under the names “**Joe Homebuyer**” and the **Joe Homebuyer** logos. We do not intend to do business under any other names. Joe Homebuyer Franchising, LLC is called “us” or “we” in this Franchise Disclosure Document. “You” means the prospective purchaser of a Joe Homebuyer franchise, and includes owners or partners of a corporation, partnership, or other legal entity that purchases a Joe Homebuyer franchise.

We are the franchisor of the JOE HOMEBUYER franchise system. We license our franchisees in specified (but not exclusive) territories to own and to operate franchises under the name “Joe Homebuyer.” We authorize our franchisees to promote, advertise, and conduct real estate buying and contract assignment services and transactions and to use our Method of Operation and our service marks in the operations of the franchisee’s business. In addition to use of our Marks, the franchise involves our proprietary methods, lists, and systems for acquiring real estate contracts and either acquiring properties under such agreements or assigning the contracts for profit.

Our principal office address is 10122 S. Redwood Rd., Ste B, South Jordan UT 84095. Our telephone number is (855) 200-1130. We began offering Joe Homebuyer franchises in September 2019. We do not have any other business activities. We have never offered franchises in any other line of business. We do not operate any businesses of the type being franchised. We produce and sell innovative advertising and sales promotion materials. We may attempt to negotiate group discount rates for the benefit of our franchisees for products, supplies, and equipment.

Our registered agents for service of process are outlined in Exhibit E to this Disclosure Document.

Our parent company is Molinz, LLC, a Utah limited liability company formed on March 15, 2019. Its principal address is 10122 S Redwood Rd, Suite B, South Jordan, UT 84095.

We and our parent retain the right to own or operate additional **Joe Homebuyer** offices and franchises.

We have no predecessors or affiliates.

The market for real estate buying and contract assignment activities is well-established throughout the United States. The principal sources of direct competition for your franchise are similar businesses, some of which are part of other existing franchise chains. Indirect sources of competition come from realtors, brokers, and similar professionals.

You must comply with federal and state licensing and regulatory requirements relating to the purchase and sale of real property, telecommunications and consumer protection, and the offer and placement of financing including, without limitation, real estate brokerage, credit and insurance laws, consumer credit laws, mortgage licensing laws, usury laws, Real Estate Settlement Procedures Act and Regulation Z, fair housing and non-discrimination, advertising, the Telephone Consumer Protection Act, the licensing or registration of contractors and subcontractors, zoning, safety, the furnishing and installation of certain types of products and services and

government programs. There may be other local or state laws or regulations that apply to the Joe Homebuyer Business and you must investigate these laws or regulations. You may need to obtain a mortgage broker's license, contractor's license, or real estate broker's license and/or determine state usury interest limits and satisfy other laws or regulations and licensing requirements, including, without limitation, in your state and municipality. You should review your state's laws and comply with all licensing requirements and other laws and regulations affecting your business. A Federal Trade Commission rule, which provides for a "cooling off" period for home sales, may apply. The rule requires the seller to inform the buyer of his right to cancel the transaction at any time before midnight of the third business day after the execution of the contract.

Many states have similar laws or regulations. You should consult with your attorney concerning these and other laws, regulations, and ordinances that may affect the operation of your Joe Homebuyer Business. You may also need to complete a certain amount of continuing education and/or training credits to maintain certain licenses. You must determine if this requirement is applicable to you and the extent of the continuing education and/or training that you will need to do.

Federal, state, and city, county, parish, borough, municipality or other local laws.

Federal. Examples of federal laws are wage and hour, occupational health and safety, equal employment opportunity, hazardous materials communication to employees, hazardous waste and environmental, and the Americans With Disabilities Act.

State. State laws may cover the same topics as federal laws. Examples of state laws include environmental, occupational health and safety, fire, health, and building and construction laws.

Local. Local laws may cover the same topics as federal and state laws. Examples of local laws include health and sanitation, building codes, fire codes, and waste disposal.

2.
BUSINESS EXPERIENCE

MARK STUBLER - Founder and President

Mr. Stubler has been our founder and President of Joe HomeBuyer in South Jordan, Utah since our inception in April 2019. He began his career in Real Estate investing in October of 2011, and partnered and became CEO of Utah Sell Now LLC in January 2016 in South Jordan, Utah.

VANCE COURTNEY – Chief Operations Officer

Mr. Courtney has served as our Chief Operations Officer in South Jordan, Utah since July 2024. He has owned and operated SOS Home Offers in Augusta, Georgia since May 2019.

JANET LEE - Vice President of Operations

Ms. Lee began serving as our Vice President of Operations in South Jordan, Utah in April 2019. She has served as development consultant for Utah Sell Now in South Jordan, Utah, from 2013 to the present.

3.
LITIGATION

No litigation is required to be disclosed in this Item.

4.
BANKRUPTCY

No bankruptcy is required to be disclosed in this item.

5.
INITIAL FEES

The Initial Franchise Fee is **\$50,000**. The Initial Franchise Fee is paid in consideration for our sales expenses, administrative overhead, return on investment, and start-up costs related to the execution of the Franchise Agreement, and the opening of the Franchise. Simultaneous with the execution of the Franchise Agreement, you will pay to us the entire Initial Franchise Fee. If you are executing this Agreement contemporaneously with a second territory, you are entitled to pay \$50,000 as the initial franchise fee for one agreement, and \$25,000 for the second agreement.

We offer veteran discounts to qualified franchisees who have completed military service, under which you may qualify for a **10%** discount to your Initial Franchise Fee. Contact us for more information about this program.

If you are a current franchisee, you may be eligible for a discount to acquire additional territory. For information about the current franchisee discount and to determine if you are eligible, contact us.

You or the manager must complete our mandatory training program to our exclusive satisfaction or we may terminate the Franchise Agreement upon refunding all of the Initial Franchise Fee. We may also terminate the Franchise Agreement upon refunding all of the Initial Franchise Fee if we do not think you are the right fit for the franchise during or after you have completed training. You must open the franchise within **120** days after the date of the Franchise Agreement. This time requirement may be extended for multiple franchise purchases. If this obligation is not fulfilled, we may elect to terminate the Franchise Agreement by refunding one-quarter of the Initial Franchise Fee. We may retain the remaining portion of the Initial Franchise Fee.

Initial Franchise Fees in 2025 ranged from \$10,000 to \$50,000. The initial fees are uniform except as described in this Item 5. We intend to raise the initial franchise fee after certain growth levels have been attained. The increased franchise fee and timing have not been determined as of this date.

We may offer franchises at a reduced rate to prospective franchisees who in our opinion possess the knowledge and experience to conduct business with minimal assistance from us or who are purchasing multiple franchises. The reduced rate has not been determined as of this date. Occasionally, we may grant new franchises to our owners and employees and their family members with reduced or no initial fees.

The Initial Franchise Fee and the amount paid for the initial advertising materials are not refundable in whole or in part under any circumstances other than those listed above.

6.
OTHER FEES

<u>Name of Fee</u>	<u>Amount</u> (See Note 2)	<u>Date Due</u>	<u>Remarks</u>
Transaction Fee Schedule	For Assignment Transactions (See Note 1): 1) 9% of the net transaction sales price for your aggregate transaction sales prices from \$0 to \$500,000 during any calendar year. 2) 7% of the net transaction sales price for your aggregate transaction sales prices in excess of \$500,000 during any calendar year. For all other Transactions (Sale/flip, Hold/rental, or Delayed Sale) (See Note 1): 1) 5% of the net transaction sales price for your aggregate transaction sales prices from \$0 to \$500,000 during any calendar year. 2) 4% of the net transaction sales price for aggregate transaction sales	Upon Closing of the Transaction.	At our discretion, Transaction Fees will be paid one of two ways: 1) Payment is collected by the settlement agent at Transaction closing. You must instruct the title company, escrow agent, or other settlement agent to remit the Transaction Fee directly to us from the closing proceeds in a line item on the closing documents, settlement statement, HUD-1 Statement, or other transaction or closing document. 2) via automatic pre-authorized payment plan, electronic funds transfer, or other automatic process we specify in the Operations Manual within 2 business days of closing.

<u>Name of Fee</u>	<u>Amount</u> (See Note 2)	<u>Date Due</u>	<u>Remarks</u>
	prices in excess of \$500,000 during any calendar year.		
Minimum Transaction Fees	\$500 for each Transaction.	Upon final execution or closing of the transaction.	Payment is collected by the settlement agent at Closing or via electronic funds transfer, at our discretion. A “Transaction” means the acquisition by you, any affiliate, subsidiary, or any other related party or a covered person of an interest in real property. There is no maximum Transaction Fee.
Monthly Fee	\$400 per month (Note: this is waived in any month in which you report a Purchase Transaction or Assignment Transaction and pay the applicable Transaction Fee.)	Payable on the first day of each month beginning 30 days after signing the Franchise Agreement.	At franchisor's option, payment must be withdrawn by electronic funds transfer from your designated bank account or from a credit card that you supply. We reserve the right to temporarily lower or suspend this fee, in our sole discretion, upon prior written notice to you.
Brand Development Fee	Up to \$1,000 per month, currently \$200 per month.	Payable on the first day of each month beginning 30 days after signing the Franchise Agreement.	We may require you to allocate to the Brand Development Fees all or any portion of your required contributions to an

<u>Name of Fee</u>	<u>Amount</u> (See Note 2)	<u>Date Due</u>	<u>Remarks</u>
			Advertising Council or expenditures for local advertising. Amounts due may be withdrawn by electronic funds transfer from your designated bank account. Your Brand Development Fees will be credited against your required contribution to the Advertising Council or your required expenditure for local advertising, if required. Your leads may be cut off if you fail to contribute as required. We reserve the right to temporarily lower or suspend this fee, in our sole discretion, upon prior written notice to you.
Territory Advertising Requirement	Including Territory, Regional and NAF, your maximum required marketing spend monthly: Level 1: \$5,000 Level 2: \$8,000 We currently waive or reduce this requirement for franchisees that implement approved alternative marketing strategies or activities.	As Incurred	This amount is not a fee. If you do not implement approved marketing strategies and activities, we may require you to spend these amounts on local advertising. If you do not spend the monthly minimum on territory advertising, we may require you to contribute the difference between the amount expended and the amount you

<u>Name of Fee</u>	<u>Amount</u> (See Note 2)	<u>Date Due</u>	<u>Remarks</u>
			should have expended as additional Brand Development Fees, due to us on the 5 th day of the following month. In some instances, we may recommend that you spend more than the Territory Advertising Requirement up to \$15,000 per month, depending on the size of the market, the demographic of homes within your Franchise Territory, including media price range of homes compared to the national average, competitive of the marketplace, and levels of in-market appreciation. We reserve the right to temporarily waive, lower or suspend this requirement, for franchisees that implement approved alternative marketing strategies or activities.
Regional Advertising Fund Contribution	Franchisor can elect to establish a Regional Advertising Fund for local or regional cooperative advertising. The maximum contribution required towards the Regional Advertising	Payment for advertising is required one month in advance of the month the advertising will be run.	If we create a regional advertising program, all franchisees within that region will be obligated to make a contribution to a regional advertising fund in the amount established at the

<u>Name of Fee</u>	<u>Amount</u> (See Note 2)	<u>Date Due</u>	<u>Remarks</u>
	cooperative will not exceed: Level 1: \$5,000 Level 2: \$8,000		time such program is created. Each franchise and each operation we or our affiliates own and operate will be entitled to one vote. The minimum amount that may be imposed is \$0 and the maximum is \$8,000 per month. This contribution will be credited toward your territory advertising requirement, if required. We may require you to execute documents that allow us to automatically take this fee out of your franchise bank accounts each month. See Item 11, below.
Marketing Fund Contributions	May be imposed for each Sale Transaction, Assignment Transaction, and Hold Transaction, and not to exceed \$500 per transaction, as determined by Franchisor.	Paid at the same time as the transaction fee.	The Marketing Fund Contribution is in addition to your required minimum local advertising expenditure, and will not count toward your local advertising requirement. We may raise the required contribution to a maximum fee of \$500 per Sale Transaction, Assignment Transaction and Hold Transaction.
Email Addresses	Then-current amount. Currently, \$22 per	Payable on the first day of each month	You must use at least one email address

<u>Name of Fee</u>	<u>Amount</u> (See Note 2)	<u>Date Due</u>	<u>Remarks</u>
	month for each email address.	for the following month.	connected with a domain designated by us. You will incur this fee for each email address you request for the franchised business. This fee may increase by up to 25% per year based on increased costs to us.
Inbound Call Center Monthly Fees	Not presently required. If implemented, you will pay the then-current rates to a designated call center vendor, or us This amount may change, as determined by the vendor, or by us, if we elect to deliver such services.	The monthly fee is payable by the 7 th day of each month. We may change the date on which fees are due and will advise you of any change.	Although not presently required, in the future, we may require you to retain us or a designated vendor , to deliver call center services which will be done at then-current rates. In either event, you agree to use approved telephone answering services, and pay approved vendors pursuant to those negotiated terms, as such terms may be established and communicated to you and as they are set by us or the approved vendor(s). This fee may increase up to the actual costs of the vendor.
Call Distribution System Fee	Currently \$0.29 per minute for calls.	On receipt of invoice.	All fees associated with call center can be changed with 30 days notice. This fee may increase by up to 25% per year based on increased costs to us or the vendor.

<u>Name of Fee</u>	<u>Amount</u> (See Note 2)	<u>Date Due</u>	<u>Remarks</u>
Outbound Call Center Fees	Not presently required. If implemented, you will pay the then-current rates to a designated call center vendor, or us. This amount may change, as determined by the vendor, or us, if we elect to deliver such services.	On receipt of invoice.	Although not presently required, in the future, we may require you to retain us or a vendor designated by us to handle outbound “cold calling” services, which will be done at then-current rates. This fee may increase by up to 25% per year based on increased costs to us or the vendor.
Accounting Service Fee	Not presently required.	On receipt of invoice.	Although not presently required, in the future, we may require franchisees to retain us or a vendor designated by us to handle accounting and bookkeeping services, which will be done at then-current rates. If implemented, this fee may increase by up to 25% per year based on increased costs to us or the vendor.
Additional On-Site Training	\$500 per day and you must reimburse us for our out of pocket costs.	On receipt of invoice.	We may charge a fee for each office visit we provide at your request. You must also reimburse us for all of our reasonable expenses (such as the cost of travel, lodging, meals and wages) incurred in performing the office visit.

<u>Name of Fee</u>	<u>Amount</u> (See Note 2)	<u>Date Due</u>	<u>Remarks</u>
Cost to Attend Annual Convention and Trade Show	\$0 to \$3,500	As arranged with third party vendors	You are required to attend our annual convention and trade show. The amounts in this table are estimates for your travel, food and lodging costs to attend. Some of these costs will either be collected by us and related to third parties on your behalf or paid directly to third parties vendors. Travel and lodging costs, including plane fares, may vary greatly based on your franchise location and the distance to the location of the annual convention.
Annual Convention and Trade Show Fee	Up to \$2000, as determined by us prior to each annual convention.	Upon demand.	If you do not attend a convention, we will deliver to you and you will pay us for all training materials, documentation, handouts, training videos, and video recordings of the activities of the convention. The price for the training materials, documentation, handouts, training videos, and video files for each annual convention will be established by us from time to time but will not be less than \$2,500.

<u>Name of Fee</u>	<u>Amount</u> (See Note 2)	<u>Date Due</u>	<u>Remarks</u>
Transfer Fee	Greater of \$5,000 or 5% of proposed purchase price for the business, not to exceed 50% (fifty per cent) of the then-current franchise fee.	Before transfer.	The Transfer Fee will be paid by delivering: (i) a non-refundable deposit of \$1,000 with the written request for our approval of the proposed purchaser and (ii) the balance of the Transfer Fee on the closing date of the transfer.
Transfer Referral Fee	10% of proposed purchase price for the business; or if making use of our franchise broker relationships, the actual amount of the commission arising from such use.	Closing of the transfer.	Due only if a person we assist you in finding or refer to you buys you the buyer (or refer the buyer to you) of your Joe Homebuyer Business or an ownership interest in you or in the Franchise Agreement including, without limitation, making an introduction between you and the buyer, or giving you the buyer's contact information or giving the buyer your contact information, including through the delivery of a franchise disclosure document. This fee is in addition to the transfer fee. If making use of our franchise broker relationships, your fee will be equal to the commission

<u>Name of Fee</u>	<u>Amount</u> (See Note 2)	<u>Date Due</u>	<u>Remarks</u>
			actually arising from such use.
Closing Fees	Variable, based upon the amount of the transaction being closed.	Upon receipt of invoice.	Upon closing, certain closing fees may become due to your designated title company or closing attorney.
Renewal	You will incur a renewal fee of up to \$2,500 plus applicable taxes.	Immediately upon demand	
Step-In Right Costs	Out-of-pocket expenses and costs we incur, plus 15% for our overhead costs.	As Incurred	You must reimburse us for our out of pocket expenses and costs we incur if we step-in to operate your franchise according to Franchise Agreement.
Non-Reporting Fee	Greater of \$5,000 per month for each month that you failed to deliver required reports OR an amount equal to the Transaction Fees from the preceding 6 months if they had been properly paid and reported.	Upon demand	Payable in any instance when you fail to deliver to us required reports in an acceptable format as designated by us in the Operations Manual or as communicated to you by us. This non-reporting fee is in addition to amounts that you owe to us for Transaction Fees and late payment fees, charges, and penalties.
Late/Finance Charge	1.5% per month	Each month that amounts owed remain unpaid	You will not be compelled to pay late/finance charges at a rate greater than the maximum

<u>Name of Fee</u>	<u>Amount</u> (See Note 2)	<u>Date Due</u>	<u>Remarks</u>
			allowed by applicable law.
Late Payment Fee	\$10 per day from the date due until paid in full.	As incurred	You will not be compelled to pay late payment fee in an amount greater than the maximum allowed by applicable law
Default Redemption Fee	Any reasonable amount determined necessary to appropriately remedy the default.	Upon your acceptance of such fee in lieu of termination.	If you commit a default that permits us to terminate the Franchise Agreement without affording you any opportunity to cure, we may permit you to avoid termination of the Franchise Agreement conditioned upon, among other things, your payment to us of a fine for such default in the amount we, in our sole discretion, determine.
Administrative Territory Fee	\$1,000	Upon our approval of any change in your Territory.	A change in your Territory must include payment to us of \$1,000 in consideration of our administrative time and cost, and related costs in approving this change. We may change this fee upon 30 days written notice to you. This fee may increase by up to 25% per year.
Addendum Fee (See Note 4)	\$250	As incurred	You must pay us a processing fee for modifications to your franchise agreement

<u>Name of Fee</u>	<u>Amount</u> (See Note 2)	<u>Date Due</u>	<u>Remarks</u>
			that are made at your request. When you request an amendment or addendum to your franchise agreement or related agreements we may require that you sign a general release releasing us from all claims you may have except claims which, under state law, may not be released.
Relocation	You will reimburse us for our out-of-pocket costs concerning the relocation.	Prior to relocation.	
Customer Relationship Management; Real Estate Software; Operations Software; Marketing Software – hosting and Maintenance Monthly Software Support Fee	\$1,950 one-time set up fee; \$300 to \$2,500 per month.	The monthly fee is payable by the 7 th day of each month. We may change the date on which fees are due and will advise you of any change.	The amount of this fee will depend on the size of your team, the types of software and the marketing channels utilized. We may offer one or more software programs or develop additional software programs or updates that you will be required to implement in your Business. If we do not, we may designate a supplier to provide such software services. This fee may change or increase in the future by up to 25% per year. We will determine the increase, if any, to this fee each year.

<u>Name of Fee</u>	<u>Amount</u> (See Note 2)	<u>Date Due</u>	<u>Remarks</u>
Software Technical Support Fee	Reasonable rates if we decide to collect this fee, up to \$50.00 hour	As incurred	We will give you a reasonable time to become familiar with our computer software programs. We will give you free technical software support for so long as we deem necessary for you to sufficiently understand our software. We will give you 45 days advance notice when we deem it reasonable for you to pay a reasonable fee to receive additional technical support.
Audit and Inspection Fee (See Note 3)	Our costs for the audit or inspection if you understate revenue by more than 2% or fail to deliver to us required reports on time	Immediately upon demand	See notes below.
Early Termination Damages	The product of : (1) the greater of \$1,000 or the average monthly transaction fees per for the past 12 months; multiplied by (2) the greater of 24 or the number of months left on the Franchise Agreement term	Upon termination of the Franchise Agreement.	If the Franchise Agreement terminates for any reason (other than by expiration of its term) you must pay us damages. This is in addition to all other fees and amounts due us.

*Unless otherwise indicated above, all fees are uniformly imposed by and payable to us. All fees are non-refundable.

NOTES

Note 1. Definitions of Net, Transaction, Sales Price, Transactions and Transaction Types:

“Net ” means the difference between the contract purchase price for your Transaction and its respective Sales Price as defined below. “Net Proceeds” means the sum of the Net amount for each Transaction during the applicable period. The Net Proceeds includes any and all proceeds received or retained by you and any other entities or individuals affiliated with you or the franchise.

A “ Transaction” means the acquisition by you or any affiliate, subsidiary, or any other related party or covered person, directly or indirectly, through a contractual act or any other undertaking, of an interest in real property (whether vested, unvested, contingent, or otherwise). At our discretion, you must list the Transaction Fees amount and all partners, affiliates, and joint-venturers on the closing documents, settlement statement, HUD-1 Statement, or other transaction or closing documents. You must provide us a copy of the settlement statement, HUD-1 Statement, and any other transaction or closing documents for each Transaction.

For any Transaction defined as an “Assignment Transaction,” you incur Assignment Transaction Fees. An “Assignment Transaction” means the acquisition of an interest in real property by a person to whom you, any affiliate, subsidiary, or any other related party or a covered person either A) assigned the rights to acquire such property, B) referred the acquisition of such property, C) have held your property interest for less than thirty (30) days following the closing or settlement of the Transaction; or D) acted as a broker for such property. The “Sales Price” for each Assignment Transaction is the sum of i) the contract sales price for such Assignment Transaction plus, ii) the amount payable to you, any affiliate, subsidiary, or any other related party or a covered person for x) assigning the contract rights to purchase the applicable property, y) referring the acquisition of such property, or z) acting as a broker for the buyer or seller of such property (if the amount payable for acting as a broker is in excess of the normal real estate commission for your Territory, not to exceed 3% of the contract sales price if you represent the buyer or seller, or 6% of the contract sales price if you represent both the buyer and seller) as shown on the closing documents, settlement statement, HUD-1 Statement, or other transaction documents relating to the transfer of interests in real property associated with the Transaction. For purposes of an Assignment Transaction, the Assignment Transaction Price shall be calculated based upon the sum of the Sales Price and the Assignment Price.

A “Sale Transaction” means the sale or flip transaction by you, any affiliate, subsidiary, or any other related party or a covered person of an interest in real property which you acquired in a previous Transaction and have held your interest for greater than thirty (30) days but less than six (6) months, and the “Sales Price” for each Sale Transaction is the contract sales price as shown on the closing documents, settlement statement, HUD-1 Statement , or for the Sale Transaction.

A “Hold Transaction” means any of the following, without duplication: (a) you have leased or rented a property in your portfolio, (b) you have obtained financing with a maturity exceeding one year of a property in your portfolio, (c) you have not completed a Sale Transaction on a property in your portfolio within six months after the date you acquired such property but before twelve months after the date you acquired such property, or (d) the Franchise Agreement terminates or expires and you have properties in your portfolio. The deemed “Sales Price” for each Hold Transaction is the after repaired value of the property based on the report you submitted to us in connection with the purchase of the property, or such other amount as we may determine in our sole discretion based on an appraisal or comparative market analysis.

A “Delayed Sale Transaction” means the sale by you, any affiliate, subsidiary, or any other related party or a covered person of an interest in real property that has previously become a Hold Transaction and is sold within one year of becoming a Hold Transaction. The “Sales Price” for each Delayed Sale Transaction is the contract

sales price as shown on l the closing documents, settlement statement, HUD-1 Statement or other transaction documents relating to the transfer of interests in real property associated with the Delayed Sale Transaction.

Transactions that involve creative financing (such as subject-to or seller financing) will be treated either as a Sale Transaction or a Hold Transaction, at our discretion. Creative financing Transactions must be approved beforehand by us.

The Sales Price includes any and all proceeds received or retained by you and any other entities or individuals affiliated with you or the franchise.

Note 2 Taxes. You must pay any taxes imposed as a result of your payment to us of initial or ongoing fees.

Note 3 Audits. We may audit your reports, books, statements, business records, cash control devices, and tax returns at any time during normal business hours. Audits will be conducted at our expense unless you understate the Gross Revenue for any reported period or periods by more than 2 percent or unless you fail to deliver any required report of Gross Revenue or any required financial statement in a timely manner. In the event of an understatement or failure to deliver, you will reimburse us for all audit costs. These will include, among other things, the charges of any independent accountant and the travel expenses, room, board, and compensation of our employees incurred in connection with the audit. You will immediately pay all Transaction Fees, Monthly Fees, Brand Development Fees, Local Advertising expenditures and late payment fees and late/finance charges that the audit determines are owed. These payments will not prejudice any other remedies we may have under the Franchise Agreement or by law.

Note 4 Addendum Fee. If you request a modification to your Franchise Agreement that must be achieved through a written addendum to the agreement, we incur legal costs to prepare an appropriate legal document. To defray these costs, for each addendum you request, we charge a processing fee. Such a fee is assessed per addendum, and not per clause or change requested. It is only assessed as actual requests for an addendum are approved, and upon completion and execution of the addendum. Changes or addenda requested by us are not subject to this processing fee.

7.
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

EXPENDITURE	ESTIMATED AMOUNT	PAYMENT METHOD	When Due	TO WHOM
Initial Franchise Fee ⁽¹⁾ (7)	\$50,000	Cash	The entire initial Franchise Fee is due and payable upon execution of the Franchise Agreement	Us

EXPENDITURE	ESTIMATED AMOUNT	PAYMENT METHOD	When Due	TO WHOM
Leasehold Improvements ⁽⁶⁾	\$0 to \$5,000	As Incurred	As Incurred	Lessor or Vendors
Furniture, Fixtures, and Equipment	\$0 to \$9,000	As Incurred	As Incurred	Vendors
Advertising	\$30,000 to \$90,000	As Incurred	As Incurred	Vendors
Signage	\$0 to \$4,000	As Incurred	Prior to Opening	Vendors
Lease and Utilities Deposits and Payments	\$0 to \$4,000	As Incurred	As Incurred	Vendors
Opening Supplies	\$200 to \$1,000	As Incurred	Prior to Opening	Vendors
Software	\$1,000 to \$4,000	As Incurred	Before Initial Training	Vendors
Travel and Living Expenses to Attend Training	\$2,000 to \$6,000	As Incurred	Before and During Training	Vendors
Vehicle	\$0 to \$35,000	As Incurred	As Incurred	Vendors
Insurance	\$2,500 to \$7,500	As Incurred	As Incurred	Insurers
Professional Services ⁽³⁾	\$500 to \$3,000	As Incurred	As Incurred	Vendors/Providers
Miscellaneous Opening Costs ⁽³⁾	\$0 to \$6,000	As Incurred	Prior to Opening	Vendors
Additional Funds – during initial period of approximately 6 months ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	\$40,000 to \$70,000	As Incurred	As Incurred	Vendors
Purchase and Repair of Properties	\$5,000 to \$150,000	As Incurred	As Incurred	Sellers or Vendors
TOTAL ⁽¹⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾	\$131,200 to \$444,500			

Notes:

You should anticipate the preceding initial expenditures in connection with the establishment of a **Joe Homebuyer** franchised business. Additional factors related to each expenditure category are described in the following notes.

Note 1: No allowance has been made in this table for interest or other financing expenses related to opening the franchise. The need for this type of expense will vary with the terms of any financing you get in connection with your franchise. Financing sources may reduce your initial cash requirements, and the availability and terms of financing to any individual franchisee will depend upon factors including the availability of financing in general, your credit worthiness, the collateral security that you may have and policies of lending institutions concerning the type of business to be operated by you. The investment and expenditures required of actual franchisees may vary considerably from the projections outlined above, depending on many factors, including geographical area, the amount of space leased by you and the capabilities of any particular management and service team. If you are purchasing multiple franchises, you will incur the estimated initial expenditures for each franchise you operate.

Note 2: We estimate that the initial phase covered by the additional funds estimate to be approximately 6 months. The high and low range estimates are based on our owners' experience in opening and operating franchised businesses in the United States and Canada since 2000 and in opening and operating businesses providing real estate buying services and contract assignment services since 2010. The predominant factors for calculating the 6-month estimates are amounts paid for marketing and prevailing real estate market conditions.

A. We assume and strongly recommend that you will operate the franchised business from your home. The typical franchise will need minimal square footage of space, perhaps 150-300. We recommend that you do not lease or purchase warehouse or office space during or after the initial 6-month start-up phase. If you choose to lease or purchase warehouse or office space, you are solely responsible for obtaining and paying for the location. If used, you will need leased location of 150-300 square feet and it must be located within the Franchise Territory at your own discretion and without our approval. The cost of purchasing or leasing warehouse or office varies with the location and size of the premises.

B. You are required to have access to facsimile/fax services, telephone, internet services and reliable transportation.

C. Supplies, equipment, and inventory are required as outlined in the Joe Homebuyer Operating Manual.

D. A minimum of **\$20,000** as additional funds or working capital is strongly recommended. You should plan on other sources of income to cover your living expenses.

Note 3: You will have the other usual expenses involved in establishing a business. These expenses vary greatly. They include, but are not limited to, attorney fees, license fees, deposits, sales tax bonds where required, pre-opening advertising and recruiting expenses, employee wages, utility costs, supply expenses, and personal living expenses.

Note 4: You must pay all taxes required by local, state or federal laws related to the services furnished or used in connection with the operation of your franchise. You must obtain all permits, certificates or licenses necessary for the full and proper conduct of the franchise.

Note 5: to Franchise Transferees

It is up to you and the selling franchisee to negotiate and determine the purchase price for the Franchised Business, which may include some or all of the items listed in the chart above. We will not necessarily review or comment on the sufficiency or appropriateness of the purchase price to be paid by you. To the extent that

any of the items listed above are not included in the purchase price, you may need to incur these costs in addition to the purchase price.

Note 6: to Renewal Franchisees

As upon renewal, you will have already established the Franchised Business, you will not incur all of the above estimated amounts. However, we may require you to renovate and replace equipment, signage, and the Franchise Premises as we may require to reflect and to comply with our then-current standards and image. The cost of such renovation and replacement of the Franchised Business will vary depending on the condition of your Franchised Business and our assessment of the renovations which need to be made to bring the Franchised Business up-to-date with our then-current standards and image.

Note 7: Except as provided in Item 5, any fees paid to us are not refundable. Amounts paid to any third parties may be refundable, depending upon the contracts between them and you.

We do not finance any of these initial expenses. The availability and terms of financing will depend on various factors including the availability of financing generally, your credit worthiness, security available to you, lending institution policies concerning the type of business to be operated by you, and other comparable elements.

We require no other payments other than those already disclosed in Items 5, 6, and 7 of this Disclosure Document.

These tables estimate your initial start-up expenses. These figures represent our estimates based upon our experience and the experience of our licensees.

8.

RESTRICTIONS ON SOURCES OF PRODUCTS & SERVICES

We will provide you access to the Joe Homebuyer Operating Manual as part of the initial training described in Item 11, below. The Joe Homebuyer Operating Manual is a hosted online portal that contains various content and information. We may amend the Joe Homebuyer Operating Manual, including changes that may affect minimum requirements for your franchise operations. You will strictly follow the requirements of the Joe Homebuyer Operating Manual as we amend it. You will carry out immediately all changes at your cost, unless we otherwise specify. We reasonably may designate minimum standards for operations and designate guidelines, as specified in the Joe Homebuyer Operating Manual. The Joe Homebuyer Operating Manual is confidential and our exclusive property.

You must operate your franchise in accordance with The JOE Way™ code of conduct. This code of conduct outlines certain standards and guidelines concerning ethical transactions and operations. A copy of The JOE Way™ code of conduct is attached to this disclosure document in Exhibit I.

The Joe Homebuyer Operating Manual contains the **Joe Homebuyer** System and related specifications, standards, operating procedures, accounting and bookkeeping methods, marketing programs and ideas, advertising layouts, advertising guidelines, operation requirements, public relations guidelines, service guidelines, and other rules that we may prescribe.

You must provide us a copy of the settlement statement, HUD-1 Statement, and any other transaction or closing documents for each Transaction. You must provide to us full access to your financial statements, bank accounts, chart of accounts, accounting and bookkeeping reports, records, and software data. To provide you and us with current and accurate financial reports and to promote an efficient and smooth relationship, we currently require that you use required accounting software and use our designated chart of accounts and accounting and bookkeeping systems and processes. You must use us or an approved vendor for ongoing accounting and bookkeeping services.

You must purchase all advertising materials and website design, social media, and online advertising from us or our approved suppliers to ensure uniformity and quality of the advertising. Any equipment, products, or other items that bear the Joe Homebuyer logo or have the words “Joe Homebuyer” in them must be bought from us or an approved supplier. Our officer Mark Stubler has an ownership interest in us.

You must purchase all equipment, inventory, and all other items used in your franchised business from us or from approved suppliers to ensure the quality and uniformity of services in the Joe Homebuyer franchise system. We may attempt to negotiate group discount rates for the benefit of our franchisees for services used in the franchise.

All specifications that we require of you and lists of approved suppliers will be included in the Joe Homebuyer Operating Manual. We will upon request provide them to approved suppliers and suppliers seeking approval. We will use our best judgment to set and modify specifications to maintain the integrity and quality of our franchise system.

We are currently the only approved suppliers for advertising materials and services that bear the Joe Homebuyer name or logo.

For each closing, you must use a title company or closing (real estate) attorney. We may designate the title company or closing attorney that you are required to use. Otherwise, you must provide us notice of your preferred title company or closing (real estate) attorney. If we have not designated the vendor that you are required to use and if we approve of your choice, such title company or closing (real estate) attorney shall thereafter be your designated title company or closing (real estate) attorney.

We may require you to use a designated recruiting service to hire your acquisition manager.

With advance written notice, you may request our approval to obtain services, products, equipment, supplies or materials from sources that we have not previously approved. We may require you to give us sufficient information, photographs, drawings, samples and other data to allow us to determine whether the items from these other sources meet our specifications and standards. These specifications and standards will relate to quality, usability, durability, value, and the suppliers' capacity and facility to supply your needs in the quantities, at the times, and with the reliability necessary for efficient operation. We may license any supplier that can meet or exceed our quality control requirements and standards, for a reasonable license fee, to produce and deliver **Joe Homebuyer** products to you but to no other person. Our confidential requirements, systems and formulas will be revealed to potential suppliers only after we have received reasonable evidence that the proposed supplier is trustworthy and reputable; has the capacity to consistently follow our standards, requirements and testing procedures; will maintain the confidentiality of the designs, systems and formulas; and will adequately supply your reasonable needs. We will not unreasonably withhold approval of a supplier you propose. We will notify you in writing of the approval or disapproval of any supplier you propose within 30 days of receiving written notice from you of your request for approval. Approval of alternative suppliers may be revoked if we obtain information that leads us to conclude in our reasonable discretion that a supplier will not maintain our system standards and we will communicate such revocation to you within 30 days' notice.

We may derive revenue from products and services that you are required to purchase. This revenue results from sales by us to our franchisees of software used in the franchise, marketing services, products bearing our names and services marks, certain marketing and brand development services, and rebates from third-party suppliers. We currently have arrangements to receive rebates from a lender and a website vendor based on a percentage of purchases or transactions made by our franchisees from these vendors. In fiscal year 2025, we received revenues in the amount of \$43,869 from the sale of such products to our franchisees and from supplier rebates which was approximately 1.5% of our total revenues of \$2,960,396. No affiliate derived revenue, rebates, or other material consideration of this type. We estimate that purchases from us or approved suppliers will be from **10 to 20** percent of the total purchases you make to commence operations of your franchise. We estimate that purchases from us and approved suppliers will be from **60 to 100** percent of the total purchases you make to operate your franchise on an ongoing basis.

We may, in the future, receive rebates, price adjustments, or discounts on products or services sold to you by recommended or approved suppliers.

We may require you to utilize and call center and online lead generation services from us or our designated vendor of our choosing, at that then-current rates. Suppliers may, in the future, pay us a rebate on all franchisee purchases based on a percentage of sales such suppliers make to our franchisees. All outbound calling, texting, and marketing communications must be approved by us before engaging in such activities. You must be

certified or registered by us as having been training in how to comply with the Telephone Consumer Protection Act and related laws and issues.

We have designated a software system based upon our accounting computer software and customer relationship management and reporting and data tracking needs. You are required to use this software together with your accounting systems and us or an approved vendor specified by us or otherwise approved by us in writing for accounting and bookkeeping services.

There are no other obligations for you to purchase or lease according to specifications or from approved suppliers. Except as explained above, we have no required specifications, designated suppliers or approved suppliers for goods, services, or real estate related to your franchise business. Except as explained above, we will not derive revenue from your purchases or leases.

We currently provide material benefits to franchisees based on use of designated or approved sources including the right to renew your franchise rights and to obtain additional franchises.

We negotiate purchase arrangements with suppliers, including price terms for the benefit of our franchisee. In the future, we hope to create and augment the effectiveness of cooperatives for the purchase of products and materials and the provision of advertising, for the benefit of the **Joe Homebuyer** franchise system.

You may not sell any products, services or activities other than those specifically recognized and approved by us as part of our franchise system without our prior written approval.

You are required to obtain and keep in force by advance payment of premium appropriate liability insurance. The insurance will include, at a minimum, the following:

- A. Comprehensive general liability insurance, including and products liability, errors and omissions, completed operations, property damage, contractual liability, independent contractors liability, owned and non-owned and hired automobile coverage, and personal injury coverage with a combined single limit of at least **\$1,000,000** per occurrence and **\$2,000,000** aggregate, including umbrella coverage. The general liability insurance coverage policy must contain primary and non-contributory waiver of obligation wording approved by us.
- B. All risks property coverage for the full cost of replacement of your Joe Homebuyer Business premises and business personal property (content), each real property owned by you, and all other property in which we or one of the insureds may have an interest.
- D. Workers' compensation and employer's liability insurance, and other insurance required by statute or rule of the state in which the franchise is located and operated.
- D. Business interruption and lost profit insurance.
- E. Employer's liability insurance in the amount of \$500,000 bodily injury accident and \$500,000 bodily injury by disease.
- F. Automobile liability insurance, including owned, non-owned, leased and hired vehicle coverage, with a combined single limit of at least \$1,000,000 for death, personal injury and property

damage. The automobile liability insurance coverage policy must contain primary and non-contributory waiver of obligation wording approved by us.

- G. Title insurance, with a policy obtained for each property acquired, with a policy coverage limit in a minimum amount of the contract amount of the property acquisition cost.
- H. Other insurance as may be required by the state or locality in which your Joe Homebuyer Business is located and operated. We may also require you to obtain property renovation insurance coverage and coverage against Telephone Consumer Protection Act and similar claims.

The insurance will not be limited in any way because of any insurance we maintain. Maintenance of the required insurance will not diminish your liability to us under the indemnities contained in this Agreement. The policy or policies will insure against our vicarious liability for actual and, unless prohibited by applicable law, punitive damages assessed against you.

We may require you to increase the minimum limits of and types of coverage to keep pace with regular business practice and prudent insurance custom.

The insurance will insure us, you, and our respective subsidiaries, owners, officers, directors, partners, members, employees, servants, and agents against any loss, liability, products liability, personal injury, death, or property damage that may accrue due to your operation of the Franchise. Your policies of insurance will contain a separate endorsement naming us as an additional named insured.

In addition to the computer equipment we require you to purchase as disclosed in Item 7 above, we may require you to install and use accounting and business control computer systems approved by us. You must lease, purchase or otherwise acquire, from sources of your choice and at your expense, software and hardware (including but not limited to programs, computer terminals and Internet) which strictly conform to our specifications as outlined in Item 11, below. Your total purchase costs for these additional computer systems and software will range from \$1,000 to \$4,000.

9. FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the franchise and other related agreement. It will help you find more detailed information about your obligations in these agreements and in other items of this Disclosure Document.

<u>OBLIGATION</u>	<u>SECTION IN FRANCHISE AGREEMENT</u>	<u>DISCLOSURE DOCUMENT ITEM</u>
a. Site selection and acquisition or lease	Section 1.1 & 1.2	Items 6 & 12

b. Pre-opening purchases and leases	Sections 4.1, 5.1 & 8.2	Items 7 & 8
c. Site development and other pre-opening requirements	Sections 1.3, 3.1, 4.1 & 5.1	Items 7, 8 & 12
d. Initial and ongoing training	Sections 3.1 & 3.2	Items 6 & 11
e. Opening	Sections 4.1 and 5.1	Item 11
f. Fees	Sections 2.1, 2.2, 2.3, 2.4, 6.1, & 7.1	Items 5, 6 & 17
g. Compliance with standards & policies/ Joe Homebuyer Operating Manual	Sections 5 & 6.3	Items 11 & 17
h. Trademarks and proprietary information	Sections 1.1, 5.1, 5.3, 5.4, 5.5, 5.8, 5.9, 6.5, 9.2 & 9.10	Items 13, 14 & 17
i. Restrictions on products and services offered	Sections 1.2, 1.5, 5.1, 5.2, 5.5, 5.6, 5.7, 5.9, 5.10, 6.3, 6.5	Items 8, 12, 13, 16 & 17
j. Warranty and customer service requirements	Sections 5.1, 5.2 & 5.5	Item 11
k. Territorial development and sales quotas	Section 1.1	Items 7 & 12
l. Ongoing product & service purchases	Sections 2.9, 5.1, 5.2, 5.5, 5.9, 5.10 & 8.2	Items 7 & 8
m. Maintenance, appearance and remodeling requirements	Sections 1.4, 5.1, 5.2, 5.5 & 6.5	Items 7, 11 & 17
n. Insurance	Section 8.2	Item 7
o. Advertising	Sections 1.5, 2.3, 2.4, 2.6, 5.1, 5.2, 5.3, 5.4, 5.5 & 6.5	Items 9 & 11
p. Indemnification	Sections 6.7 & 8.1	Item 6
q. Owner's participation/ management/ staffing	Sections 2.9, 3, 4.1, 5, 6.5, 6.8, 7, 9.3, 9.10, 9.12 & 9.14	Items 11, 15 & 17
r. Records and reports	Sections 2.8, 5.1, 5.2 & 5.5	Items 6, 11 & 17
s. Inspections and audits	Sections 2.9, 5.1, 5.2 & 5.5	Items 6, 11 & 17
t. Transfer	Section 7	Item 17
u. Renewal	Section 6.1	Item 17
v. Post-termination obligations	Sections 5.8, 5.9, 6.5, 6.6, 6.8, 9.9, 9.10	Item 17
w. Non-competition covenants	Sections 5.8, 5.9, 6.5, 6.6, 6.8, 9.9, 9.10	Item 17
x. Dispute resolution	Sections 9.7 & 9.8	Item 17
y. Liquidated Damages	Section 6.5	Item 6

10.
FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease, or obligation.

11.
FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

Except as listed below, we are not required to provide you with any assistance.

A. Pre-Opening Obligations

Before you open your franchise, we will:

- 1) Designate your Franchise Territory in the Franchise Agreement before the Franchise Agreement is executed. (Franchise Agreement, Section 1.1) It is your sole responsibility to locate a site for the franchised business (the "Franchise Premises"), which must be approved by us within 10 business days from the date of submission of the proposed site. If you and we cannot agree on an approved site within 120 days after signing the Franchise Agreement, we may, in our discretion, terminate the Franchise Agreement by refunding not less than one-quarter of the Initial Franchise Fee. We consider the following factors to approve the site: franchisee preference, proximity to competitors, cost of rent, square footage, and location within Franchise Territory boundaries. We do not provide assistance with conforming the premises to local ordinances and building codes and obtaining any required permits or constructing, remodeling or decorating the premises. Generally, we neither own the Franchise Premises nor lease it to franchisees. If you do not submit a Franchised Premises that is approved by us, your franchise may be terminated if you do not cure after notice. You may not relocate the Franchise Premises without our prior written approval. (Franchise Agreement, Section 1.4)
- 2) Provide initial orientation and training to you and your required manager(s). (Franchise Agreement, Section 3.1). We do not otherwise provide assistance in hiring or training employees. We may require that you used our designated recruiting service to hire your acquisitions manager.
- 3) Assist you in complying with local laws and regulations to enable you to operate your franchised business.
- 4) Provide you access to the Joe Homebuyer Operating Manual. (Franchise Agreement, Section 5.1). The table of contents for our Operations Manual as of the date of this Disclosure Document is found in this Item.
- 5) Give you a list of any approved or designated suppliers. (Franchise Agreement, Section 5.1) We do not have any obligation to assist you in establishing prices; but, to the extent permitted by relevant law, we may establish price ceilings or minimum or maximum allowable prices on the products and

services you offer and sell. Except as so specified by us or as otherwise required in the Franchise Agreement and in the Operations Manual, you may determine the prices at which you sell products and services, as well as the terms and conditions of sale. (Franchise Agreement, Section 1.9)

Time to Open

The typical length of time between the signing of the Franchise Agreement or first payment of consideration for the Franchise and the opening of the Franchise for business is about 90 days. You are expected to complete the mandatory training and commence your franchise business operations within **120** days after you sign the franchise agreement. Factors that may affect this time are finding and negotiating for the franchise premises, arranging for the training session, equipping the Franchise, obtaining initial inventory, financing and business permit requirements, and your personal operational needs. Any failure caused by a war or civil disturbance, a natural disaster, a labor dispute, shortages or other events beyond your reasonable control will be excused for a time that is reasonable under the circumstances.

If you do not timely commence operation of the franchise, we have the right to terminate the Franchise Agreement. If we so terminate, we refund one-quarter of the Initial Franchise Fee and we may retain the remaining portion of the Initial Franchise Fee. You then are required to return any product or equipment you have obtained from us. (Franchise Agreement, Section 4.1).

Operations Manual Table of Contents

The Joe Homebuyer Operating Manual is a hosted online portal that contains various content and information and is available through our intranet. The Joe Homebuyer Operating Manual is confidential and remains our property. It contains mandatory and suggested specifications, standards and procedures. We may modify the Joe Homebuyer Operating Manual, but the modifications will not alter your basic status and rights under the franchise agreement. The revisions may include advancements and developments in supplies, products, equipment, sales, marketing, operational techniques, and other items and procedures used for the operation of the franchise. As of the date of this disclosure document, the Table of Contents of the current version of the Joe Homebuyer Operating Manual consists of approximately 64 separate pages and documents, approximately 84 videos, and approximately 5 audio files, plus embedded content and links and includes:

Introduction	7 videos
Toolbox	4 pages
Marketing	27 pages and 25 videos
Acquisitions	24 pages, 45 videos, and 5 audio files
Recordings	1 page and 3 videos
Vendor Relationships	8 pages

Training

You must successfully complete such initial training as we determine in our reasonable discretion is necessary for you to commence operations of the franchise. Typically, this initial training includes approximately 40-100 hours of online onboarding, familiarization, and training content and information. (Franchise Agreement, Section 3.1). The initial training program is included in the Initial Franchise Fee. The initial training program must be completed by all franchisees or their designated managers, including your acquisitions manager and general manager, unless, at our reasonable discretion, based upon a franchisee's or manager's experience, we deem it unnecessary. Upon completion of initial training, we intend to issue a certificate of completion such

that you and your managers can commence to operate the Franchise and related marketing and transaction activities.

In conjunction with initial training or after you start your business operations, we may also require you to attend and complete an approximately 2-4 consecutive-day on-site training program at our headquarters, currently in South Jordan, Utah or another location designated by us as suited to our training needs (Franchise Agreement, Section 3.1). In some instances, all training may be completed virtually. If required, on-site training typically occurs 60-90 days after signing the Franchise Agreement. All your accommodations, travel, room, board, and wage expenses during this period are borne exclusively by you.

The current agenda for the training includes:

TRAINING PROGRAM

Subject	Hours Of Class Room Training	Hours of On-the-Job Training	Location
Onboarding	1	0	Online videos and content and via video conferencing or South Jordan, Utah or another designated location.
Marketing	4	0	
Talking to Sellers	4	0	
Due Diligence	4	0	
Seller Appointment (Acquisition)	7	0	
Disposition	4	0	
Systems	2	0	
Operations	1	0	
Franchise Reporting	1	0	
Goal Setting	1	0	
KPIs	2	0	
TOTAL	31	0	

* The initial training program will be conducted, as we deem necessary, online and/or at our headquarters or another designated location, as we direct in our discretion. The Training Schedule may be amended.

Our trainers are: Mark Stubler and Janet Lee.

Mr. Stubler, founder and President of Joe HomeBuyer, began his career in Real Estate investing in October of 2011, and partnered and became CEO of Utah Sell Now LLC in January 2016 in South Jordan, Utah. Prior to joining our team, he was a Territorial sales representative for a Vinyl Distributor in American Fork, Utah from January 2005 to January 2016.

Ms. Janet Lee began serving as our Vice President of Operations in South Jordan UT, Utah in April 2019. Prior to joining our team, Janet has been a business development consultant for Utah Sell Now. She has been active

in real estate for 13 years as an investor, broker and co-founding a residential construction and property management company. Janet has been able to apply her real estate acquisition and creative finance knowledge to build-own-operate waste to energy projects, where she was a project analyst for MaxWest Environmental Systems from 2007-2010. In addition, she has been involved with MaxEn Capital Advisors from (2010-2017), whose expertise is in project development, finance and O&M Solutions for worldwide energy and environmental projects.

They use the Joe Homebuyer Operating Manual for instructional material.

You must request to schedule a training session for you or the manager at least 35 days before the session is to start. Training is typically scheduled to occur 60-90 days after signing the Franchise Agreement and is held on an “as needed” basis depending on the number of franchisees requesting training in a particular time frame and the franchisor’s training personnel’s availability. The training session must be completed no later than 2 weeks before the scheduled date of the opening of the franchise.

You or any designated full-time manager, including acquisition managers and general managers, must complete the initial mandatory training program to our satisfaction or we may terminate the Franchise Agreement upon refunding the Initial Franchise Fee. You are encouraged to attend the training session as soon as possible after executing the Franchise Agreement and before incurring any costs or expenses related to the opening of the Franchise. We will not be liable for your costs or expenses if we terminate the Franchise Agreement because you or the manager fails to complete the mandatory training to our satisfaction.

You are responsible for all expenses you and your employees incur to attend the initial training, including transportation, meals, accommodations and entertainment.

You, or one of your employees, must complete initial training within four months of the date of the franchise agreement. You and your managers must also complete approximately 6 to 10 hours of training on the use of our software; this software training is conducted online through us and our software vendor.

If you desire to have more than two individuals receive initial training, these additional individuals will be accommodated at our convenience. We reserve the right to charge a reasonable fee for the provision of the training regardless of when and where the individuals participate in initial training.

We may at any time during initial training inform you that an individual attending training on your behalf is not suitable due to criminal activities, disruptive behavior, poor attendance or other reasons. Upon that notice, our obligations to train that individual will be deemed to have been discharged.

If the franchise is managed by any persons other than you, you must notify us of the identity of the managers, including acquisition managers and general managers. We may require you to use a designated recruiting service to hire your acquisition manager. Each manager as hired must successfully complete the mandatory training program within one month after being hired. You will pay for this training at our then current fee.

Although not required by agreement, we may, at our discretion or upon your request, provide other supervision, assistance, and services before the opening of your business; such as literature, advertising materials, displays, flyers, additional training assistance and a selection of inventory and supplies.

B. Our Obligations DURING the Operation of Your Franchise Business

After you open your franchise, we will:

- 1) Provide you with such continuing advice and guidance as we reasonably determine as necessary. In particular, we will provide you advice and guidance regarding:
 - hiring and training of employees;
 - formulation and implementation of advertising and promotional programs;
 - establishment and maintenance of administrative, and general operating procedures;
 - improvements to the system, including new offerings and services development;
 - financial advice and consultation; and
 - the manner in which products and services are offered.

We do not provide assistance for obtaining equipment, signs, or fixtures. Assistance is only provide for opening inventory and supplies. We provide written specifications for these items; however we do not deliver or install these items.

- 2) At your option and upon not less than fourteen days' prior written notice to us, you may receive additional training at our training center or at other agreed upon locations. All expenses of this training will be borne by you, including but not limited to your travel, lodging, meals, compensation, and our reasonable costs and expenses including a reasonable training fee at our then current rates. This additional training consists of visits to our franchises, work experience and observation of franchise operations. The duration of training is negotiable depending upon your needs. You will not receive any compensation for services rendered by the trainee during this or any other training. (Franchise Agreement, Section 3.2).
- 3) From time to time we may provide refresher training programs or seminars and may require that you or your managers attend and complete them to our satisfaction. These programs and seminars will be held at locations we designate and will be provided without charge to you. You will be exclusively responsible for paying all travel, living and other expenses and compensation of attending these programs and seminars. Each year, you or the designated managers of your Franchise will be required to attend up to 20 hours of programs and seminars, depending upon program and seminar availability, including virtual training. In addition, we may deem it appropriate or necessary to provide additional training and supervision to you and your managers and employees at your franchise location. If so, you will fully participate in and complete this additional training and supervision, including additional or revised training programs and processes that may be added to the Joe Homebuyer Operating Manual in the future. We may charge a reasonable Training Fee for these additional training sessions. (Franchise Agreement, Section 3.2)
- 4) Administer our advertising program and formulate and conduct national and regional promotion programs, as we may designate.
- 5) Inspect the Franchise and conduct activities to ensure compliance with the terms of the Franchise Agreement and Joe Homebuyer Operating Manual to assure consistent quality and service throughout our franchise system. (Franchise Agreement, Sections 2.9 and 5).
- 6) Inspect the facilities of your manufacturers, suppliers, and distributors (if any) and notify you and the manufacturers, suppliers, and distributors in writing of any failure to meet our specifications and standards. (Franchise Agreement, Sections 2.9 and 5).

- 7) We may provide other supervision, assistance or services although we are not bound by the Franchise Agreement or any related agreement to do so. These may include among other things: advertising materials, literature, additional assistance in training, promotional materials, bulletins on new products or services, and new sales and marketing techniques or developments.

Advertising

Currently we promote our franchises through print, internet, direct mail, and social media. Advertising programs may be implemented locally and regionally through advertising cooperatives. We may use in-house advertising departments and may use regional advertising agencies. We may provide to you advertising materials and point of sales aids for you to use in your local advertising and promotional efforts. We will use your Brand Development Fees to place advertising in geographic areas, in media, at times and using products and services we deem to be in the best interest of our franchisees and our franchise system.

For any third-party vendors you intend to use for marketing, you must first obtain our approval in writing. We may require the use of specific marketing providers.

We will provide you access to advertising and promotional materials as may be developed by us from time to time. We reserve the right to charge you a fee for these materials. All published advertising or sales material in any media must be approved in writing by us prior to release to the public. If you fail to obtain our prior written approval, then you must pay us \$500 per each unapproved advertising item, as liquidated damages and not as a penalty.

We do not have but may create an advertising advisory board made up of Joe Homebuyer franchisees.

Advertising Funds

You are required to pay to us up to \$1,000 per month as a Brand Development Fee. We reserve the right to temporarily lower, suspend, or rebate the Brand Development Fee at any time, upon prior written notice to you and to our other franchisees. We will administer the capital we receive as Brand Development Fees and direct all regional and national brand development, promotional, marketing, and advertising programs with sole discretion over the creative ideas, materials, endorsements, placement, and allocation of overhead expenses. We may use the Brand Development Fee to develop and protect the brand, to help to identify properties and potential buyers, and to maintain, administer, direct, prepare, and review national, regional, or local advertising materials and programs as we, in our sole discretion, deem proper. We are under no obligation to administer the Brand Development Fee to ensure that expenditures are proportionate to contributions of franchisees for any given market area or that any franchise benefits directly or proportionately from the development or placement of advertising. We shall not be obligated to expend all or any part of the Fees we receive during any specific period.

Each of our company-owned Joe Homebuyer operations in the United States offering products and services similar to our franchisees will make contributions to the fund equivalent to the contribution percentage required of our franchisees.

Any Brand Development Fees not used in the fiscal year in which they were contributed will be applied to pay back amounts borrowed or used for advertising expenses in the following years.

We do not use any of the Brand Development Fee to advertise our franchise opportunity, although we will place notices that franchises are available on advertising materials and on the internet. While advertising materials note that franchises are available from us, no advertising fees or assessments we collect from our franchisees are used for advertising that is principally a solicitation for the sale of franchises.

Summary of Brand Development Fee Contributions and Expenses for Fiscal Year 2025

In the fiscal year ended December 31, 2025, we received total Brand Development Fees of \$99,800 and we incurred total expenditures of \$100,992. The 2025 expenditures from Brand Development Fees collected by us were spent as follows: 8.2% on advertising and related software, 83.5% on website hosting and email accounts, 4.3% on brand marketing, and 4.3% on social media.

The Brand Development Fees are administered by us. The Brand Development Fees are not audited. Neither we nor any of our affiliates or owners receive any payment for providing goods or services paid for by the Brand Development Fees. You may obtain an accounting of the Brand Development Fees and expenditures upon written request to us. We do not currently have any advertising council composed of franchisees that advises us on advertising policies.

Territory Advertising Expenditures

In connection with to your obligation to pay to the Brand Development Fees, each month you will implement approved marketing strategies and activities in your territory. If you do not implement approved marketing strategies and activities, we may require you to spend in your local market at least \$5,000 per month and as much as \$8,000 per month, to advertise and promote your Franchise (the "Territory Advertising Requirement," see above, Item 6). This Territory Advertising Requirement may be met in part through your payment of Brand Development Fees, which are credited toward the Territory Advertising Requirement. We may recommend that you spend more than the Territory Advertising Requirement up to \$15,000 per month, depending on the size of the market, the demographic of homes within your Franchise Territory, including media price range of homes compared to the national average, competitive of the marketplace, and levels of in-market appreciation. We may waive or reduce this requirement for franchisees that implement approved alternative marketing strategies or activities. You will report the nature, extent, and amount of these local expenditures in the form and at the times we require in the Operations Manual.

Promotional Materials

You will submit to us all advertising copy and other advertising and promotional materials before you use them in your local advertising program. You will not use any advertising copy or other promotional material until we approve it. You specifically acknowledge and agree that any web site will be deemed "advertising" under the Franchise Agreement and will be subject to, among other things, our approval, restrictions, and requirements outlined in the Joe Homebuyer Operating Manual. The term "web site" means an interactive electronic document contained in a network of computers linked by communications software you operate or authorize others to operate that refers to the franchised business, proprietary marks, us, or the Method of Operation. The term web site includes, but is not limited to, Internet and World Wide Web home pages, social media and online accounts.

Advertising Cooperatives

We may designate local, regional, or national advertising coverage areas for the development of cooperative local or regional advertising and promotional programs. An "advertising coverage area" is defined as the area

covered by a particular advertising medium such as television, radio, or other medium, as recognized in the media industry. We will designate the geographic boundaries of cooperative advertising and promotional programs and the respective advertising coverage areas of these programs. We have the power to require cooperatives to be formed, changed, dissolved, or merged. As of the creation of this document, no such advertising coverage areas or advertising cooperatives are in place.

We will promptly notify you and our other franchisees of the establishment, modification, and geographical boundaries of regional advertising regions. We may require all franchisees located within each advertising region to meet periodically for the purpose of creating and establishing regional advertising programs. Each franchise and each operation we or our affiliates own and operate will be entitled to one vote at these meetings. For the purpose of this subsection, each operation we own will be deemed to be a franchise.

If we create a regional advertising program, all franchisees within that region will be obligated to make a contribution to a regional advertising fund in the amount when we create the program (the "Regional Advertising Fund"). No advertising region may require any franchisee in that region to make a contribution to a Regional Advertising Fund in excess of \$8000 per month. Your contributions to regional cooperative advertising or promotional programs will be credited toward the minimum monthly local advertising and promotional expenditure required in Franchise Agreement, Section 2. "Advertising coverage area" is defined as the area covered by a particular advertising medium such as television, radio, or other medium, as recognized in the industry. At the time a cooperative local or regional advertising or promotional program is developed, we will provide to you a list of all open Joe Homebuyer franchises within your advertising coverage area.

We will administer each Regional Advertising Fund in the same manner and upon the same terms and conditions as the Brand Development Fee outlined in this Item 11. (Franchise Agreement, Section 2.3). There are no other written governing documents that govern any cooperative advertising program. No Regional Advertising Fund will be audited. However, we will prepare annual financial statements that you may obtain upon written request to us.

Your contributions must be paid to the cooperative administrator we designate, when and in the same manner as the Transaction Fee, Monthly Fee, and Brand Development Fee payments are paid to us.

Other than the Brand Development Fees and the Regional Advertising Funds described above, there are no other advertising funds in which you must participate.

Computer Systems

We will require you to have a computer system with accounting and business control capacities. To ensure consistency through the franchise system, you must utilize the designated website, online advertising and social media systems, platforms, programs, and applications in your operations. You must lease, purchase, or otherwise acquire, from sources of your choice and at your expense, software and hardware which strictly conform to our specifications. We will give you at least 90 days' written notice, describing the hardware, software, and upgrading requirements of the system before you are obligated to initially install the computer systems. Required computer systems, hardware, and software generally cost between \$1,800 and 4,000.

You must use proprietary software and reporting systems, as such are made available and designated to you. To ensure consistency throughout the franchise system, these software and reporting systems, including those which may be additionally included in the Operations Manual, are mandatory. The cost for support and maintenance of the software is included in the Management Monthly Software Support Fee of at least \$300 per

month and up to \$1,500 per month. Currently, there is a \$1,950 one-time set-up fees and \$300 per month for the first user; \$175 per month for each additional user. (Franchise Agreement, Section 5.10). You must also make certain required reporting, including reporting within 24 hours of the contract formation for any property put under contract, submitting a tax return within 15 days of filing it, and submitting a profit and loss statement quarterly and annually, upon request by us.

You must have a laptop computer or tablet device and cell phone. You must also have an ability for your laptop computer or tablet device to remotely connect to the internet. We require that your laptop computer or tablet device and communications systems meet the following minimum requirements:

- Reliable high-speed internet access
- Compatible internet browser to run our online software, and approved accounting software
- Chrome browser compatibility
- Mobile printing functionality
- Adequate hard drive, cloud storage, or removable memory to save and back up company files
- Podio functionality
- Telephone system functionality

We may require you to use an information processing and communication system that is fully compatible with any program or system which we, in our sole discretion, may employ. You must provide to us full access to your financial statements, bank accounts, chart of accounts, accounting and bookkeeping reports, records, and software data. If we require, you must record and transmit all financial information using this system and our designated ISP or other communication vendors. We may at our discretion change standards for reporting to provide effective technology for the entire system. We will have full ability to poll your data, system, and related information by means of direct access whether in person or by telephone/modem. We will have independent access to the information that will be generated and stored in your information processing and communication system. We will have access to all of your data and there will be no contractual limitation on our right to access your information or data. We will not implement any electronic system that will disrupt or damage your electronic system, and our access will be read-only.

Other than the proprietary software referenced above, none of the hardware or software you are required to obtain is proprietary to us. Any hardware and software that is functionally equivalent and fully compatible to that listed may be used, except for your estimating software, website and advertising, marketing and social media management, systems, platforms and applications.

You must pay us for upgrades to the proprietary software. The cost of those upgrades will not exceed \$1,000 during any calendar month. Other than the required upgrades to the proprietary software, you may, but are not obligated to, update or upgrade hardware and software during the term of the agreement. We estimate that these optional updates or upgrades will be approximately \$0 to \$5,000 per year. This hardware and software is used for communications, accounting and record keeping. We require independent access to and use of the information and data on your computer systems. There are no contractual limits on such access and use.

We will give you free technical software support for so long as we deem necessary for you to sufficiently understand our software. We will give you 45 days advance notice when we deem it reasonable for you to pay a reasonable technical support fee to receive additional technical support. We estimate that the technical support fee would be no more than \$250 per month.

12. TERRITORY

Franchise Territory

We will grant you a franchise for a specific territory within which you will operate your franchised business (the “Franchise Territory” or “Territory”). The exact location of the Franchise Territory offered to you will depend upon our market analysis, market penetration plans, and franchise placement strategies, as well as available designated territories or areas. Your approval will also be considered in designating the Franchise Territory. Among the factors we consider to determine the feasibility of possible franchise territory locations are population demographics and other businesses in the area according to census and chamber of commerce information. A list of anticipated franchise territories is found in Exhibit B of this disclosure document.

The Franchise Territory is identified in Section 1.1 of the Franchise Agreement. Before you sign the Franchise Agreement, the geographical boundaries of your Franchise Territory will be described in the Franchise Agreement. The Franchise Territory will be identified using geographical or political boundaries.

The Franchise Territory is not exclusive. Before, during, or after the Franchise Agreement is in force, whether or not you are not in default in any material provision of the Agreement, we may establish or allow others to establish a **Joe Homebuyer** business within your Franchise Territory. You may not establish or operate any other **Joe Homebuyer** establishment outside your Territory without executing a separate franchise agreement for that geographical boundary.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Franchisees in another territory may be given temporary rights to advertise in your Territory, and participate in any Advertising Council in your Territory at our sole discretion. To establish additional franchise outlets, you must not be in default in any material provision of any and all agreements between you and us; your proposed location must meet our franchise placement and market penetration criteria; and you must sign our then-current franchise agreement.

You agree not to conduct the business outside the Franchise Territory without our prior written consent.

We reserve the right to acquire the assets or ownership interests of one or more businesses providing services similar to those provided by the Franchised Business, and franchising, licensing or creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating (including within the Territory).

You may not, without our prior written consent, market or solicit the Products and Services outside the Territory. You may not advertise or solicit for the purchase of properties outside the Territory and you may not use other channels of distribution, such as the Internet, telemarketing, or other direct marketing, to market or solicit the Products and Services outside of the Territory without our prior written consent. You may not do research or “dig” leads outside the Territory. You have no exclusive rights in the Territory and no options or rights of first refusal. We may have granted, or may in the future grant, franchises

for the operation of other Joe Homebuyer Businesses within the Territory on terms we, in our sole discretion, deem appropriate. We have the right to sell any of the Products and Services in the Territory.

We (on our own behalf and on behalf of our affiliates) retain all rights with respect to Joe Homebuyer Businesses, the Licensed Marks, the sale and/or distribution or provision of the Products and Services or any other products and services, anywhere in the world, including: (1) the right to develop, distribute, sell and/or provide Products and Services through any channel of distribution under or in association with the Licensed Marks or any other trademark including, without limitation, by electronic means such as the Internet and Web sites we establish; (2) the right to develop, distribute, sell and/or provide any other product or service or own or operate any other business under the Licensed Marks or any other trademark; and (3) the right to advertise the System over the Internet and to create, operate, maintain and modify, or discontinue the use of Web sites using the Licensed Marks.

We do not currently offer franchises for the operation of similar businesses under a different trade name or trademark. We do not currently intend to use the Licensed Marks or other trademarks in other channels of distribution for similar products or services although we have reserved our right to do so.

We do not grant exclusive territories under the Franchise Agreement. Factors we utilize in determining the number of offices and Associate Franchises in a territory include, without limitation, population, the amount of advertising currently being placed, number of transactions generated in the territory and number of housing units in the territory.

There are no restrictions on us or any other franchisee granted a franchise in the Territory from marketing or soliciting the Products and Services inside the Territory. Although we have not done so, we may use other channels of distribution, such as the Internet, telemarketing, or other direct marketing sales, to make sales within the Territory using the Marks. Although we have not done so, we also may use other channels of distribution, such as the Internet, telemarketing, or other direct marketing sales, to make sales within the Territory of products or services under trademarks different from the ones you will use under the Franchise Agreement. We are not required to pay you any compensation for soliciting or accepting orders from inside the Territory.

If you wish to relocate your Joe Homebuyer Business, you may do so only with our prior written consent and your relocated office must be within your Territory. We will use the same criteria in evaluating any proposed new office location as we use in evaluating your initial office location. Neither we nor any of our affiliates operates, franchises, or has plans to operate or franchise a business under a different trademark, which business sells or will sell goods or services similar to those you will offer. There are no minimum sales goals that you must achieve under the Franchise Agreement.

The Franchise Agreement grants you no options, rights of first refusal or similar rights to acquire additional franchises within the Territory or contiguous Territories.

Attached to this FDD as an exhibit is a list of the territories as designated by us.

Relocation

You must receive our written permission before you relocate your franchise. Any relocation will be at your sole expense. You must satisfy our then current franchise placement and demographics criteria, as expressed in the Operations Manual.

Continuation of Your Franchise

There are no other circumstances that permit us to modify or alter your territorial rights during the term in your Franchise Agreement.

First Right of Purchase and Right of First Refusal

You do not receive the right to acquire additional franchises or grant sub franchises within the Franchise Territory or in contiguous territories. Other than the first right of refusal outlined above, you have not been extended options, rights of first refusal, or similar rights to acquire additional franchises or grant sub franchises within the Franchise Territory or in contiguous territories.

Minimum Sales Quota

There are no minimum sales quotas required by us, nor your Franchise Agreement.

Our Use of the Service Marks and Joe Homebuyer Products and Services

We retain all rights not specifically granted to you in the Franchise Agreement. This includes our right to use or license the use of our service marks and trademarks to others. Neither we nor our affiliates are restricted from participating in other distribution methods, whether or not within the Franchise Territory, including Internet, other forms of media now or in the future developed, wholesale and mail order channels, whether under our principal marks or under marks and product configurations different than those offered through your franchise.

We retain the sole right to market on the Internet, including all use of web sites, domain names, URL's, linking, meta-tags, advertising, auction sites, e-commerce, social media, online accounts, and co-branding arrangements. You will provide us content for our Internet marketing, and follow our Intranet and Internet usage requirements. We also retain the sole right to use the Service Marks on the Internet, including on web sites, as domain names, directory addresses, meta-tags, and in connection with linking, advertising, co-branding, and other arrangements. We retain the right to approve any linking or other use of our web site. Only we and our affiliate may own domains, URL's, websites, etc. related to the franchise system. You may not purchase your own URL or domain and you may not establish a presence on or market using the Internet except as we may specify, and only with our prior written consent. We intend that any franchisee web site be accessed only through our home page. Subject to the terms of use on our web site, we may gather, develop and use in any lawful manner information about any visitor to the web site, including but not limited to your customers, franchisees or prospective franchisees regardless of whether they were referred to you via the web site or were otherwise in contact with you.

We have not established and do not intend to establish other franchises or company-owned outlets that sell similar products or services under a different method of operation, trade name, or trademark in identical competition with the business and business model of your franchised Joe HomeBuyer business.

We may purchase or be purchased by, or merge or combine with, competing businesses, wherever located.

Your Use of the Service Marks and Joe Homebuyer Products and Services

Except with our prior written permission, you will not place under any circumstances advertisements using the Service Marks in or originating from any area other than the Franchise Territory.

Except as otherwise provided in the Franchise Agreement or the Operations Manual, you may not directly market to, solicit or service customers whose principal home address or place of business is outside the Franchise Territory. You may not advertise in any media whose primary circulation is outside the Franchise Territory, except with our prior written permission and the prior written consent of any of our franchisees whose territory is reached by that media. All Internet marketing is part of our marketing programs described in the Operations Manual and defined in the Franchise Agreement, and must be coordinated through us and approved by us. You may not market independently on the Internet or acquire an independent Internet domain name or web site. You may not solicit or accept orders outside your Franchise Territory under other channels of distribution (such as the Internet, other forms of media now or in the future developed, wholesale and mail order channels) without our prior written approval.

Only we may place national or regional advertising.

13. **TRADEMARKS**

We have registered the following marks on the Principal Register of the U.S. Patent and Trademark Office:

Mark:	Joe Homebuyer
Registration Number:	5940192
Registration Date:	December 17, 2019



Mark:	
Registration Number:	5940190
Registration Date:	December 17, 2019

Registrations that are approaching expiration have been, or will promptly be, submitted for renewal. We have filed all required affidavits and intend to file any future required affidavits.

We also claim common law rights to the "**Joe Homebuyer**" name, marks, and logos, including those outlined above, based on our exclusive use of the name, marks, and logos in interstate commerce.

We will allow you to use these and all other trade names, trademarks, service marks, and logos we now own or may in the future develop for our franchise system. We refer to all these commercial symbols as the "trademarks."

The trademarks are our exclusive property. You will immediately notify us of any infringement of, or challenge to, your use of the trademarks. We will have sole discretion to take or not to take action, as we deem appropriate. We are not required to protect your rights to use the trademarks or to protect you against claims for infringement or unfair competition arising out of your use of the trademarks. We have sole discretion as to whether to defend you against or indemnify you for expenses or damages incurred due to claims of infringement or unfair competition arising out of your use of the trademarks. The franchise agreement does not require us to take affirmative action when notified of such uses or claims or to participate in your defense or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving the trademarks, or if the proceeding is resolved unfavorably to you. We have the sole right to control any administrative proceedings or litigation involving the trademarks.

You must follow our rules when you use the trademarks. You may not use the trademarks in any manner we have not authorized in writing.

Your use of the trademarks will be only as permitted. In this regard, you may not use "Joe Homebuyer" as part of your business entity's name. You may, however, register a business name such as a DBA or other comparable fictitious name and associate it with your business entity. Thus, for illustration purposes, you may not create an LLC such as "Joe Homebuyer of Location, LLC" but you are permitted to operate "XYZ LLC, doing business as Joe Homebuyer of Location."

All goodwill associated with the trademarks, including any goodwill that might be deemed to have arisen through your activities, will accrue directly and exclusively to our benefit, except as otherwise provided by applicable law.

You may not use or give others permission to use the trademarks, or any colorable imitation of them, combined with any other words or phrases.

We may change or modify any part of the trademarks at our sole discretion. You will accept, use and protect, for the purposes of the franchise, all changes and modifications as if they were a part of the trademarks at the time the franchise agreement is executed. You will bear all costs and expenses that may be reasonably necessary because of these changes or modifications. Under no circumstances will we be liable to you for any damages, costs, losses, or detriments related to of these changes or modifications.

There are no presently effective determinations of the U.S. Patent and Trademark Office, the trademark administrator of any state or any court, any pending interference, opposition or cancellation proceeding and any pending material litigation involving the trademarks in any state.

There are no agreements that concern our rights to use or license the use of the trademarks. We know of no infringing uses that could materially affect your use of the trademarks.

We are not aware of other companies that use "Joe Homebuyer" in their name.

14.
PATENTS, COPYRIGHT, AND PROPRIETARY INFORMATION

We intend to affix a statutory notice of copyright to our Joe Homebuyer Operating Manual, to most of our advertising products, and to our paper and service products, and to all modifications and additions to them. There are no determinations, agreements, infringements or obligations currently affecting these notices or copyrights. You have no rights to the copyrighted material. You are granted the right and are required to use the copyrighted items only with your operation of the franchise during the term of your franchise agreement.

The Joe Homebuyer Operating Manual is described in Item 11. Although we have not filed applications for copyright registration, all copyrighted materials are our property. Item 11 describes limits on use of the copyrighted materials by you and your employees. We claim proprietary rights in our proprietary estimating software and reporting systems. We additionally claim proprietary rights in all customer lists or databases generated by your use of the required software, as an additional proprietary system. We consider these proprietary systems as our trade secrets. You are only permitted to use our proprietary systems in accordance with the Franchise Agreement and only as long as you are a franchisee. You must contact us immediately if you learn of any unauthorized use of our proprietary information. You must also agree to not contest our rights to and interest in our copyrights and other proprietary information.

We have no patents and no pending patent applications material to your franchise.

15.
**OBLIGATION TO PARTICIPATE IN THE ACTUAL
OPERATION OF THE FRANCHISE BUSINESS**

We recommend that you or one of your owners if you are a corporation or partnership, participate fully in the actual day-to-day operation of the franchise business. However, you are not required to participate in the day-to-day operations of your franchise by the Franchise Agreement or any other contractual obligation with us. You may designate a Manager to assume responsibility for day-to-day operations. We do not impose any restrictions on who may serve as a Manager of your franchise; however you should exercise reasonable care in selecting your employees. Any Managers you employ to help you to operate the franchise must successfully complete the mandatory training program described in Item 11. Your manager is not required to have an equity interest in your franchise. The Manager and all of your owners must agree to be bound by the confidentiality and non-competition provisions of the Franchise Agreement in writing.

We require each of your owners and your spouse, if you are signing as an individual, to either personally sign the franchise agreement or to sign the personal guaranty to assume and agree to discharge all of your obligations under the franchise agreement.

Our Step-In Rights. As outlined in Section 6.7 of the Franchise Agreement, to prevent any interruption of the franchised business that would cause harm to the franchise and to our franchise system and lessen their value, we may step in to operate the franchise when we deem necessary. Reasons may include our determination that:

you are incapable of operating the franchise; you are absent or incapacitated because of illness or death; you have failed to pay when due any taxes or assessments against the franchise or property used in connection with the franchise; you have failed to pay when due any liens or encumbrances of every kind placed upon or against your business property; or we decide that operational problems require us to operate the franchise for a time.

All Revenue derived from our operation of the franchise will be for your account. We may pay from that Revenue all expenses, debts, and liabilities we incur during our operation of the franchise. We will keep in a separate account all Revenue generated by the operation of your business, less the expenses of the business, including reasonable compensation and expenses for us and our representatives.

16.
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

We require that you use, offer, and sell only those products and services that we approve in writing. You must offer all products and services that we designate as required by our franchisees. We reserve the right, without limitation, to modify, delete, and add to the authorized products and services. You may sell the products and services to any customer within your Franchise Territory, without limits.

17.
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this disclosure document.

<u>Provision</u>	<u>Section in Franchise Agreement</u>	<u>Summary</u>
a. Length of the franchise term	Section 1.1	7 years
b. Renewal or extension of term	Section 6.1	If you are in good standing, you may renew for periods of 7 years under the terms of our then current franchise agreement forms that may have materially different terms and conditions than your original contract.

c. Requirements for franchisee to renew or extend	Section 6.1	“Renewal” means that you, upon the expiration of the original term of the franchise agreement, have the right to enter into a new agreement according to our then-current franchise agreement forms that may have materially different terms and conditions than your original contract. You must give notice at least three and not more than 6 months before expiration of the initial term; faithfully perform under the initial agreement including compliance with the operations manual and no defaults within the prior 6 months; refurbish the Franchise and replace obsolete equipment; sign general release; submit a new application for a franchise; sign a new agreement; pay up to \$2,500 renewal fee; and go through retraining.
d. Termination by franchisee	Section 6.2	You may terminate the Franchise Agreement if you comply with the terms of the Franchise Agreement and if we substantially breach any material provision of the Agreement and fail to cure or reasonably to begin to cure that breach within 30 days after receipt of written notice specifying the breach. Termination will be effective 10 days after you deliver to us written notice of termination for our failure to cure within the allowed period. Subject to state law.

e. Termination by franchisor without cause	Not applicable	We cannot terminate unless you are in default
f. Termination by franchisor with cause	Section 6.3	We can terminate only if you default.
g. "Cause" defined – curable defaults	Section 6.3(A)	You have 30 days to cure any default not listed in Section 6.3.
h. "Cause" defined – non-curable defaults	Section 6.3(B)	Bankruptcy and insolvency, abandonment, repeated default, misrepresentations, levy of execution, criminal conviction, noncompliance with laws, non-payment of fees, repeated under reporting of sales, disclosure of information.
i. Franchisee's obligations on termination/non-renewal	Section 6.5 & 6.8	De-identification, return of manuals and customer lists and buyer lists, release of phone numbers and listings, de-identification of your franchise equipment and premises, payment of sums owed and early termination damages (if applicable), confidentiality, and non-competition.
j. Assignment of contract by franchisor	Section 7.1	There are no restrictions on our right to transfer.
k. "Transfer" by franchisee - defined	Section 7.1	Restrictions apply if you sell, transfer, assign, encumber, give, lease, or sublease (collectively called "transfer") the whole or any part of: the franchise agreement, substantial assets of the franchise, or ownership or control of you.

l. Franchisor approval of transfer by franchisee	Section 7.1	We have the right to approve all transfers.
m. Conditions for franchisor approval of transfer	Section 7.1	The transferee must qualify as a franchisee, he must assume your obligations, you may not be in default, the transferee must successfully complete the mandatory training, the current assignment fee is the greater of \$5,000 or 7 percent of the proposed purchase price for the Business, plus applicable taxes, the transferee must sign a new franchise agreement on our then current terms, and you must release us.
n. Franchisor's right of first refusal to acquire franchisee's business	Section 7.3	If you receive an offer, we will have the right to purchase on the same terms and conditions as offered to you, 60 -day notice and right to decide.
o. Franchisor's option to purchase franchisee's business	Section 7.3	You will give us the right of first purchase before soliciting offers from a third party if you choose to sell your franchise business. You agree to notify us in writing if you desire to sell or transfer any interest in you or in your franchised business. We will elect to exercise our option to purchase within 60 business days after our receipt of your written notification. If we offer you an amount that you do not agree to, you may try to sell to a third party. You are obligated before any transfer to a third party to comply with all criteria outlined in the paragraphs

		related to First Right of Refusal.
p. Death or disability of franchisee	Section 7.2	Within 180 days, your heirs, beneficiaries, devisees or legal representatives may apply to continue to operate the franchise, or transfer Franchise interest.
q. Non-competition covenants during the term of the franchise	Sections 5.8 & 5.9	You may not disclose confidential information or compete.
r. Non-competition covenants after the franchise is terminated or expires	Sections 5.9 & 6.8	After termination of the Franchise Agreement, no competition is allowed for 720 days within the Territory, within a 100-mile radius of the Territory, within a 100-mile radius of any location where we operate or have granted the franchise to operate a Joe Homebuyer business, or to the maximum extent enforceable under the laws governing and interpreting the Franchise Agreement.
s. Modification of the agreement	Sections 5.5 and 9.7	We may modify the Operating Manual. Modifications to the language of the Franchise Agreement require the signed written agreement of the parties.
t. Integration/Merger clause	Sections 5.1, 5.5, & 9.7	Subject to relevant state law, only the terms of the Franchise Agreement and Joe Homebuyer Operating Manual are binding. Any other promises may not be enforceable. Nothing in the Franchise Agreement or in

		any related agreement is intended to disclaim the representations we make in the Franchise Disclosure Document.
u. Dispute resolution by arbitration or mediation	Section 9.8	Except for certain claims, all disputes must be arbitrated in accordance with the provisions of the <i>Arbitration Act</i> of the State of Utah in Utah, except as stated in State Addenda to this Disclosure Document. The Franchise Agreement prohibits disputes from being arbitrated on a class or consolidated basis.
v. Choice of forum	Section 9.8	Litigation must be in Utah County, Utah. Subject to applicable state law and except as stated in State Addenda to this disclosure document.
x. Choice of law	Section 9.8	Utah law applies except as otherwise provided in the Franchise Agreement and subject to state laws in those states whose laws require exclusive application and except to the extent governed by the United States Trademark Act. (subject to applicable state law).

See State Law Addendum for additional, state-specific disclosures.

18. PUBLIC FIGURES

No public figures are involved in our franchise program.

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 this Item 19 may only be given 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.

Financial Performance Representation

The following financial performance representation is based on historical data and relates to the Joe Homebuyer™ outlets that had operations during the 2025 calendar year and reported sales information to us. The information is compiled from reports submitted to us by franchisees and has not been audited. The representation includes tables and footnotes exhibiting information concerning: (1) overall 2025 franchisee average and median net sales, number of transactions, and net sales per transaction performance data; and (2) subset rankings for each of these data. See the notes following the tables and the financial performance representation for additional information.

The data in the following tables come from the actual reported historical performance for our operational franchisees during the period from January 1, 2025 to December 31, 2025. See the notes following the tables for additional information.

Franchise Outlets

We had 37 franchisees that operated for at least 10 months during the 2025 calendar year. The 2025 net sales and transaction data for each of these franchises is used to determine the information in the tables below. The franchises operated in various states and most of the 37 franchises opened before the 2024 calendar year, while 8 franchises had their first full year of operation in 2025. We do not include data for franchise outlets that: (1) opened during the 2025 calendar year and had fewer than 10 months of operations; or (2) that did not report sufficient data for the 2025 reporting period; or (3) that left the system during the 2025 calendar year. A total of 47 outlets were excluded: 8 outlets were excluded because they commenced operations after January 1, 2025; 18 outlets were excluded because they were terminated, transferred, or otherwise left the system during the reporting period; and 21 outlets were excluded because they were not active and did not have any transactions during the reporting period. 1 of the excluded outlets left the system during the reporting period after being open less than 12 months; 1 of the excluded outlets that were left the system during the reporting period never commencing operations. The tables exclude the franchise operations in Salt Lake City, Utah owned and operated by our President Mark Stubler. The franchise operations of our President Mark Stubler in Dallas, Texas and Greensboro, North Carolina were inactive but no company-owned outlet closed or left the system during the 2025 reporting period.

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2025 Net Sales Data

The following Table 1 shows average and median 2025 Net Sales data for the 37 outlets that operated and reported sales data for the 2025 calendar year. The first subset shows all included franchises; the following four subsets divide the 37 franchises into quartile rankings that each constitute approximately one-quarter of the total group: top quartile (9 franchises), second quartile (9 franchises), third quartile (9 franchises), and bottom quartile (10 franchises).

Table 1
Rankings
Average and Median Net Sales of Joe Homebuyer™ Franchisees
January 1 to December 31, 2025

Ranking by Net Sales ¹	Total Franchises	Average	Median	High	Low
<i>All Franchises ²</i>	37	\$559,781	\$247,355	\$2,376,976	\$5,000
<i>Top Quartile³</i>	9	\$1,543,907	\$1,473,053	\$2,376,976	\$963,456
<i>Second Quartile ⁴</i>	9	\$575,118	\$511,974	\$949,385	\$350,000
<i>Third Quartile⁵</i>	9	\$146,469	\$137,904	\$247,355	\$83,000
<i>Bottom Quartile ⁶</i>	10	\$32,245	\$20,548	\$74,471	\$5,000

Notes for Table 1:

- 1) “Net Sales” refers to the net sales derived from all transactions after deducting direct property costs, as reported to us. This number does not reflect any standard operational expenses, such as closing costs, real estate commissions, renovation expenses, financing costs or any amounts paid to us including transaction fees and minimums, monthly fees, brand development fees, software fees. The number is not a statement of profits or margins calculated by comparing sales to operating expenses. You will be expected to pay the transaction fees and minimums, monthly fees, brand development fees, and software fees required in your franchise agreement.
- 2) All Franchises. 13 out of 37 outlets or 35% attained or surpassed the stated Average Net Sales; 19 out of 37 or 51% attained or surpassed the stated Median Net Sales.
- 3) Top Quartile Rankings. 4 out of 9 outlets or 44% attained or surpassed the stated Average Net Sales; 5 out of 9 outlets or 56% attained or surpassed the stated Median Net Sales.
- 4) Second Quartile Rankings. 4 out 9 outlets or 44% attained or surpassed the stated Average Net Sales; 5 out of 9 outlets or 56% attained or surpassed the stated Median Net Sales.
- 5) Third Quartile Rankings. 3 out 9 outlets or 33% attained or surpassed the stated Average Net Sales and 5 out of 9 outlets or 56% attained or surpassed the stated Median Net Sales.
- 6) Bottom Quartile Rankings. 4 out of 10 or 40% attained or surpassed the stated Average Net Sales. 5 out of 10 outlets or 50% attained or surpassed the stated Median Net Sales.

2025 Transaction Data

The following Table 3 shows average and median 2025 Number of Transactions for the 37 franchise outlets that operated and reported sales data for the 2025 calendar year. Table 3 shows subsets based on ranking by the Number of Transactions. The first subset shows all included franchises; the following four subsets divide the 37 franchises into quartile rankings that each constitute approximately one-quarter of the total group: top quartile (9 franchises), second quartile (9 franchises), third quartile (9 franchises), and bottom quartile (10 franchises).

Table 3
Rankings Based on Number of Transactions
Average and Median Number of Transactions of Joe Homebuyer™ Franchisees
January 1 to December 31, 2025

Ranking by Number of Transactions ¹	Total Franchises	Average	Median	High	Low
<i>All Franchises ²</i>	37	18.81	11	71	1
<i>Top Quartile ³</i>	9	45.89	44	71	29
<i>Second Quartile ⁴</i>	9	20.56	21	29	11
<i>Third Quartile ⁵</i>	9	8.22	8	11	6
<i>Bottom Quartile ⁶</i>	10	2.40	2.5	5	1

Notes:

- 1) “Number of Transactions” refers to the number of Transactions accomplished through the franchise, which includes any contractual or other undertaking whereby the franchisee, or anyone acting for the franchisee’s direct or indirect benefit, acquires an interest (whether vested, unvested, contingent, or otherwise) in real property, as reported to us. This number does not reflect any revenue or expense information and is not a statement of revenue, profits, or margins calculated by comparing sales to operating expenses.
- 2) All Franchises. 19 out of 37 outlets or 51% attained or surpassed the stated Average and Median Number of Transactions.
- 3) Top Quartile Rankings. 3 out of 9 outlets or 33% attained or surpassed the stated Average Number of Transactions; 4 out of 9 outlets or 44% attained or surpassed the stated Median Number of Transactions..
- 4) Second Quartile Rankings. 5 out 9 outlets or 56% attained or surpassed the stated Average and Median Number of Transactions.
- 5) Third Quartile Rankings. 6 out 9 outlets or 67% attained or surpassed the stated Average and Median Number of Transactions.
- 6) Bottom Quartile Rankings. 5 out of 10 or 50% attained or surpassed the stated Average and Median Number of Transactions.

2025 Net Sales per Transaction Data

The following Table 4 shows average and median 2025 Net Sales per Transaction data for the 37 franchise outlets that operated and reported sales data for the 2025 calendar year. Table 4 shows subsets based on ranking by the Net Sales per Transaction. The first subset shows all included franchises; the following four subsets divide the 37 franchises into quartile rankings that each constitute approximately one-quarter of the total group: top quartile (9 franchises), second quartile (9 franchises), third quartile (9 franchises), and bottom quartile (10 franchises).

Table 4
Rankings Based on Net Sales per Transaction
Average and Median Net Sales per Transaction of Joe Homebuyer™ Franchisees
January 1 to December 31, 2025

Ranking by Net Sales per Transaction¹	Total Franchises	Average	Median	High	Low
<i>All Franchises²</i>	37	\$25,384	\$20,000	\$76,677	\$4,875
<i>Top Quartile³</i>	9	\$50,520	\$42,562	\$76,677	\$32,354
<i>Second Quartile⁴</i>	9	\$26,633	\$26,866	\$30,919	\$20,479
<i>Third Quartile⁵</i>	9	\$16,829	\$17,238	\$20,000	\$13,611
<i>Bottom Quartile⁶</i>	10	\$9,336	\$10,241	\$12,584	\$4,875

Notes:

- 1) “Net Sales per Transactions” refers to the Net Sales (as defined under Table 1, above) divided by the number of Transactions accomplished through the franchise, which includes any contractual or other undertaking whereby the franchisee, or anyone acting for the franchisee’s direct or indirect benefit, acquires an interest (whether vested, unvested, contingent, or otherwise) in real property, as reported to us. This number does not reflect any expense information and is not a statement of profits or margins calculated by comparing sales to operating expenses.
- 2) All Franchises. 14 out of 37 outlets or 38% attained or surpassed the stated Average Net Sales per Transaction; 19 out of 37 or 51% attained or surpassed the stated Median Net Sales per Transaction.
- 3) Top Quartile Rankings. 4 out of 9 outlets or 33% attained or surpassed the stated Average Net Sales per Transaction; 5 out of 9 outlets or 56% attained or surpassed the stated Median Net Sales per Transaction.
- 4) Second Quartile Rankings. 5 out of 9 outlets or 56% attained or surpassed the stated Average and Median Net Sales per Transaction.
- 5) Third Quartile Rankings. 5 out of 9 outlets or 56% attained or surpassed the stated Average and Median Net Sales per Transaction.
- 6) Bottom Quartile Rankings. 6 out of 9 or 67% attained or surpassed the stated Average Net Sales per Transaction. 5 out of 9 outlets or 56% attained or surpassed the stated Median Net Sales per Transaction.

Some outlets have earned this amount. Your individual results may vary. There is no assurance that

you will earn as much.

Written substantiation for this financial performance representation is available to you upon reasonable written request.

Other than the preceding financial performance representation, Joe Homebuyer Franchising, LLC does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Mark Stubler, 10122 S. Redwood Rd., Ste B, South Jordan UT 84095, and (801)804-6677, the Federal Trade Commission, and the appropriate state regulatory agencies.

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20.
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
SYSTEMWIDE OUTLET SUMMARY
As of December 31 for Years 2023, 2024, and 2025

<u>Column 1</u> <u>Outlet Type</u>	<u>Column 2</u> <u>Year</u>	<u>Column 3</u> <u>Outlets at the</u> <u>Start of the</u> <u>Year</u>	<u>Column 4</u> <u>Outlets at the</u> <u>End of the</u> <u>Year</u>	<u>Column 5</u> <u>Net Change</u>
Franchised	2023	61	63	+2
	2024	63	62	-1
	2025	62	47	-15
Company Owned	2023	0	0	0
	2024	0	2	+2
	2025	2	1	-1
Total Outlets	2023	61	63	+2
	2024	63	64	+1
	2025	64	48	-16

Table No. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(other than the Franchisor)
As of December 31 for Years 2023, 2024, and 2025

<u>Column 1</u> <u>State</u>	<u>Column 2</u> <u>Year</u>	<u>Column 3</u> <u>Number of</u> <u>Transfers</u>
Alabama	2023	0
	2024	1
	2025	0
Florida	2023	3
	2024	1
	2025	0
Washington	2023	0
	2024	1
	2025	0

<u>Column 1</u> <u>State</u>	<u>Column 2</u> <u>Year</u>	<u>Column 3</u> <u>Number of</u> <u>Transfers</u>
Total	2023	3
	2024	3
	2025	0

Table No. 3
STATUS OF FRANCHISED OUTLETS
As of December 31 for Years 2023, 2024, and 2025

	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non-Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations – Other Reasons	Column 9 Outlets at End of the Year
Alabama	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Arizona	2023	2	1	0	0	0	0	3
	2024	3	1	2	0	0	0	2
	2025	2	0	0	0	0	0	2
California	2023	7	4	0	0	0	4*	7
	2024	7	0	3(1**)	0	0	0	5
	2025	5	0	2**	0	0	1*	4
Colorado	2023	2	0	0	0	0	1*	1
	2024	1	1	0	0	0	0	2
	2025	2	1	0	0	0	1*	2
Connecticut	2023	1	0	0	0	0	1*	0
	2024	0	1	1**	0	0	0	1
	2025	1	0	0	0	0	0	1
Florida	2023	11	3	0	0	0	4*	10
	2024	10	0	2**	0	0	0	10
	2025	10	0	3(2**)	0	0	3*	6
Georgia	2023	4	0	2	0	0	2*	0

	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non- Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations – Other Reasons	Column 9 Outlets at End of the Year
	2024	0	0	1**	0	0	0	0
	2025	0	0	0	0	0	0	0
Idaho	2023	2	0	0	0	0	1*	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Illinois	2023	1	1	0	0	0	1*	1
	2024	1	1	0	0	0	0	2
	2025	2	0	1	0	0	0	1
Indiana	2023	1	1	0	0	0	1*	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Kentucky	2023	0	2	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	1	0	0	0	1
Louisiana	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	1	0	0	0	0
Massachusetts	2023	0	2	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	1	0	0	0	1*	2
Michigan	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Minnesota	2023	0	1	0	0	0	0	1
	2024	1	0	1	0	0	0	0
	2025	0	0	0	0	0	0	0
Missouri	2023	1	2	1	0	0	0	2

	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non- Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations – Other Reasons	Column 9 Outlets at End of the Year
	2024	2	0	1**	0	0	0	2
	2025	2	1	2	0	0	0	1
Montana	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Nevada	2023	1	0	1	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
New Hampshire	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
New Jersey	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	1	0	0	0	0
New York	2023	1	0	0	0	0	*1	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
North Carolina	2023	4	4	0	0	0	0	8
	2024	8	1	0	0	1	0	8
	2025	8	1	1	0	0	1*	7
Ohio	2023	1	1	1	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	1	0	0	0	0
Oklahoma	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Pennsylvania	2023	1	1	0	0	0	1*	1

	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non- Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations – Other Reasons	Column 9 Outlets at End of the Year
	2024	1	0	2(1**)	0	0	0	0
	2025	0	0	0	0	0	0	0
Tennessee	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	1*	0
Texas	2023	9	3	3	0	0	4*	5
	2024	5	4	4(2**)	0	0	0	7
	2025	7	2	4	0	0	0	5
Utah	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	1^	3
	2025	3	0	0	0	0	0	3
Virginia	2023	2	1	0	0	0	1*	2
	2024	2	0	0	0	0	0	2
	2025	2	1	0	0	0	1*	2
Washington	2023	2	0	0	0	0	0	2
	2024	2	0	1	0	0	0	1
	2025	1	0	0	0	0	1*	0
Washington D.C.	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	1**	0	0	0	0
West Virginia	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	0	0	0	0	0	1
TOTAL	2023	61	32	8	0	0	22*	63
	2024	63	10	18(9**)	0	1	1	62
	2025	62	8	18(5**)	0	0	10*	47

* Franchise no longer active.

** Inactive or not-yet-open franchise was terminated.

^ Salt Lake City, Utah franchise recategorized as ‘company-owned;’ see Table 4 below.

Table No. 4
STATUS OF COMPANY-OWNED OUTLETS
As of December 31 for Years 2023, 2024, and 2025

<u>Column 1</u> <u>State</u>	<u>Column 2</u> <u>Year</u>	<u>Column 3</u> <u>Outlets at the Start of the Year</u>	<u>Column 4</u> <u>Outlets Opened</u>	<u>Column 5</u> <u>Outlets Reacquired from Franchisees</u>	<u>Column 6</u> <u>Outlets Closed</u>	<u>Column 7</u> <u>Outlets Sold to Franchisees</u>	<u>Column 8</u> <u>Outlets at End of Year</u>
North Carolina*	2023	0	0	0	0	0	0
	2024	0	0	1	0	0	1
	2025	1	0	0	1	0	0
Utah^	2023	0	0	0	0	0	0
	2024	0	1	0	0	0	1
	2025	1	0	0	0	0	1
Total	2023	0	0	0	0	0	0
	2024	0	1	1	0	0	2
	2025	2	0	0	1	0	1

* The reacquired Greensboro, North Carolina franchise is operated by a SurgeLine, LLC, which is owned by our officers Mark Stubler. It was inactive as of 12/31/2025.

^ The Salt Lake City, Utah franchise is operated by Utah Sell Now, LLC, which is owned by our officer Mark Stubler, and reclassified as company-owned.

Table No. 5
PROJECTED OPENINGS AS OF December 31, 2025 through December 31, 2026

Column 1 State	Column 2 Franchise Agreements Signed But Outlet Not Opened	Column 3 Projected New Franchised Outlets in the Next Fiscal Year	Column 4 Projected New Company-Owned Outlets in the Current Fiscal Year
Colorado	0	1	0
Nevada	0	1	0
Ohio	0	1	0
Texas	0	1	0
Virginia	0	2	0
TOTALS	0	6	0

Exhibit F contains a complete listing of all of our current franchisees and the addresses and telephone numbers of all of their operations as of **December 31, 2025**.

Exhibit F contains a list of the name, city and state, and the current telephone number or if unknown, the last known home telephone number of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our most recently completed fiscal year or who has not communicated with us or our affiliate within **10** weeks of the date of this Disclosure Document.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last 3 years, we have signed confidentiality clauses with current or former franchisees. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with Joe Homebuyer. You may wish to speak with current and former franchisees, but be aware that not all of those franchisees will be able to communicate with you.

The following is a list, to the extent known to us, of the names, addresses, telephone numbers, email addresses, and web addresses of each trademark-specific franchise organization associated with the franchise system being offered which we have created, sponsored, or endorsed: **NONE**.

The following is a list of any independent franchisee organizations that have asked to be included in this disclosure document: **NONE**.

21.

FINANCIAL STATEMENTS

Attached as Exhibit A to this Disclosure Document are our audited financial statements years ending December 31, 2025, 2024, and 2023. Our fiscal year-end is December 31.

22.

CONTRACTS

Attached are copies of the Franchise Agreement and all other related agreements you may have to sign when you purchase your franchise.

Exhibit B – Franchise Agreement

Schedule 1 – Franchise Territory

Schedule 2 – Franchise Owner Information

Schedule 3 – Owner Guaranty

Schedule 4 – Owner Personal Covenants Regarding Confidentiality & Competition

Schedule 5 – EFT Authorization

Schedule 6 – Roll-in Addendum

Exhibit C – Conditional Assignment of Telephone and Directory Listings

Exhibit D – Multi-State Addendum

Exhibit G – Form of General Release

Exhibit H – Confirmation of Additional Terms and Representations Addendum
Exhibit I – The JOE Way™ Code of Conduct

23.
RECEIPTS

Attached to this Disclosure Document are two Receipt pages. They are duplicates that evidence your receipt of this Disclosure Document – the first is to be retained by you, the other by us (Exhibit J).

EXHIBIT A

TO

JOE HOMEBUYER

FRANCHISE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

JOE HOMEBUYER FRANCHISING, L.L.C.

Financial Statements

December 31, 2025 and 2024

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Statements of Cash Flows	5
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INDEPENDENT AUDITORS' REPORT

To the Members of Joe Homebuyer Franchising, L.L.C.

Opinion

We have audited the accompanying financial statements of Joe Homebuyer Franchising, L.L.C. (a Utah Limited Liability Company) which comprise the balance sheets as of December 31, 2025 and 2024 and the related statements of income and members' deficit and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Joe Homebuyer Franchising, L.L.C. as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis of Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Joe Homebuyer Franchising, L.L.C. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, which raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.



- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Joe Homebuyer Franchising, L.L.C.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events considered in the aggregate that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Sadler Gibb & Assoc.

Draper, UT
April 29, 2026



Joe Homebuyer Franchising, L.L.C.
Balance Sheets

	As of December 31,	
	2025	2024
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 418,261	\$ 328,166
Accounts receivable, net	91,635	117,636
Other receivables	3,388	6,388
Prepaid expenses	48,120	11,414
Franchise fees receivable, net - current	32,500	87,500
Deferred franchise costs - current	129,059	190,811
Total Current Assets	722,963	741,915
Long-Term Assets:		
Deferred franchise costs, net of current portion	320,831	608,236
Total Long-Term Assets	320,831	608,236
Total Assets	\$ 1,043,794	\$ 1,350,151
LIABILITIES AND MEMBERS' DEFICIT		
Liabilities		
Current Liabilities:		
Accounts payable	\$ 31,068	\$ 34,647
Accrued expenses	43,804	24,825
Member payable	226	226
Deferred revenue - current	392,106	462,247
Promissory note payable - member	50,519	50,357
Total Current Liabilities	517,723	572,302
Long-Term Liabilities:		
Deferred revenue, net of current portion	855,048	1,328,626
Total Long-Term Liabilities	855,048	1,328,626
Total Liabilities	1,372,771	1,900,928
Members' Deficit	(328,977)	(550,777)
TOTAL LIABILITIES & MEMBERS' DEFICIT	\$ 1,043,794	\$ 1,350,151

See accompanying notes to these financial statements

Joe Homebuyer Franchising, L.L.C.
Statements of Income and Members' Deficit

	<u>For the Year Ended December 31, 2025</u>	<u>For the Year Ended December 31, 2024</u>
Revenues:		
Franchise fee revenue	\$ 957,715	\$ 1,036,838
Transaction fee revenue	1,302,327	1,256,729
National ad fund fees	100,000	110,200
Software fees	327,549	218,633
Annual Conference fees	89,120	107,210
Other	238,969	285,217
Total Revenues	\$ 3,015,680	\$ 3,014,827
Operating Expenses:		
Cost of revenues	908,638	981,918
General and administrative	421,143	334,583
Marketing and sales	156,882	135,020
Salaries and wages	1,017,041	1,038,654
Professional fees	202,040	283,096
Total Operating Expenses	2,705,744	2,773,271
Net Income from Operations	309,936	241,556
Other Income (Expenses)	(1,107)	(1,872)
Net Income	\$ 308,829	\$ 239,684
Members' Deficit		
Beginning Balance	\$ (550,777)	\$ (823,072)
Distributions to members	(87,584)	-
Distributions to member for promissory note	(86,667)	(66,667)
Equity-based compensation	47,222	99,278
Net Income	308,829	239,684
Members' Deficit, Ending	\$ (328,977)	\$ (550,777)

See accompanying notes to these financial statements

Joe Homebuyer Franchising, L.L.C.
Statements of Cash Flows

	<u>For the Year Ended December 31, 2025</u>	<u>For the Year Ended December 31, 2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	\$ 308,829	\$ 239,684
Adjustments to reconcile net income to net cash provided by operating activities:		
Bad debt expense	48,729	79,380
Equity based compensation	47,222	99,278
Changes in operating assets and liabilities:		
Accounts receivable	60,272	(39,359)
Other receivables	3,000	(3,500)
Prepaid expenses	(36,706)	761
Franchise fee receivable	(28,000)	17,500
Deferred franchise costs	349,157	258,977
Accounts payable and accrued expenses	15,400	(73,636)
Member payable	-	(20,000)
Deferred revenue	(543,719)	(513,838)
Net Cash Provided by Operating Activities	<u>224,184</u>	<u>45,247</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	-	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Member distributions	(67,584)	-
Repayments of related party note payable	(66,505)	(82,977)
Net Cash Used in Financing Activities	<u>(134,089)</u>	<u>(82,977)</u>
NET CHANGE IN CASH	90,095	(37,730)
CASH AT BEGINNING OF YEAR	<u>328,166</u>	<u>365,896</u>
CASH AT END OF YEAR	<u>\$ 418,261</u>	<u>\$ 328,166</u>
Supplemental Cash Flow Information:		
Cash paid for income taxes	\$ -	\$ -
Cash paid for interest	\$ 2,257	\$ 2,975
Non Cash Investing and Financing Activities		
Promissory note issued for Member distribution	\$ 66,667	\$ 66,667

See accompanying notes to these financial statements

Joe Homebuyer Franchising, L.L.C.
Notes to Financial Statements
For the Years Ended December 31, 2025 and 2024

Note 1 – Organization and Summary of Significant Accounting Policies

Organization

Joe Homebuyer Franchising, L.L.C. (the "Company") was formed in the state of Utah on April 2, 2019. The Company operates as a franchising company and licenses franchise rights to franchisees under the name of Joe Homebuyer Franchising throughout the United States. Franchisees provide real estate cash offer purchase services, real estate contract assignment services and related investment strategy services to the public under the Service Marks and the Joe Homebuyer programs and systems. The Company generates revenues from franchisees for granting franchise licenses and for providing various related services.

Significant Accounting Policies

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers all highly liquid instruments purchased with a maturity of three months or less and money market accounts to be cash equivalents.

Consideration of Credit Risk

The Company maintains their cash in bank deposit accounts at high credit quality financial institutions. The balances, at times, may exceed federally insured limits. As of December 31, 2025 and 2024, the cash on hand exceeded federally insured limits \$168,261 and \$78,166, respectively. The Company has not experienced any losses in such accounts.

Revenue Recognition

The Company is a franchisor and earns revenues from franchisees in various forms: franchise fees, transactions fees and other franchise-related services.

As of January 1, 2020, the Company adopted ASC 606 – *Revenue from Contracts with Customers*. ASC 606 is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. ASC 606 also requires additional disclosure about the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts, including significant judgements and changes in judgements and assets recognized from costs incurred to obtain or fulfill a contract.

Under ASC 606, the Company is required to identify its obligations under contracts with franchisees and evaluate the amount and timing of revenue recognition. The Company has obligations to provide franchisees with the franchise rights to operate a Joe Homebuyer franchise and to train new franchisees. The Company also provides managed services and advertising for which fees are charged. The Company concluded that the obligation to the franchisees was provided over the life of the agreement and should be recognized from the time the franchise is operational to the end of the contract. The franchise right is recognized over the term of the respective franchise agreement beginning on the date the new franchisee training is complete. Managed services are recognized monthly, as earned. Income from managed services fees is recognized over the term of the franchise agreement as the underlying services are provided.

Joe Homebuyer Franchising, L.L.C.
Notes to Financial Statements
For the Years Ended December 31, 2025 and 2024

All revenue recognized in the income statement is considered to be revenue from contracts with customers and includes franchise fees, transaction fees, advertising fees, software fees and other fees.

Performance Obligations

The Company is obligated by its franchise agreements to provide startup training and general business management training, franchise software, operational assistance via call center support, and national advertising. Franchise fees are in consideration of the Company's sales expenses, administrative overhead, and start-up costs related to the execution of the agreement and opening of the Franchise and are distinct from the ongoing right to use of the license and other performance obligations in the contract. Franchise fees are deferred until the Franchisee begins operations, at which time, the franchise fees are recognized over the remaining life of the agreement, which is generally 5 or 7 years. Transaction fees from franchisees are based on the type of transaction and the formulas developed around each type and are based on a percentage of each sale. Advertising fees are a monthly fixed amount based on the level of the gross revenue achieved by the franchisee. Software fees are generally a set base amount with a variable usage-based amount added. See additional description of timing of performance obligations in each revenue type below.

Disaggregation of Revenue

Franchise Fees - Franchise Fees charged in new franchise license agreements and represent the obligation of the Company to provide the franchise license to the franchisees per the agreements. This obligation is performed by the Company over the life of the contract and not at a specific point in time. As such, the Company recognizes the franchise fees over the life of the agreement, from the completion of training until the end of the agreement.

Transaction Fees - Transaction fees from franchisees are based on a percentage of gross sales of the franchisees and are recognized over the term of the respective franchise agreement as earned, typically upon closing of the underlying property. Transaction fees are derived from real estate purchase services, assignment services and real estate holding services.

National Ad Fund Fees -The Company administers the fund and uses the fund to satisfy the cost of maintaining, administering, directing, conducting, and preparing advertising, marketing, and/or promotional materials and any other activities which the Company believes will benefit the franchise system. Monthly fees are charged to franchisees and are recognized each month as advertising is completed.

Software Fees - Software services fees provided to franchisees are based on monthly rate up to a fixed amount. Services fees are recognized as earned on a monthly basis for services that have been provided.

Annual Conference Fees - Franchisees are charged for the Company's annual conference. Annual Conference fees revenue is recognized on the date of the conference.

Other Fees - Other fees consist primarily of monthly fees charged to franchisees. Revenue is recognized each month.

Significant Judgments

For initial franchise start-up obligations, we consider the services provided to be distinct general business assistance and training and to not be highly interrelated with the franchise agreement. We invoice franchises as sales volume-based transactions are determined on a quarterly basis. We do not have significant financing components, non-cash consideration, or other variable consideration.

Joe Homebuyer Franchising, L.L.C.
Notes to Financial Statements
For the Years Ended December 31, 2025 and 2024

Payment Terms

The Company's franchise agreements require the payment of various fixed and variable fees. Initial franchise, renewal, and transfer fees are due and typically paid when a franchise agreement is executed and are non-refundable. Transaction fees are collected upon closing of an underlying property, with a deposit collected when a property is identified. Software and Ad Fund fees are paid on a monthly basis, in a fixed amount.

Franchise fees and deposits for Transaction fees collected prior to the satisfaction of the Company's performance obligation result in the Company recognizing deferred revenue. Amounts that are expected to be recognized as revenue within one year are classified as current deferred revenue in the balance sheet.

We typically receive payments for new franchise agreements upon signing and defer revenue recognition until the franchise is operational. When the franchise is operational, the revenue is recognized over the remaining duration of the agreement. Deferred revenue on the balance sheet related to franchise fees was \$1,151,159 and \$1,730,873 as of December 31, 2025 and 2024, respectively. Revenue recognized during the year that was from prior year deferred franchise fees revenue amounted to \$888,152. Deferred revenue on the balance sheet related to transaction fees, termination fees, and annual conference deposits was \$95,995 and \$60,000 as of December 31, 2025 and 2024, respectively.

Costs of Obtaining Franchise Agreements

The Company incurs broker commission expenses paid to third parties to obtain franchise agreements with franchisees. The commissions are related to franchise fee revenue, which, prior to adoption of Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2014-09, Revenue from Contracts with Customers (Topic 606), was recognized at the point in time in which the corresponding revenue was recognized. Beginning on January 1, 2020, upon adoption of Accounting Standards Codification (ASC) 606, these costs are deferred and recognized over the term of the respective franchise agreement. The balance of the deferred franchise costs were \$449,890 and \$799,047 as of December 31, 2025 and 2024, respectively, and related amortization of these costs were \$449,157 and \$526,477, respectively. No impairment recorded of deferred franchise costs were recorded.

Accounts Receivable

Receivables from the sale of franchises, transaction fees and other franchise-related sales are stated at net realizable value. This value includes an appropriate allowance for estimated uncollectible accounts. The allowance is based on past collectability and customer relationships. In accordance with ASU No. 2016-13 (as amended), Measurement of Credit Losses on Financial Instruments, which the Company adopted on a prospective basis effective January 1, 2023, an allowance for doubtful accounts is recorded against the Company's receivables by applying an expected credit loss model. Each period, management assesses the appropriateness of the level of allowance for credit losses by considering credit risk inherent within its receivables as of the end of the period. The Company considers a receivable past due when a debtor has not paid us by the contractually specified payment due date. Account balances are written off against the allowance for credit losses if collection efforts are unsuccessful and the receivable balance is deemed uncollectible (debtor default), based on factors such as the debtor's credit rating as well as the length of time the amounts are past due. Amounts are written off only after considerable collection efforts have been made and the amounts are determined to be uncollectible. As of December 31, 2025 and 2024, allowance for doubtful accounts were \$63,052 and \$97,323, respectively.

Joe Homebuyer Franchising, L.L.C.
Notes to Financial Statements
For the Years Ended December 31, 2025 and 2024

Franchise Fees Receivable

Receivables from the financing of franchise fees are stated at net realizable value and typically mature in two years. These receivables have a stated interest rate of 0% and have maturity dates ending before November 1, 2026. These receivables include an appropriate allowance for estimated credit losses, based on franchisees proving collectability, completing training, and commencing operations to begin generating revenues and under similar factors as accounts receivable. Amounts are written off only after considerable collection efforts have been made and the amounts are determined to be uncollectible. As of December 31, 2025 and 2024, allowance for doubtful franchise fee receivables was \$83,000 and \$0, respectively.

Additionally, in limited instances during the Company's initial start-up phase, we have granted an incentive to certain Franchisees to forgive any remaining portion of outstanding balance owing if timely payments are made for the first 12 months. The anticipation of such forgiveness is considered to be a management estimate at each financial statement date. We have granted no such forgiveness during the years ending years ending December 31, 2025 and 2024, respectively.

Other Receivables

Other receivables arise when customer payments have been received by our payment processor but have not yet been deposited into our bank account. These amounts are short term in nature and typically have a standard lag time of up to a few days.

Income Taxes

The Company is organized as a Limited Liability Company and, with the consent of its members, has elected under the Internal Revenue Code to be taxed as a Partnership. In lieu of corporation income taxes, the members of the Company are taxed on their proportionate share of the Company's taxable income. Therefore, no provision or liability for federal or state income taxes has been included in the financial statements. The Company's income tax returns are subject to examination by the appropriate tax jurisdictions.

Fair Value of Financial Instruments

The Company has adopted ASC Statement 820, "Fair Value of Financial Instruments." For purposes of this disclosure, the fair value of a financial instrument is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation. A fair value hierarchy is used to prioritize the quality and reliability of the information used to determine fair values. Categorization within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The fair value hierarchy is defined into the following three categories:

- Level 1: Quoted market prices in active markets for identical assets or liabilities.
- Level 2: Observable market-based inputs or inputs that are corroborated by market data.
- Level 3: Unobservable inputs that are not corroborated by market data.

The carrying value of accounts payable approximate their fair value because of the short-term nature of these instruments. Management is of the opinion that the Company is not exposed to significant interest of credit risks arising from these financial instruments.

Joe Homebuyer Franchising, L.L.C.
Notes to Financial Statements
For the Years Ended December 31, 2025 and 2024

Contingencies

Certain conditions may exist as of the date financial statements are issued, which may result in a loss to the Company, but which will only be resolved when one or more future events occur or fail to occur. The company's management and its legal counsel assess such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against the Company or unasserted claims that may result in such proceedings, the Company's legal counsel evaluates the perceived merits of any legal proceedings or unasserted claims as well as the perceived merits of the amount of relief sought or expected to be sought therein. If the assessment of a contingency indicates that it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the Company's financial statements. If the assessment indicates that a potentially material loss contingency is not probable but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability, together with an estimate of the range of possible loss if determinable and material, would be disclosed.

Accrued Absences

The Company does not accrue compensated absences in accordance with ASC Statement 710 "Compensation," because there are currently no employees to which an accrual would apply. The Company will accrue compensated absences in accordance with ASC 710, provided that the cost can be reasonably estimated.

Advertising Costs

Costs incurred in connection with advertising are expensed as incurred. Such costs amounted to \$156,882 and \$135,020 for the years ended December 31, 2025 and 2024, respectively.

Recent Accounting Pronouncements

The Company has implemented all new accounting pronouncements that are in effect. These pronouncements did not have any material impact on the financial statements unless otherwise disclosed, and the Company does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

Note 2 – Franchise Agreements

Conventional franchise agreements provide for payment of initial fees of up to \$50,000 as well as continuing transaction fees based upon level of sales and software and ad fund fees to the Company, with a minimum monthly fee commencing after the completion of the initial training program and other initial licensing requirements.

The change in Joe Homebuyer, LLC's franchisor-owned and Company-owned outlets were as follows:

	<u>2025</u>	<u>2024</u>
System-wide outlets		
Franchised outlets - beginning of year	75	82
Franchises opened	10	13
Franchises closed	(20)	(20)
Franchised outlets - end of year	65	75
Company-owned outlets - end of year	-	-
Total system-wide outlets	<u>65</u>	<u>75</u>

The number of franchises in operation as of December 31, 2025 and 2024 were 65 and 75, respectively. One of the franchises is owned by a Company Member for both years presented.

Joe Homebuyer Franchising, L.L.C.
Notes to Financial Statements
For the Years Ended December 31, 2025 and 2024

Note 3 – Franchise Fees Receivable

In the normal course of business, the Company from time-to-time grants financing arrangements for payment of initial franchise fees with some of its franchisees. As of December 31, 2025, the Company has six outstanding balances. The following table details the amounts outstanding as of December 31, 2025 and 2024:

	2025	2024
Franchise fees receivable	\$ 115,500	\$ 87,500
Less: Allowance for doubtful accounts	(83,000)	-
Franchise fee receivables, net	<u>32,500</u>	<u>87,500</u>
Less: current portion	<u>32,500</u>	<u>87,500</u>
Franchise fees receivable, long-term, net	<u>\$ -</u>	<u>\$ -</u>

Note 4 – Members' Equity

On October 12, 2023, the Company entered into a 3-year arrangement with a consultant for management and business development services. In exchange for these services, the Company executed a Consulting Services Agreement for \$5,000 per month with an initial term of one year, renewable by the Company for successive annual periods thereafter, and granted the Consultant two Equity Incentive Plan ("EIP") awards for 5% membership interest (together "the 5% EIP Awards"). The 5% membership interests were to be contributed by the Company President in exchange for a payout in the form of 3 promissory notes over the following 3 years (the "Promissory Notes Payable – Member" described in Note 5), whose terms and maturity dates were intended to correspond with the EIP vesting periods, as follows:

- 1.6% EIP Award vesting over 12 months
- 3.4% EIP Award vesting starting on the 1st anniversary of the grant date and ending on the 3rd anniversary of the grant date (i.e. over the following 2 years)

In addition to the 5% EIP Awards, to further incentivize the Consultant, the Company executed a Side Letter whose purpose was to guarantee a minimum value of the 5% EIP Awards in the event that the Company is sold during the 3-year arrangement years (if the Consultant stays with the Company during that time period). The EIP Awards were valued at \$208,334, based on the Promissory Notes – Member and will be amortized over the related service periods ending on each of the awards vesting dates. As a result during the years ending December 31, 2025 and 2024, the Company recognized \$47,222 and \$99,278, respectively, as compensation expense against members equity. The remaining unrecognized compensation expense of \$36,882 is expected to be recognized through October 12, 2026.

During 2025, the 1.7% EIP Award vested and in conjunction with the payoff of the September 2024 Note (Note 5), 1.7% ownership interest was transferred to the consultant.

Note 5 – Related Party Transactions

Promissory Notes Payable - Member

On September 30, 2023, the Company issued a promissory note payable to majority member and president for \$66,667, bearing 5.75% interest with a maturity date of October 15, 2024 ("the September 2023 Note"). As discussed in Note 4, the Promissory Note was issued in exchange for the President contributing 1.6% ownership to the Consultant over the 1-year vesting period. Accordingly, the President

Joe Homebuyer Franchising, L.L.C.
Notes to Financial Statements
For the Years Ended December 31, 2025 and 2024

would be paid out \$66,667 for contributing 1.6% of his ownership interest in the Company. During the years ended December 31, 2025 and 2024, the Company paid \$-0- and \$66,667 in principal, respectively, and \$-0- and \$2,095 interest towards this note. As of December 31, 2025 and 2024, the balance of this note was \$-0-.

On September 30, 2024, the Company issued a promissory note payable to majority member and president for \$66,667, bearing 5.75% interest with a maturity date of October 15, 2025 ("the September 2024 Note"). As discussed in Note 4, the Promissory Note was issued in exchange for the President contributing 1.7% ownership to the Consultant over the 1-year vesting period. Accordingly, the President would be paid out \$66,667 for contributing 1.7% of his ownership interest in the Company. During the years ended December 31, 2025 and 2024, the Company paid \$50,357 and \$16,310 in principal, respectively, and \$1,349 and \$880 interest towards this note. As of December 31, 2025 and 2024, the balance of this note was \$-0- and \$50,357, respectively.

On September 30, 2025, the Company issued a promissory note payable to majority member and president for \$66,667, bearing 5.75% interest with a maturity date of October 15, 2026 ("the September 2025 Note"). As discussed in Note 4, the Promissory Note was issued in exchange for the President contributing 1.7% ownership to the Consultant over the 1-year vesting period. Accordingly, the President would be paid out \$66,667 for contributing 1.7% of his ownership interest in the Company. During the year ended December 31, 2025, the Company paid \$16,418 in principal and \$640 interest towards this note. As of December 31, 2025, the balance of this note was \$50,519.

Transactions with Members and Member-controlled entities

The Company receives administrative support from Members or from entities controlled by Members periodically including management, office space, sales and marketing, branding, strategy, accounting, collections, and other services. During 2025, employee costs included in salaries and wages were contributed by a member-controlled entity, of which \$13,586 was unpaid and is included in Accounts Payable and Accrued expenses on the balance sheet as of December 31, 2025 (\$19,545 as of December 31, 2024).

In addition, Members periodically pay for expenses on behalf of the Company and are subsequently reimbursed. During the year ending December 31, 2025, the Company repaid \$-0- to a Member (\$20,000 in 2024). This resulted in Member Payables on the balance sheet in the amounts of \$226 and \$226 as of December 31, 2025 and 2024, respectively.

During the years ended December 31, 2025 and 2024, the Company recognized \$22,140 and \$40,644, respectively, in revenue from a related party and had \$-0- and \$4,772 included in Accounts Receivable on the balance sheet as of December 31, 2025 and 2024, respectively.

Note 6 – Concentration of Risk

The Company's major sources of revenue are from the sale of new franchises and revenues related to franchisees in operation. If unforeseen conditions lead to the inability to sell these franchises or collect revenues earned from franchises in operation, this could have detrimental impact on the financial condition of the Company.

The Company had no franchisee with sales representing at least 10 percent of its sales revenues for the years ended December 31, 2025 and December 31, 2024. As of December 31, 2025 the Company had one franchisee that made up at least 10 percent of accounts receivable (20%); and one franchisee (17%) as of December 31, 2024.

Note 7 – Commitments and Contingencies

The Company is subject to disputes, claims, requests for indemnification and lawsuits arising in the ordinary course of business.

Joe Homebuyer Franchising, L.L.C.
Notes to Financial Statements
For the Years Ended December 31, 2025 and 2024

Note 8 – Subsequent Events

Management evaluates events and transactions that occur after the balance sheet date as potential subsequent events. Management has performed this evaluation through April 29, 2026, noting the following material transactions entered into subsequent to December 31, 2025:

The Company entered into franchise agreements with multiple franchisees in three different geographical territories. Additionally, three franchises were terminated subsequent to December 31, 2025.

JOE HOMEBUYER FRANCHISING, L.L.C.

Financial Statements

December 31, 2024 and 2023

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INDEPENDENT AUDITORS' REPORT

To the Members of Joe Homebuyer Franchising, L.L.C.

Opinion

We have audited the accompanying financial statements of Joe Homebuyer Franchising, L.L.C. (a Utah Limited Liability Company) which comprise the balance sheets as of December 31, 2024 and 2023 and the related statements of income and members' deficit and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Joe Homebuyer Franchising, L.L.C. as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis of Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Joe Homebuyer Franchising, L.L.C. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, which raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Joe Homebuyer Franchising, L.L.C.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events considered in the aggregate that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Sadler Gibb & Assoc.

Draper, UT
April 11, 2025

Joe Homebuyer Franchising, L.L.C.
Balance Sheets

	As of December 31,	
	2024	2023
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 328,166	\$ 365,896
Accounts receivable, net	117,636	157,657
Other receivables	6,388	2,888
Prepaid expenses	11,414	12,175
Franchise fees receivable - current	87,500	85,000
Deferred franchise costs - current	190,811	227,707
Total Current Assets	741,915	851,323
Long-Term Assets:		
Franchise fees receivable, net of current portion	-	20,000
Deferred franchise costs, net of current portion	608,236	830,317
Total Long-Term Assets	608,236	850,317
Total Assets	\$ 1,350,151	\$ 1,701,640
LIABILITIES AND MEMBERS' DEFICIT		
Liabilities		
Current Liabilities:		
Accounts payable	\$ 34,647	\$ 114,100
Accrued expenses	24,825	19,008
Member payable	226	20,226
Deferred revenue - current	462,247	553,914
Promissory note payable - member	50,357	66,667
Total Current Liabilities	572,302	773,915
Long-Term Liabilities:		
Deferred revenue, net of current portion	1,328,626	1,750,797
Total Long-Term Liabilities	1,328,626	1,750,797
Total Liabilities	1,900,928	2,524,712
Members' Deficit	(550,777)	(823,072)
TOTAL LIABILITIES & MEMBERS' DEFICIT	\$ 1,350,151	\$ 1,701,640

See accompanying notes to these financial statements

Joe Homebuyer Franchising, L.L.C.
Statements of Income and Members' Deficit

	<u>For the Year Ended December 31, 2024</u>	<u>For the Year Ended December 31, 2023</u>
Revenues:		
Franchise fee revenue	\$ 1,036,838	\$ 695,533
Transaction fee revenue	1,256,729	752,900
National ad fund fees	110,200	101,198
Software fees	218,633	182,318
Annual Conference fees	107,210	61,795
Other	285,217	157,302
Total Revenues	<u>\$ 3,014,827</u>	<u>\$ 1,951,046</u>
Operating Expenses:		
Cost of revenues	981,918	641,788
General and administrative	334,583	169,508
Marketing and sales	135,020	82,013
Salaries and wages	1,038,654	717,641
Professional fees	283,096	186,381
Total Operating Expenses	<u>2,773,271</u>	<u>1,797,331</u>
Net Income from Operations	<u>241,556</u>	<u>153,715</u>
Other Income (Expenses)	<u>(1,872)</u>	<u>(4,057)</u>
Net Income	<u>\$ 239,684</u>	<u>\$ 149,658</u>
Members' Deficit, Beginning	<u>\$ (823,072)</u>	<u>\$ (601,012)</u>
Distributions to members	-	(330,000)
Distributions to member for promissory note	(66,667)	(66,667)
Equity-based compensation	99,278	24,949
Members' Deficit, Ending	<u>\$ (550,777)</u>	<u>\$ (823,072)</u>

See accompanying notes to these financial statements

Joe Homebuyer Franchising, L.L.C.
Statements of Cash Flows

	<u>For the Year Ended December 31, 2024</u>	<u>For the Year Ended December 31, 2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	\$ 239,684	\$ 149,658
Adjustments to reconcile net income to net cash provided by operating activities:		
Bad debt expense	79,380	(15,675)
Equity based compensation	99,278	24,949
Changes in operating assets and liabilities:		
Accounts receivable	(39,359)	(81,086)
Other receivables	(3,500)	(2,888)
Prepaid expenses	761	7,379
Franchise fee receivable	17,500	(2,500)
Deferred franchise costs	258,977	(233,798)
Accounts payable and accrued expenses	(73,636)	62,815
Member payable	(20,000)	-
Deferred revenue	(513,838)	520,957
Net Cash Provided by Operating Activities	45,247	429,811
CASH FLOWS FROM INVESTING ACTIVITIES:	-	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Member distributions	-	(330,000)
Repayments of related party note payable	(82,977)	-
Net Cash Used in Financing Activities	(82,977)	(330,000)
NET CHANGE IN CASH	(37,730)	99,811
CASH AT BEGINNING OF YEAR	365,896	266,085
CASH AT END OF YEAR	\$ 328,166	\$ 365,896
Supplemental Cash Flow Information:		
Cash paid for income taxes	\$ -	\$ -
Cash paid for interest	\$ 2,975	\$ -
Non Cash Investing and Financing Activities		
Promissory note issued for Member distribution	\$ 66,667	\$ 66,667

See accompanying notes to these financial statements

Joe Homebuyer Franchising, L.L.C.
Notes to Financial Statements
For the Years Ended December 31, 2024 and 2023

Note 1 – Organization and Summary of Significant Accounting Policies

Organization

Joe Homebuyer Franchising, L.L.C. (the "Company") was formed in the state of Utah on April 2, 2019. The Company operates as a franchising company and licenses franchise rights to franchisees under the name of Joe Homebuyer Franchising throughout the United States. Franchisees provide real estate cash offer purchase services, real estate contract assignment services and related investment strategy services to the public under the Service Marks and the Joe Homebuyer programs and systems. The Company generates revenues from franchisees for granting franchise licenses and for providing various related services.

Significant Accounting Policies

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers all highly liquid instruments purchased with a maturity of three months or less and money market accounts to be cash equivalents.

Consideration of Credit Risk

The Company maintains their cash in bank deposit accounts at high credit quality financial institutions. The balances, at times, may exceed federally insured limits. As of December 31, 2024 and 2023, the cash on hand exceeded federally insured limits \$78,166 and \$115,896, respectively. The Company has not experienced any losses in such accounts.

Revenue Recognition

The Company is a franchisor and earns revenues from franchisees in various forms: franchise fees, transactions fees and other franchise-related services.

As of January 1, 2020, the Company adopted ASC 606 – *Revenue from Contracts with Customers*. ASC 606 is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. ASC 606 also requires additional disclosure about the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts, including significant judgements and changes in judgements and assets recognized from costs incurred to obtain or fulfill a contract.

Under ASC 606, the Company is required to identify its obligations under contracts with franchisees and evaluate the amount and timing of revenue recognition. The Company has obligations to provide franchisees with the franchise rights to operate a Joe Homebuyer franchise and to train new franchisees. The Company also provides managed services and advertising for which fees are charged. The Company concluded that the obligation to the franchisees was provided over the life of the agreement and should be recognized from the time the franchise is operational to the end of the contract. The franchise right is recognized over the term of the respective franchise agreement beginning on the date the new franchisee training is complete. Managed services are recognized monthly, as earned. Income from managed services fees is recognized over the term of the franchise agreement as the underlying services are provided.

Joe Homebuyer Franchising, L.L.C.
Notes to Financial Statements
For the Years Ended December 31, 2024 and 2023

All revenue recognized in the income statement is considered to be revenue from contracts with customers and includes franchise fees, transaction fees, advertising fees, software fees and other fees.

Performance Obligations

The Company is obligated by its franchise agreements to provide startup training and general business management training, franchise software, operational assistance via call center support, and national advertising. Franchise fees are in consideration of the Company's sales expenses, administrative overhead, and start-up costs related to the execution of the agreement and opening of the Franchise and are distinct from the ongoing right to use of the license and other performance obligations in the contract. Franchise fees are deferred until the Franchisee begins operations, at which time, the franchise fees are recognized over the remaining life of the agreement, which is generally 5 or 7 years. Transaction fees from franchisees are based on the type of transaction and the formulas developed around each type and are based on a percentage of each sale. Advertising fees are a monthly fixed amount based on the level of the gross revenue achieved by the franchisee. Software fees are generally a set base amount with a variable usage-based amount added. See additional description of timing of performance obligations in each revenue type below.

Disaggregation of Revenue

Franchise Fees - Franchise Fees charged in new franchise license agreements and represent the obligation of the Company to provide the franchise license to the franchisees per the agreements. This obligation is performed by the Company over the life of the contract and not at a specific point in time. As such, the Company recognizes the franchise fees over the life of the agreement, from the completion of training until the end of the agreement.

Transaction Fees - Transaction fees from franchisees are based on a percentage of gross sales of the franchisees and are recognized over the term of the respective franchise agreement as earned, typically upon closing of the underlying property. Transaction fees are derived from real estate purchase services, assignment services and real estate holding services.

National Ad Fund Fees -The Company administers the fund and uses the fund to satisfy the cost of maintaining, administering, directing, conducting, and preparing advertising, marketing, and/or promotional materials and any other activities which the Company believes will benefit the franchise system. Monthly fees are charged to franchisees and are recognized each month as advertising is completed.

Software Fees - Software services fees provided to franchisees are based on monthly rate up to a fixed amount. Services fees are recognized as earned on a monthly basis for services that have been provided.

Annual Conference Fees - Franchisees are charged for the Company's annual conference. Annual Conference fees revenue is recognized on the date of the conference.

Other Fees - Other fees consist primarily of monthly fees charged to franchisees. Revenue is recognized each month.

Significant Judgments

For initial franchise start-up obligations, we consider the services provided to be distinct general business assistance and training and to not be highly interrelated with the franchise agreement. We invoice franchises as sales volume-based transactions are determined on a quarterly basis. We do not have significant financing components, non-cash consideration, or other variable consideration.

Joe Homebuyer Franchising, L.L.C.
Notes to Financial Statements
For the Years Ended December 31, 2024 and 2023

Payment Terms

The Company's franchise agreements require the payment of various fixed and variable fees. Initial franchise, renewal, and transfer fees are due and typically paid when a franchise agreement is executed and are non-refundable. Transaction fees are collected upon closing of an underlying property, with a deposit collected when a property is identified. Software and Ad Fund fees are paid on a monthly basis, in a fixed amount.

Franchise fees and deposits for Transaction fees collected prior to the satisfaction of the Company's performance obligation result in the Company recognizing deferred revenue. Amounts that are expected to be recognized as revenue within one year are classified as current deferred revenue in the balance sheet.

We typically receive payments for new franchise agreements upon signing and defer revenue recognition until the franchise is operational. When the franchise is operational, the revenue is recognized over the remaining duration of the agreement. Deferred revenue on the balance sheet related to franchise fees was \$1,730,873 and \$2,235,711 as of December 31, 2024 and 2023, respectively. Revenue recognized during the year that was from prior year deferred franchise fees revenue amounted to \$952,794. Deferred revenue on the balance sheet related to Transaction fee and annual conference deposits was \$60,000 and \$69,000 as of December 31, 2024 and 2023, respectively.

Costs of Obtaining Franchise Agreements

The Company incurs broker commission expenses paid to third parties to obtain franchise agreements with franchisees. The commissions are related to franchise fee revenue, which, prior to adoption of Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2014-09, Revenue from Contracts with Customers (Topic 606), was recognized at the point in time in which the corresponding revenue was recognized. Beginning on January 1, 2020, upon adoption of Accounting Standards Codification (ASC) 606, these costs are deferred and recognized over the term of the respective franchise agreement. The balance of the deferred franchise costs were \$799,047 and \$1,058,024 as of December 31, 2024 and 2023, respectively, and related amortization of these costs were \$526,477 and \$300,202, respectively. No impairment recorded of deferred franchise costs were recorded.

Accounts Receivable

Receivables from the sale of franchises, transaction fees and other franchise-related sales are stated at net realizable value. This value includes an appropriate allowance for estimated uncollectible accounts. The allowance is based on past collectability and customer relationships. In accordance with ASU No. 2016-13 (as amended), Measurement of Credit Losses on Financial Instruments, which the Company adopted on a prospective basis effective January 1, 2023, an allowance for doubtful accounts is recorded against the Company's receivables by applying an expected credit loss model. Each period, management assesses the appropriateness of the level of allowance for credit losses by considering credit risk inherent within its receivables as of the end of the period. The Company considers a receivable past due when a debtor has not paid us by the contractually specified payment due date. Account balances are written off against the allowance for credit losses if collection efforts are unsuccessful and the receivable balance is deemed uncollectible (debtor default), based on factors such as the debtor's credit rating as well as the length of time the amounts are past due. Amounts are written off only after considerable collection efforts have been made and the amounts are determined to be uncollectible. As of December 31, 2024 and 2023, allowance for doubtful accounts were \$97,323 and \$17,943, respectively.

Franchise Fees Receivable

Receivables from the financing of franchise fees are stated at net realizable value and typically mature in two years. These receivables have a stated interest rate of 0% and have maturity dates ending before December 1, 2025. These receivables include an appropriate allowance for estimated credit losses,

Joe Homebuyer Franchising, L.L.C.
Notes to Financial Statements
For the Years Ended December 31, 2024 and 2023

based on franchisees proving collectability, completing training, and commencing operations to begin generating revenues and under similar factors as accounts receivable. Amounts are written off only after considerable collection efforts have been made and the amounts are determined to be uncollectible. As of December 31, 2024 and 2023, allowance for doubtful franchise fee receivables was \$0 and \$0, respectively.

Additionally, in limited instances during the Company's initial start-up phase, we have granted an incentive to certain Franchisees to forgive any remaining portion of outstanding balance owing if timely payments are made for the first 12 months. The anticipation of such forgiveness is considered to be a management estimate at each financial statement date. We have granted no such forgiveness during the years ending years ending December 31, 2024 and 2023, respectively.

Other Receivables

Other receivables arise when customer payments have been received by our payment processor but have not yet been deposited into our bank account. These amounts are short term in nature and typically have a standard lag time of up to a few days.

Income Taxes

The Company is organized as a Limited Liability Company and, with the consent of its members, has elected under the Internal Revenue Code to be taxed as a Partnership. In lieu of corporation income taxes, the members of the Company are taxed on their proportionate share of the Company's taxable income. Therefore, no provision or liability for federal or state income taxes has been included in the financial statements. The Company's income tax returns are subject to examination by the appropriate tax jurisdictions.

Fair Value of Financial Instruments

The Company has adopted ASC Statement 820, "Fair Value of Financial Instruments." For purposes of this disclosure, the fair value of a financial instrument is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation. A fair value hierarchy is used to prioritize the quality and reliability of the information used to determine fair values. Categorization within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The fair value hierarchy is defined into the following three categories:

- Level 1: Quoted market prices in active markets for identical assets or liabilities.
- Level 2: Observable market-based inputs or inputs that are corroborated by market data.
- Level 3: Unobservable inputs that are not corroborated by market data.

The carrying value of accounts payable approximate their fair value because of the short-term nature of these instruments. Management is of the opinion that the Company is not exposed to significant interest of credit risks arising from these financial instruments.

Contingencies

Certain conditions may exist as of the date financial statements are issued, which may result in a loss to the Company, but which will only be resolved when one or more future events occur or fail to occur. The company's management and its legal counsel assess such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against the Company or unasserted claims that may result in such proceedings, the Company's legal counsel evaluates the perceived merits of any legal proceedings or unasserted claims as well as the perceived merits of the amount of relief sought or expected to be sought therein. If the assessment of a contingency indicates that it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the Company's

Joe Homebuyer Franchising, L.L.C.
Notes to Financial Statements
For the Years Ended December 31, 2024 and 2023

financial statements. If the assessment indicates that a potentially material loss contingency is not probable but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability, together with an estimate of the range of possible loss if determinable and material, would be disclosed.

Accrued Absences

The Company does not accrue compensated absences in accordance with ASC Statement 710 "Compensation," because there are currently no employees to which an accrual would apply. The Company will accrue compensated absences in accordance with ASC 710, provided that the cost can be reasonably estimated.

Advertising Costs

Costs incurred in connection with advertising are expensed as incurred. Such costs amounted to \$135,020 and \$82,013 for the years ended December 31, 2024 and 2023, respectively.

Recent Accounting Pronouncements

In August 2020, the FASB issued ASU 2020-06, "Debt – Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging – Contracts in Entity's Own Equity (Subtopic 815 – 40)" ("ASU 2020-06"). ASU 2020-06 simplifies the accounting for certain financial instruments with characteristics of liabilities and equity, including convertible instruments and contracts on an entity's own equity. The ASU is part of the FASB's simplification initiative, which aims to reduce unnecessary complexity in U.S. GAAP. The ASU's amendments are effective for fiscal years beginning after December 15, 2023, and interim periods within those fiscal years. The Company adopted this standard effective January 1, 2024. The adoption did not have a material impact on the Company's financial position or results of operations.

The Company has implemented all new accounting pronouncements that are in effect. These pronouncements did not have any material impact on the financial statements unless otherwise disclosed, and the Company does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

Note 2 – Franchise Agreements

Conventional franchise agreements provide for payment of initial fees of up to \$75,000 as well as continuing transaction fees based upon level of sales and software and ad fund fees to the Company, with a minimum monthly fee commencing after the completion of the initial training program and other initial licensing requirements.

The change in Joe Homebuyer, LLC's franchisor-owned and Company-owned outlets were as follows:

	<u>2024</u>	<u>2023</u>
System-wide outlets		
Franchised outlets - beginning of year	82	61
Franchises opened	13	33
Franchises closed	<u>(20)</u>	<u>(12)</u>
Franchised outlets - end of year	75	82
Company-owned outlets - end of year	<u>-</u>	<u>-</u>
Total system-wide outlets	<u>75</u>	<u>82</u>

The number of franchises in operation as of December 31, 2024 and 2023 were 75 and 82, respectively. One of the franchises is owned by a Company Member for both years presented.

Joe Homebuyer Franchising, L.L.C.
Notes to Financial Statements
For the Years Ended December 31, 2024 and 2023

Note 3 – Franchise Fees Receivable

In the normal course of business, the Company from time-to-time grants financing arrangements for payment of initial franchise fees with some of its franchisees. As of December 31, 2024, the Company has three outstanding balances. The following table details the amounts outstanding as of December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Franchise fees receivable	\$ 87,500	\$ 105,000
Less: Allowance for doubtful accounts	-	-
Franchise fee receivables, net	<u>87,500</u>	<u>105,000</u>
Less: current portion	<u>87,500</u>	<u>85,000</u>
Franchise fees receivable, long-term, net	<u>\$ -</u>	<u>\$ 20,000</u>

Note 4 – Members' Equity

On October 12, 2023, the Company entered into a 3-year arrangement with a consultant for management and business development services. In exchange for these services, the Company executed a Consulting Services Agreement for \$5,000 per month with an initial term of one year, renewable by the Company for successive annual periods thereafter, and granted the Consultant two Equity Incentive Plan ("EIP") awards for 5% membership interest (together "the 5% EIP Awards"). The 5% membership interests were to be contributed by the Company President in exchange for a payout in the form of 3 promissory notes over the following 3 years (the "Promissory Notes Payable – Member" described in Note 5), whose terms and maturity dates were intended to correspond with the EIP vesting periods, as follows:

- 1.6% EIP Award vesting over 12 months
- 3.4% EIP Award vesting starting on the 1st anniversary of the grant date and ending on the 3rd anniversary of the grant date (i.e. over the following 2 years)

In addition to the 5% EIP Awards, to further incentivize the Consultant, the Company executed a Side Letter whose purpose was to guarantee a minimum value of the 5% EIP Awards in the event that the Company is sold during the 3-year arrangement years (if the Consultant stays with the Company during that time period).

The EIP Awards were valued at \$208,334, based on the Promissory Notes – Member and will be amortized over the related service periods ending on each of the awards vesting dates. As a result during the years ending December 31, 2024 and 2023, the Company recognized \$99,278 and \$24,949, respectively, as compensation expense against members equity. The remaining unrecognized compensation expense of \$84,104 is expected to be recognized through October 12, 2026.

During 2024, the 1.6% EIP Award vested and in conjunction with the payoff of the September 2023 Note (Note 5), 1.6% ownership interest was transferred to the consultant.

Note 5 – Related Party Transactions

Promissory Notes Payable - Member

On September 30, 2023, the Company issued a promissory note payable to majority member and president for \$66,67, bearing 5.75% interest with a maturity date of October 15, 2024 ("the September

Joe Homebuyer Franchising, L.L.C.
Notes to Financial Statements
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2023 Note"). As discussed in Note 4, the Promissory Note was issued in exchange for the President contributing 1.6% ownership to the Consultant over the 1-year vesting period. Accordingly, the President would be paid out \$66,667 for contributing 1.6% of his ownership interest in the Company. During the year ended December 31, 2024, the Company paid \$66,667 in principal and \$2,095 interest towards this note. As of December 31, 2024, the balance of this note is \$0.

On September 30, 2024, the Company issued a promissory note payable to majority member and president for \$66,667, bearing 5.75% interest with a maturity date of October 15, 2025 ("the September 2024 Note"). As discussed in Note 4, the Promissory Note was issued in exchange for the President contributing 1.7% ownership to the Consultant over the 1-year vesting period. Accordingly, the President would be paid out \$66,667 for contributing 1.7% of his ownership interest in the Company. During the year ended December 31, 2024, the Company paid \$16,310 in principal and \$880 interest towards this note. As of December 31, 2024, the balance of this note is \$50,357.

It is the intention of Management that if the Consultant's Agreement is renewed in October 2025, another Note will be executed in the form of a 1-year Promissory note for \$66,667 to be issued to the President for contributing the remaining 1.7% ("the September 2025 Note").

Transactions with Members and Member-controlled entities

The Company receives administrative support from Members or from entities controlled by Members periodically including management, office space, sales and marketing, branding, strategy, accounting, collections, and other services. During 2024, employee costs included in salaries and wages were contributed by a member-controlled entity, of which \$19,545 was unpaid and is included in Accounts Payable and Accrued expenses on the balance sheet as of December 31, 2024 (\$53,331 as of December 31, 2023).

In addition, Members periodically pay for expenses on behalf of the Company and are subsequently reimbursed. During the year ending December 31, 2024, the Company repaid \$20,000 to a (2023 – no activity). This resulted in Member Payables on the balance sheet in the amounts of \$226 and \$20,226 as of December 31, 2024 and 2023, respectively.

During the year ended December 31, 2024, the Company recognized \$40,644 in revenue from a related party and had \$4,772 included in Accounts Receivable on the balance sheet as of December 31, 2024.

Note 6 – Concentration of Risk

The Company's major sources of revenue are from the sale of new franchises and revenues related to franchisees in operation. If unforeseen conditions lead to the inability to sell these franchises or collect revenues earned from franchises in operation, this could have detrimental impact on the financial condition of the Company.

The Company had no sales representing at least 10 percent of its sales revenues for the year ended December 31, 2024 and December 31, 2023. As of December 31, 2024 the Company had one franchisee that made up at least 10 percent of accounts receivable (17%); and one franchisee (10%) as of December 31, 2023.

Note 7 – Commitments and Contingencies

The Company is subject to disputes, claims, requests for indemnification and lawsuits arising in the ordinary course of business.

On March 14, 2024, a third party filed a complaint against the Company (and other defendants) based on purported violations of the Telephone Consumer Protection Act. The defendants have denied any

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wrongful conduct in its answer to the complaint and have denied that the case is suitable for class certification. The Company and other defendants are currently engaged in the discovery process to support its defenses. Because the likelihood that this claim could result in a loss is unknown and due to the fact that any related amount is not estimable, no potential loss has been accrued in the financial statements. The Company intends to continue to vigorously defend this against this claim.

Note 8 – Subsequent Events

Management evaluates events and transactions that occur after the balance sheet date as potential subsequent events. Management has performed this evaluation through April 11, 2025, noting the following material transactions entered into subsequent to December 31, 2024:

The Company entered into franchise agreements with multiple franchisees in four different geographical territories. Additionally, three franchises were terminated subsequent to December 31, 2024.

Franchise Disclosure Document Exhibit B
List of Anticipated Franchise Territories

State	Territory Name	Territory Market Definition (including Counties)
AL	Birmingham	Birmingham, AL defined as Bibb, Blount, Chilton, Jefferson, Shelby, St. Clair and Walker Counties, AL
AL	Mobile-Pensacola,	Mobile-Pensacola, AL defined as the DMA including Baldwin, Clark, Conecuh, Escambia, Mobile, Monroe and Washington, Counties, AL and Escambia and Santa Rosa Counties, FL
AL	Montgomery	Montgomery, AL defined as the Montgomery DMA including Autauga, Bullock, Butler, Coosa, Covington, Crenshaw, Dallas, Elmore, Lowndes, Macon, Marengo, Montgomery, Perry, Pike, Tallapoosa and Wilcox Counties, AL
AR	Fort Smith-Fayetteville	Fort Smith-Fayetteville, AR defined as the DMA including Benton, Crawford, Franklin, Johnson, Logan, Madison, Scott, Sebastian and Washington Counties, AR and Le Flore and Sequoyah Counties, OK
AR	Jonesboro	Jonesboro, AR defined as the DMA including Clay, Craighead, Greene, Izard, Lawrence, Randolph and Sharp Counties, AR and Ripley County, MO
AR	Little Rock	Little Rock, AR defined as Faulkner, Garland, Grant, Hot Counties, AR
AZ	Flagstaff-Prescott	Flagstaff-Prescott, AZ defined as Coconino, Gila, Navajo and Yavapai Counties, AZ
AZ	Mohave-La Paz	Mohave-La Paz, AZ defined as La Paz and Mohave Counties,
AZ	Phoenix	Phoenix, Arizona: Defined as Maricopa and Pinal Counties,
AZ	Tucson	Tucson, Arizona: Defined as Tucson, AZ MSA including Pima County, AZ
CA	Bakersfield	Bakersfield, CA defined as Kern County, CA
CA	Fresno-Visalia	Fresno, CA DMA defined as Fresno, Kings, Madera, Mariposa, Merced and Tulare Counties, CA
CA	Los Angeles	Los Angeles, CA – Defined as Los Angeles County, CA
CA	Monterey-Salinas	Monterey/Salinas defined as Monterey, San Benito and Santa Cruz Counties, CA.
CA	Northern San Fran	Francisco Northern San Francisco area defined as Lake, Mendocino, Napa, Sonoma and Solano Counties, CA (Counties outside the MSA)
CA	Oakland	Oakland, CA defined as Contra Costa and Alameda Counties, CA
CA	Orange County	Orange County, CA – Defined as Orange County, CA
CA	Riverside/San Bernardino	Riverside/San Bernardino, CA defined as Riverside and San Bernardino Counties, CA
CA	Sacramento-Stockton	Stkton-Modesto Sacramento-Stockton-Modesto, CA MSA - Defined as El Dorado, Placer, Sacramento, San Joaquin, Stanislaus and Yolo Counties, CA

CA	San Diego	San Diego, CA defined as San Diego County, CA
CA	San Francisco	San Francisco defined as Marin, San Francisco and San Mateo Counties, CA
CA	San Jose	San Jose, CA - Defined Santa Clara County, CA
CA	Santa Barbara	Santa Barbara, CA DMA defined as San Luis Obispo and Santa Barbara Counties, CA
CA	Ventura,	CA defined as Ventura County, CA
CO	Colorado Springs	Colorado Springs-Pueblo, CO DMA defined as Baca, Bent, Crowley, El Paso, Fremont, Huerfano, Kiowa, Las Animas, Otero, Pueblo and Teller Counties, CO
CO	Denver	Denver, CO DMA defined as Adams, Alamosa, Arapahoe, Archuleta, Boulder, Broomfield, Chaffee, Cheyenne, Clear Creek, Conejos, Costilla, Custer, Denver, Douglas, Eagle, Elbert, Garfield, Gilpin, Grand, Gunnison, Hinsdale, Jackson, Jefferson, Kit Carson, Lake, Lincoln, Logan, Mineral, Moffat, Morgan, Ouray, Park, Phillips, Pitkin, Prowers, Rio Blanco, Rio Grande, Routt, Saguache, San Juan, San Miguel, Sedgwick, Summit, Washington and Yuma Counties, CO.
CO	Fort Collins	Fort Collins, CO defined as Larimer and Weld Counties, CO
CO	Grand Junction	Grand Junction, CO defined as the Grand Junction-Montrose DMA including Mesa and Montrose Counties, CO plus Delta County, CO
CT	Hartford	Hartford/New Haven, CT defined as: Hartford, Middlesex, Tolland and New Haven Counties, CT
DC	Washington DC	Washington, DC defined as MSA including District of Columbia, DC; Calvert County, MD; Charles County, MD; Prince George's County, MD; Frederick County, MD; Montgomery County, MD; Arlington County, VA; Clarke County, VA; Fairfax County, VA; Fauquier County, VA; Loudoun County, VA; Prince William County, VA; Spotsylvania County, VA; Stafford County, VA; Warren County, VA; Alexandria city, VA; Fairfax city, VA; Falls v Manassas Park city, VA; and Jefferson County, WV as defined by Metropolitan and micropolitan statistical areas defined by Office of Management and Budget, 6/6/2003
FL	Brevard	Brevard County, FL defined as Brevard and Indian River Counties, FL ANDand Daytona Beach defined as Flagler and Volusia Counties, FL
FL	Dade-Miami	Dade-Miami, FL defined as Dade County, FL
FL	Ft. Lauderdale	Ft. Lauderdale, FL defined as Broward County, FL
FL	Ft. Myers	Ft. Myers, FL defined as Ft. Myers MSA including Charlotte, Collier and Lee Counties, FL
FL	Ft. Walton Beach	Ft. Walton Beach, FL defined as Okaloosa and Walton Counties, FL
FL	Gainesville	Gainesville, FL defined as the DMA including Alachua, Dixie, Gilchrist, Levy, Marion, Putnam and Sumter Counties, FL
FL	Jacksonville	Jacksonville, FL – defined as the MSA including Baker, Clay, Duval, Nassau and St. Johns Counties, FL

FL	Orlando	Orlando, FL defined as Lake, Orange, Osceola and Seminole Counties, FL
FL	Sarasota	Sarasota, FIFL defined as Sarasota-Bradenton-Venice MSA including DeSoto, Manatee and Sarasota Counties, FL
FL	Tallahassee	Tallahassee, FL defined as Gadsden, Leon and Wakulla Counties, FL
FL	Tampa-	St. Petersburg Tampa/St. Petersburg, FL defined as Citrus, Hardee, Hernando, Highlands, Hillsborough, Pasco, Pinellas and Polk Counties, FL
FL	Treasure Coast	Treasure Coast, FL defined as Martin and St. Lucie Counties, FL
FL	West Palm Beach	West Palm Beach, FL defined as Palm Beach County, FL
GA	Athens	Athens, GA defined as Clarke, Greene, Jackson, Madison, Morgan, Oconee, Oglethorpe and Putnam Counties, GA
GA	Atlanta	Atlanta, GA DMA Market Definition: Barrow, Bartow, Butts, Carroll, Cherokee, Clayton, Cobb, Coweta, Dawson, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Haralson, Heard, Henry, Jasper, Lamar, Meriwether, Newton, Paulding, Pickens, Pike, Rockdale, Spalding & Walton Counties, GA
GA	Columbus	Columbus, GA DMA defined as Barbour, Chambers, Lee and Russell Counties, AL; Chattahoochee, Clay, Harris, Marion, Muscogee, Quitman, Randolph, Schley, Stewart, Sumter, Talbot, Taylor and Webster Counties, GA
GA	Macon	Macon, GA DMA defined as Baldwin, Bibb, Bleckley, Crawford, Dodge, Dooly, Hancock, Houston, Johnson, Jones, Laurens, Macon, Monroe, Peach, Pulaski, Telfair, Treutlen, Twiggs, Washington, Wheeler, Wilcox and Wilkinson Counties GA
GA	Northeast Georgia	Northeast Georgia defined as Banks, Fannin, Franklin, Habersham, Hall, Lumpkin, Rabun, Stephens, Towns, Union and White Counties, GA
GA	Savannah	Savannah, GA defined as the DMA including Appling, Bacon, Bryan, Bulloch, Candler, Chatham, Effingham, Evans, Jeff Davis, Liberty, Long, McIntosh, Montgomery, Screven, Tattnall, Tombs and Wayne Counties, GA, Beaufort, Hampton and Jasper Counties, SC
GA	Southeast Georgia	Southeast Georgia, GA defined as Brantley, Camden, Charlton, Glynn, Pierce, and Ware Counties, GA
IA	Cedar Rapids	Cedar Rapids, IA Defined as Cedar Rapids-Waterloo-Iowa City & Dubuque, IA including Allamakee, Benton, Black Hawk, Bremer, Buchanan, Butler, Cedar, Chickasaw, Clayton, Delaware, Dubuque, Fayette, Grundy, Iowa, Johnson, Jones, Keokuk, Linn, Tama, Washington and Winneshiek Counties, IA
IA	Des Moines	Des Moines, IA defined as the MSA including Dallas, Polk, Story and Warren Counties, IA

ID	Boise	Boise, ID defined as the DMA including Ada, Adams, Boise, Camas, Canyon, Elmore, Gem, Owyhee, Payette, Valley and Washington Counties, ID and Grant and Malheur Counties, OR
ID	Idaho Falls	Idaho Falls, ID defined as the DMA including Bannock, Bingham, Bonneville, Butte, Caribou, Clark, Custer, Freemont, Jefferson, Lemhi, Madison, Power and Teton Counties, ID and Teton County, WY
ID	Twin Falls	Twin Falls, ID defined as the DMA including Blaine, Cassia, Gooding, Jerome, Lincoln, Minidoka and Twin Falls Counties, ID
IL	Chicago	Chicago, IL defined as Cook and DuPage Counties, Illinois
IL	East St. Louis	East St. Louis, IL defined as Illinois MSA section of the St. Louis DMA including Clinton, Jersey, Madison, Monroe and St. Clair Counties, IL
IL	Northern Chicago	Northern Chicago, IL defined as Lake and McHenry Counties, IL
IN	Fort Wayne Fort Wayne	IN Fort Wayne Fort Wayne, IN DMA defined as Adams, Allen, DeKalb, Huntington, Jay, Noble, Steuben, Wabash, Wells and Whitley Counties, IN and Paulding and Van Wert Counties, OH
IN	Hammond/Gary,	IN Hammond/Gary Hammond/Gary, IN defined as Jasper, Lake, La Porte, Newton and Porter Counties, IN
IN	Indianapolis Indianapolis	IN Indianapolis Indianapolis, IN MSA defined as Boone, Brown, Hamilton, Hancock, Hendricks, Johnson, Marion, Morgan, Putnam and Shelby Counties, IN
KS	Wichita Wichita-Hutchinson,	KS Wichita Wichita-Hutchinson, KS MSA defined as Butler, Harvey, Reno and Sedgwick Counties, KS
KY	Lexington Lexington	KY Lexington Lexington, KY defined as the DMA including Anderson, Bath, Bourbon, Boyle, Breathitt, Casey, Clark, Clay, Estill, Fayette, Fleming, Franklin, Garrard, Harrison, Jackson, Jessamine, Knott, Knox, Laurel, Lee, Lincoln, Madison, Magoffin, Menifee, Mercer, Montgomery, Morgan, Nichols, Owsley, Perry, Powell, Pulaski, Rockcastle, Rowan, Russell, Scott, Wayne, Whitley, Wolfe and Woodford Counties, KY
KY	Louisville Louisville	KY Louisville Louisville, KY DMA defined as Breckenridge, Bullitt, Carroll, Grayson, Green, Hardin, Henry, Jefferson, Larue, Marion, Meade, Nelson, Oldham, Shelby, Spencer, Taylor, Trimble and Washington Counties, KY, Clark, Crawford, Floyd, Harrison, Jackson, Jefferson, Jennings, Orange, Scott and Washington Counties, IN.
LA	Baton Rouge Baton Rouge	LA Baton Rouge Baton Rouge, LA defined as the Baton Rouge DMA including Ascension, Assumption, E. Baton Rouge, E. Feliciana, Iberville, Livingston, Pointe Coupee, St. Helena, St. Mary, W. Baton Rouge, W. Feliciana Counties, LA and Amite and Wilkinson Counties, MS

LA	Lafayette Lafayette	LA Lafayette Lafayette, LA defined as Lafayette DMA including Acadia, Evangeline, Iberia, Jeff Davis, Lafayette, St. Landry, St. Martin and Vermilion Counties, LA.
LA	Lafayette Lafayette	c, LA defined as the DMA including Allen, Beauregard, Calcasieu and Cameron Counties, LA
LA	ShreveportMonroe-El Dorado ShreveportMonroe-El Dorado	LA ShreveportMonroe-El Dorado ShreveportMonroe-El Dorado, LA MSA defined as: Little River and Miller counties, AR, Bowie and Harrison Counties, TX, Bossier, Caddo and Websterdefined as the DMA including Ashley and Union Counties, AR, Caldwell, Catahoula, Concordia, East Carroll, Franklin, Jackson, Lincoln, Madison, Morehouse, Ouachita, Richland, Tensas, Union, West Carroll and Winn Counties, LA
LA	New Orleans New Orleans	LA New Orleans New Orleans, LA defined as the New Orleans DMA including Jefferson, Lafourche, Orleans, Plaquemines, St. Bernard, St.Charles, St. James, St. John the Baptist, St. Tammany, Tangipahoa, Terrebonne and Washington Parishes, LA and Hancock, Pearl River Counties, MS
MA	Boston Boston Territory	MA Boston Boston Territory Defined as: Barnstable, Bristol, Dukes, Essex, Middlesex, Nantucket, Norfolk, Plymouth and Suffolk Counties, MA
MA	Worcester Worcester	MA Worcester Worcester, MA defined as Worcester County, MA
MD	Baltimore Baltimore-Towson	MD Baltimore Baltimore-Towson, MD MSA including Anne Arundel, Baltimore, Carroll, Harford, Howard and Queen Anne's Counties, MD and Baltimore City, MD as defined by metropolitan and micropolitan statistical areas defined by Office of Management and Budget, 6/6/2003.
ME	Portland Portland	ME Portland Portland, ME DMA defined as Androscoggin, Cumberland, Franklin, Kennebec, Knox, Lincoln, Oxford, Sagadahoc and York Counties, ME and Carroll and Coos Counties, NH
MI	Detroit Detroit	MI Detroit Detroit, MI MSA defined as Lapeer, Livingston, Macomb, Oakland, St. Clair and Wayne Counties, MI
MI	Flint-Saginaw Flint-Saginaw	MI Flint-Saginaw Flint-Saginaw, MI defined as the Flint-Saginaw DMA including Arenac, Bay, Genesee, Gladwin, Gratiot, Huron, Iosco, Isabella, Midland, Ogemaw, Saginaw, Shiawassee and Tuscola Counties, MI
MI	Grand Rapids Grand Rapids	MI Grand Rapids Grand Rapids, MI defined as the Grand Rapids-Kalamazoo DMA including Allegan, Barry, Branch, Calhoun, Ionia, Kalamazoo, Kent, Montcalm, Muskegon, Newaygo, Oceana, Ottawa, St. Joseph and Van Buren Counties, MI
MN	Minneapolis Minneapolis-St. Paul	MN Minneapolis Minneapolis-St. Paul, MN MSA defined as Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Washington and Wright Counties, MN
MN		MN Minneapolis Minneapolis-St. Paul, MN defined as Benton, Douglas, Kanabec, Mille Lac, Morrison, Pope, Stearns and Todd Counties, MN

MO	Columbia-Jefferson City Columbia-Jefferson City	MO Columbia-Jefferson City Columbia-Jefferson City, MO DMA defined as Audrian, Boone, Callaway, Chariton, Cole, Cooper, Howard, Maries, Miller, Moniteau, Montgomery, Morgan, Osage, and Randolph Counties, MO
MO	Kansas City Kansas City	MO Kansas City Kansas City MSA defined as: Douglas, Johnson, Leavenworth, Miami, Wyandotte Counties KS and Cass, Clay, Clinton, Jackson, Johnson, Lafayette, Platte and Ray Counties, MO
MO	Springfield Springfield,	MO Springfield Springfield, MO MSA defined as Christian, Dallas, Greene, Polk and Webster Counties, MO
MO	St. Louis St. Louis	MO St. Louis St. Louis, MO defined as St. Louis, MO MSA including St. Charles, St. Louis, St. Louis City, Franklin and Jefferson Counties, MO
MS	Jackson	MS Jackson Jackson, MS MSA defined as Hinds, Madison and Rankin Counties, MS
MS	Meridian-Hattiesburg Meridian-Hattiesburg	MS Meridian-Hattiesburg Meridian-Hattiesburg, MS defined as the DMAs of Meridian and Hattiesburg-Laurel including Choctaw and Sumter Counties, AL and Clarke, Covington, Forrest, Jasper, Jones, Kemper, Lamar, Lauderdale, Marion, Neshoba and Newton, Perry and Wayne Counties, MS
MT	Billings	MT Billings Billings, MT DMA defined as Big Horn, Carbon, Custer, Garfield, Golden Valley, Meagher, Musselshell, Park, Petroleum, Powder River, Rosebud, Stillwater, Sweet Grass, Treasure, Wheatland and Yellowstone Counties MT, Big Horn and Park Counties, WY – Including Sheridan County WY.
NC	Charlotte	NC Charlotte Charlotte, NC defined as Alexander, Anson, Burke, Cabarrus, Caldwell, Catawba, Gaston, Iredell, Lincoln, Mecklenburg and Union Counties, NC and York County, SC
NC	Fayetteville	NC Fayetteville Fayetteville, NC market which includes Lee, Moore, Harnett, Hoke and Cumberland counties
NC	Greensboro	NC Greensboro Greensboro, NC defined as the Greensboro-High Point-Winston/Salem MSA including Alamance, Davidson, Davie, Forsyth, Guilford, Randolph, Stokes and Yadkin Counties, NC
NC	Raleigh-Durham	NC Raleigh-Durham Raleigh-Durham MSA defined as Chatham, Durham, Franklin, Johnston, Orange and Wake Counties, NC
NC	Wilmington	NC Wilmington Wilmington, NC defined as Bladen, Brunswick, Columbus, Duplin, New Hanover, Onslow, Pender, Sampson Counties, NC
NE	Omaha	NE Omaha Omaha, NE defined as the DMA including Cass, Crawford, Fremont, Harrison, Mills, Montgomery, Page, Pottawattamie and Shelby Counties, IA, Atchison County, MO, Burt, Cass, Colfax, Cuming, Dodge, Douglas, Johnson, Nemaha, Otoe, Platte, Richardson, Sarpy, Saunders and Washington Counties, NE

NH	Manchester	NH Manchester, NH Manchester, NH defined as Belknap, Cheshire, Grafton, Hillsborough, Merrimack, Rockingham, Strafford and Sullivan Counties, NH
NJ	Bergen/Passaic	NJ Bergen/Passaic Bergen-Passaic defined as Bergen, Hudson, Passaic Counties, NJ
NJ	Central New Jersey	NJ Central New Jersey Central New Jersey, NJ defined as Atlantic, Hunterdon, Mercer, Middlesex, Monmouth, Ocean Counties, NJ
NJ	Morris/Essex	NJ Morris/Essex Morris-Essex defined as Essex, Union, Morris, Somerset, Sussex and Warren Counties, NJ
NV	Albuquerque Albuquerque	NM Albuquerque Albuquerque, NM MSA including Bernalillo, Sandoval, Tarrant, and Valencia counties as defined by Metropolitan and micropolitan statistical areas defined by Office of Management and Budget, 6/6/2003
NV	Las Vegas	NV Las Vegas Las Vegas, NV defined as Clark County, NV
NY	Reno	NV Reno Reno, NV defined as the Reno DMA including Alpine, El Dorado, Lassen and Mono Counties, CA and Churchill, Douglas, Esmeralda, Humboldt, Lander, Lyon, Mineral, Pershing, Storey, Washoe and Carson City Counties, NV
NY	Albany	NY Albany Albany, NY defined as the DMA of Albany-Schenectady-Troy including Berkshire County, MA, Albany, Columbia, Fulton, Greene, Hamilton, Montgomery, Rensselaer, Saratoga, Schenectady, Schoharie, Warren and Washington Counties, NY and Bennington County, VT
NY	Brooklyn-Staten Island	NY Brooklyn-Staten Island Brooklyn/Staten Island, NY defined as Richmond and Kings Counties, NY
NY	Long Island	NY Long Island Long Island defined as Nassau, Suffolk Counties, NY
NY	Lower Hudson Valley	NY Lower Hudson Valley Lower Hudson Valley, NY defined as Orange, Putnam, Rockland and Westchester Counties, NY, Fairfield and Litchfield Counties, CT
NY	NYC Boroughs	NY NYC Boroughs NYC Boroughs, NY defined as Bronx, Kings, New York, Queens, and Richmond Counties, NY
NY	Syracuse	NY Syracuse Syracuse, NY defined as Cayuga, Cortland, Madison, Onondaga, Oswego, Seneca, Tompkins and Oneida Counties, NY
OH	Cincinnati	OH Cincinnati Cincinnati, OH defined as the Cincinnati DMA including Dearborn, Franklin, Ohio, Ripley, Switzerland and Union Counties, IN; Boone, Bracken, Campbell, Gallatin, Grant, Kenton, Mason, Owen, Pendleton and Robertson Counties, KY; Adams, Brown, Butler, Clermont, Clinton, Hamilton, Highland and Warren Counties, OH
OH	Cleveland	OH Cleveland Cleveland, OH defined as the Cleveland DMA including Ashland, Ashtabula, Carroll, Cuyahoga, Erie, Geauga, Holmes, Huron, Lake, Lorain, Medina, Portage, Richland, Stark, Summit, Tuscarawas and Wayne Counties Ohio.

OH	Columbus	OH Columbus Columbus, OH defined as the Columbus, OH MSA including Delaware, Fairfield, Franklin, Licking, Madison and Pickaway Counties, OH
OH	Toledo	OH Toledo Toledo, OH defined as the Toledo DMA including Lenawee County, MI, Defiance, Fulton, Hancock, Henry, Lucas, Ottawa, Sandusky, Seneca, Williams, Wood and Wyandot Counties, OH.
OH	Oklahoma City	OK Oklahoma City Oklahoma City, OK defined as Canadian, Cleveland, Logan, and Oklahoma Counties, OK
OK	Tulsa	OK Tulsa Tulsa, OK Defined as: Tulsa, OK MSA including Creek, Mayes, Osage, Rogers, Tulsa and Wagoner Counties, OK. Additional counties include Okmulgee and county includes Washington Counties, OK.
OR	Portland	OR Portland Portland, OR MSA defined as: Clackamas, Columbia, Marion, Multnomah, Polk, Washington and Yamhill Counties, OR and Clark County, WA
PA	Allentown/Bethlehem/Reading Allentown/Bethlehem/Reading	PA Allentown/Bethlehem/Reading Allentown/Bethlehem/Reading, PA defined as Berks, Lehigh and Northampton Counties, PA
PA	Philadelphia	PA Philadelphia Philadelphia, PA defined as Bucks, Chester, Delaware, Montgomery and Philadelphia Counties, PA; Burlington, Camden and Gloucester Counties, NJ
PA	Pittsburgh	PA Pittsburgh Pittsburgh, PA MSA defined as Allegheny, Beaver, Butler, Fayette, Washington and Westmoreland Counties, PA.
RI	Providence Providence,	RI Providence Providence, RI defined as Bristol, Kent, Newport, Providence, Washington Counties RI
SC	Charleston	SC Charleston Charleston, SC defined as Berkeley, Charleston and Dorchester Counties, SC
SC	Columbia	SC Columbia Columbia, SC defined as the DMA including Calhoun, Clarendon, Fairfield, Kershaw, Lee, Lexington, Newberry, Orangeburg, Richland, Saluda and Sumter Counties, SC.
SC	Greenville-Asheville Greenville- Asheville	SC Greenville-Asheville Greenville-Asheville, SC defined as the DMA, less GA Counties, including Buncombe, Graham, Haywood, Henderson, Jackson, Macon, Madison, McDowell, Mitchell, Polk, Rutherford, Swain, Transylvania and Yancey Counties, NC and Abbeville, Anderson, Cherokee, Greenville, Greenwood, Laurens, Oconee, Pickens, Spartanburg and Union Counties, SC
SD	Rapid City Rapid City	SD Rapid City Rapid City, SD defined as the DMA including Carter County, MT, Bennett, Butte, Custer, Fall River, Haakon, Harding, Jackson, Lawrence, Meade, Pennington, Perkins, Shannon and Ziebach Counties, SD and Crook and Weston Counties, WY
TN	Chattanooga	TN Chattanooga Chattanooga, TN defined as the DMA including Catoosa, Chattooga, Dade, Murray,

		Walker, and Whitfield Counties, GA , Cherokee County, NC, Bledsoe, Bradley, Grundy, Hamilton, McMinn, Marion, Meigs, Polk, Rhea and Sequatchie Counties, TN
TN	Knoxville Knoxville,	TN Knoxville Knoxville, TN DMA defined as: Anderson, Blount, Campbell, Claiborne, Cocke, Cumberland, Fentress, Grainger, Hamblen, Hancock, Jefferson, Knox, Loudon, Monroe, Morgan, Roane, Scott, Sevier and Union Counties, TN
TN	Memphis	TN Memphis Memphis, TN MSA defined as: DeSoto, Marshall, Tate and Tunica Counties, MS & Fayette, Shelby and Tipton Counties, TN
TN	Nashville	TN Nashville Nashville, TN MSA defined as Cheatham, Davidson, Dickson, Robertson, Rutherford, Sumner, Williamson and Wilson Counties, TN
TX	Amarillo	TX Amarillo Amarillo, TX defined as Armstrong, Briscoe, Carson, Castro, Childress, Collingsworth, Cottle, Dallam, Deaf Smith, Donley, Gray, Hall, Hansford, Hartley, Hemphill, Hutchinson, Lipscomb, Moore, Ochiltree, Oldham, Parmer, Potter, Randall, Roberts, Sherman, Swisher and Wheeler Counties, TX
TX	Austin	TX Austin Austin, TX defined as Bastrop, Blanco, Burnet, Caldwell, Fayette, Gillespie, Lee, Llano, Mason, Travis, Williamson and Hays County North of Texas State Road 2325, TX
TX	Beaumont	TX Beaumont Beaumont, TX defined as the DMA including Hardin, Jasper, Jefferson, Newton, Orange and Tyler Counties, TX
TX	Bryan College Station Bryan-College Station	TX Bryan College Station Bryan- College Station, TX defined as Brazos, Burleson, Grimes, Leon, Madison, Robertson, and Washington Counties, TX
TX	Cleburne-Hillsboro Cleburne-Hillsboro	TX Cleburne-Hillsboro Cleburne-Hillsboro, TX defined as Hill and Johnson Counties, TX
TX	Corpus Christi Corpus Christi	TX Corpus Christi Corpus Christi, TX defined as Aransas, Nueces and San Patricio Counties, TX
TX	Dallas	TX Dallas Dallas, TX Defined as: Dallas, Collin and Rockwall Counties and the city limits of Carrollton, TX
TX	El Paso	TX El Paso El Paso, TX defined as El Paso County, TX
TX	Ft. Worth	TX Ft. Worth Ft. Worth, TX Defined as: Tarrant and Denton Counties, TX excluding the city limits of Carrollton, TX
TX	Greenville-Paris	TX Greenville-Paris Greenville-Paris, TX defined as Hunt, Lamar, Hopkins and Titus Counties, TX
TX	Hood-Parker-Wise Counties	TX Hood-Parker-Wise Counties Hood-Parker-Wise Counties, TX defined as Hood, Parker and Wise Counties, TX
TX	Houston	TX Houston Houston, TX as defined by the Metropolitan and micropolitan statistical areas defined by Office Management and Budget: Includes: Austin, Brazoria, Chambers, Fort Bend,

		Galveston, Harris, Liberty, Montgomery, San Jacinto and Waller Counties, TX
TX	Kaufman-Henderson	TX Kaufman-Henderson Kaufman-Henderson, TX defined as Kaufman and Henderson Counties, TX
TX	Lubbock	TX Lubbock Lubbock, TX DMA defined as Bailey, Borden, Cochran, Crosby, Dawson, Dickens, Floyd, Gaines, Garza, Hale, Hockley, Kent, Lamb, Lubbock, Lynn, Motley, Terry and Yokum Counties, TX
TX	San Antonio	TX San Antonio San Antonio, TX MSA defined as Bexar, Comal, Guadalupe, Kendall and Wilson Counties, TX
TX	Sherman-Ada	TX Sherman-Ada Sherman/Ada, TX defined as the DMA including Atoka, Bryan, Carter, Choctaw, Coal, Johnston, Love, Marshall, Pontotoc and Pushmataha Counties, OK and Cooke and Grayson Counties, TX
TX	Tyler/Longview	TX Tyler/Longview Tyler/Longview, TX defined as the DMA including Angelina, Camp, Cherokee, Franklin, Gregg, Houston, Nacogdoches, Rusk, Sabine, San Augustine, Smith, Trinity, Upshur and Wood Counties, TX
TX	Victoria	TX Victoria Victoria, TX defined as Calhoun, DeWitt, Jackson, Goliad, Lavaca, Refugio and Victoria Counties, TX
TX	Waco	TX Waco Waco-Temple, TX defined as Bell, Coryell, Falls, Lampasas, Limestone, McLennan, Milam, Mills, San Saba Counties, TX
TX	Waxahatchie-Corsicana	TX Waxahatchie-Corsicana Waxahatchie-Corsicana, TX defined as Ellis and Navarro Counties, TX
UT	Salt Lake City	UT Salt Lake City Salt Lake City, UT defined as Salt Lake City MSA including Davis, Morgan, Salt Lake, Summit, Tooele, Utah, Wasatch and Weber Counties, UT
VA	Charlottesville	VA Charlottesville Charlottesville, VA defined as Albemarle, Charlottesville City, Fluvanna, Greene and Madison Counties, VA
VA	Norfolk	VA Norfolk Norfolk, VA defined as: Chesapeake (City), Hampton (City), Newport News (City), Norfolk (City), Poquoson (City), Portsmouth (City), Suffolk (City), Virginia Beach (City) and Williamsburg (City), VA; Gloucester, Isle of Wight, James City, Mathews, Surry and York Counties, VA and Currituck County, NC
VA	Richmond-Petersburg Richmond, Virginia	VA Richmond-Petersburg Richmond, Virginia MSA (includes Henrico, Chesterfield, Hanover, Prince George, Louisa, Dinwiddie, Powhatan, Caroline, Goochland, New Kent, King William, Sussex, Amelia, Cumberland, King and Queen and Charles City Counties, VA & Richmond City, Petersburg City, Hopewell City and Colonial Heights City, VA) as defined by Metropolitan and micropolitan statistical areas defined by Office of Management and Budget, 6/6/2003).

VA	Roanoke	VA Roanoke Roanoke, VA defined as Roanoke MSA including Amherst, Bedford, Bedford City, Botetourt, Buena Vista City, Campbell, Craig, Franklin, Lexington City, Roanoke, Roanoke City, Rockbridge and Salem City Counties, VA
WA	Bellingham	WA Bellingham Bellingham, WA defined as Island, San Juan, Skagit, and Whatcom Counties, WA
WA	Seattle	WA Seattle Seattle defined as King, Pierce, Snohomish and Thurston Counties, WA
WA	Spokane	WA Spokane Spokane, WA defined as the Spokane DMA including Benewah, Bonner, Boundary, Clearwater, Idaho, Kootenai, Latah, Lewis Nez Perce, and Shoshone Counties, ID, Lincoln County, MT, Wallowa County, OR, Adams, Asotin, Columbia, Ferry, Garfield, Grant, Lincoln, Okanogan, Pend Oreille, Spokane, Stevens and Whitman Counties, Washington
WI	Duluth-Superior	WI Duluth-Superior Duluth-Superior, WI defined as the DMA including Gogebic County, MI, Carlton, Cook, Itasca, Koochiching, Lake and St. Louis Counties, MN, Ashland, Bayfield, Douglas, Iron and Sawyer Counties, WI
WI	La Crosse-Eau Claire	WI La Crosse-Eau Claire La Crosse-Eau Claire, WI defined as the DMA including Houston, Winona Counties, MN, Buffalo, Chippewa, Clark, Crawford, Dunn, Eau Claire, Jackson, La Crosse, Monroe, Pepin, Rusk, Trempealeau and Vernon Counties, WI
WI	Milwaukee	WI Milwaukee Milwaukee, Wisconsin MSA, WI defined as the DMA including Dodge, Jefferson, Kenosha, Milwaukee, Ozaukee, Racine, Sheboygan, Walworth, Washington, and Waukesha, Counties, WI
WV	Beckley/Bluefield	WV Beckley/Bluefield Beckley-Bluefield, WV defined as the Beckley/Bluefield/Oak Hill DMA including Tazewell County, VA, Fayette, Greenbrier, McDowell, Mercer, Monroe, Pocahontas, Raleigh, Summers and Wyoming Counties, WV
WV	Charleston-Huntington	WV Charleston-Huntington Charleston-Huntington, WV defined as Boyd, Greenup, and Lawrence, KY, Gallia, Lawrence, and Scioto, OH, Boone, Cabell, Clay, Jackson, Kanawha, Lincoln, Mason, Putnam, and Wayne Counties, WV.

Franchise Disclosure Document Exhibit B

JOE HOMEBUYER FRANCHISING, LLC

FRANCHISE AGREEMENT

[Print name of individual]

and

[Print name of proprietorship, partnership, and company]
[Jointly and Severally, “You” and “Franchisee”]

and

JOE HOMEBUYER FRANCHISING, LLC

[“We” or “Us” and “Franchisor”]

Joe Homebuyer Franchising, LLC

South Jordan UT, Utah

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FRANCHISE AGREEMENT

THIS AGREEMENT has been entered this _____ (the "Effective Date"). It is by and between **JOE HOMEBUYER FRANCHISING, LLC**, a Utah limited liability company, ("we, us" and "Franchisor") and _____ and _____ and _____ (jointly and severally "you" and "Franchisee"), whose principal address is _____.

For purposes of this Agreement "you" may include an individual, corporation, partnership, limited liability company or other legal entity. "You" includes any corporation, partnership, limited liability company, individual, combination of individuals, or other legal entity that owns a majority interest of you, or in which you own a majority interest. The term "you" will include all persons who succeed to your interest by transfer or by operation of law.

We have certain rights to, have registered in various jurisdictions, and intend to continue to develop names, trademarks, service marks, logos, commercial symbols, and styles. These include, but are not limited to "**Joe Homebuyer**" (the "Service Marks"). We own valuable goodwill and have valuable expertise, confidential information, methods, procedures, techniques, uniform standards, operations manuals, inventory control guidelines, systems, layouts, merchandise, and materials. These are connected with the operation, promotion, and advertising of businesses that offer and conduct real estate cash offer purchase services contract assignment and related investment strategy and services and transactions under the Service Marks (the "Joe Homebuyer System").

You desire us to train you and authorize you to operate a high-caliber franchise to promote, advertise, and conduct real estate buying and contract assignment services and transactions and to use the Joe Homebuyer System and Service Marks. We are willing to grant you such a franchise on the terms and conditions set forth in this Agreement.

You acknowledge that this Agreement was accompanied by a Franchise Disclosure Document, which you received at the earlier of:

- the first personal meeting with us (in New York); or
- 14 calendar days before signing any franchise or related agreement or making any payment to us or our affiliate in connection with the franchise sale (10 business days in Michigan, New York).

In addition, you acknowledge either:

- receipt of this Agreement containing all substantive terms at the time of delivery of the Franchise Disclosure Document; or
- if we unilaterally or materially altered the terms and conditions of our standard franchise agreement or any related agreements attached to the Franchise Disclosure Document, you acknowledge that you received a complete and final copy of this Agreement and its exhibits not less than 7 calendar days before you signed this Agreement.

You have read this Agreement and our Franchise Disclosure Document. You understand and accept the terms, conditions and covenants contained in this Agreement. They are necessary to maintain our high standards of quality, service and uniformity at all franchises. They protect and preserve the goodwill of the Service Marks and the confidentiality and value of the Joe Homebuyer System.

You realize that entering into this Agreement will obligate you to operate your franchised business in strict accordance and conformity with the standards, specifications and procedures as set forth in the Operations Manual. You furthermore realize that there is a risk in owning any business venture including this one and that running a business can be very hard work. If you operate your Joe Homebuyer Franchise below the standards we require, customers who patronize that Joe Homebuyer franchise location will be less likely to patronize other Joe Homebuyer locations. This would damage the business of others. It will be difficult for us to obtain new franchisees if a prospective purchaser observes that you do not maintain the required standards.

We expressly disclaim the making of, and you acknowledge that you have not received or relied upon, any warranty or guaranty, express or implied, as to the revenues, profits or success of the business venture contemplated by this Franchise Agreement, except those representations specifically disclosed in our Franchise Disclosure Document. You acknowledge that you have read this Agreement and our Franchise Disclosure Document and that you have no knowledge of any representations by us, or our officers, directors, shareholders, employees or agents that are contrary to the statements made in our Franchise Disclosure Document or to the terms of this Agreement. We do not furnish nor do we authorize our salespersons to furnish any oral or written information concerning the actual or potential sales, costs, income or profits of any Joe Homebuyer operation that is inconsistent with disclosures in our Franchise Disclosure Document. Actual results vary from unit to unit and we cannot estimate the results of any particular franchise.

THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement, the parties agree as follows:

1 **GRANT OF FRANCHISE AND FRANCHISE TERRITORY**

1.1 **Grant of Franchise and Franchise Territory.** We grant to you, and you accept from us, the franchise, license, and privilege to use the Service Marks, the Joe Homebuyer System, and merchandise bearing the Service Marks, for 7 years from the Effective Date of this Agreement (the "Franchise"). This grant solely is for the operation by you of one Joe Homebuyer franchise in the geographical territory identified in the attached Exhibit A ("the Franchise Territory").

Any requested change in your Territory must be made in writing, and must include payment to us of an Administrative Territory Fee of \$1,000 in consideration of our administrative time and cost, and related costs, in approving this change. We may change this fee upon 30 days written notice to you.

Likewise, you must pay us an Addendum Fee of \$250 for modifications to your Franchise Agreement that are made at your request for an addendum. We may require you, upon your request for an addendum or amendment to your franchise agreement or to a related agreement, to sign a general release releasing us from all claims you may have except which, under state law, may not be released.

If either the Franchise Territory or the location for your franchised operations has not been determined when this Agreement is executed, you are responsible for selecting the site for your franchise within the area designated in Exhibit A. The Franchise Territory and your franchise site must be in the United States of America or Canada, legally available pursuant to state, provincial, and federal franchise and business opportunity disclosure and registration laws and pursuant to our contractual commitments (including those with our other franchisees) and in compliance with our franchise placement, market development and demographic criteria.

1.2 **Location for Franchise.** You will operate the Franchise only within the Franchise Territory. You may have one or more locations in the Franchise Territory from which the following are performed (collectively the "Franchise Premises"):

- A. The storage of any office supplies or equipment used in association with your Franchise.
- B. Where clients might meet with you to discuss contracts or services.
- C. Maintenance of telephone, fax, email or postal address for the Franchise.
- D. Advertisement of the address, telephone, fax, email or any other contact information for your location.
- E. Generation of revenues for the Franchise.

If not determined when this Agreement is executed, you are responsible for selecting the site for the Franchise Premises within the area designated in Exhibit A and in accordance with this Agreement.

1.3 **Franchise Development.** You are responsible to furnish and equip the Franchise.

- A. We will furnish to you a schedule of office and marketing packages for the Franchise. Any modifications you propose must be approved in writing by us. All approvals will be solely within our discretion to maintain a uniform image consistent with Joe Homebuyer franchise system concepts.
- B. You will comply with the standards and specifications we establish for supplies, marketing materials, vehicles and equipment, among other things.
- C. You will comply within a time we deem reasonable with any requirement we impose to modify the list of approved supplies, marketing, materials, vehicles, equipment, etc.

1.4 **Relocation of the Franchise.** You will not relocate the Franchise without our prior written approval, which approval may be withheld if we determine, in our sole discretion, that the proposed new location will not result in a viable franchise location or would oversaturate any market. Any relocation will be at your sole expense. This Agreement will govern your operations at any replacement Franchise location. You may decide to relocate the Franchise for the following reasons:

- in your and our judgment there is a change in character of the location of the Franchise sufficiently detrimental to your business potential to warrant its relocation, or
- you reasonably decide to relocate the Franchise for cause.

If so, you may relocate the Franchise to another available location, if:

- A. you are not in breach of this Agreement;
- B. you evidence to our satisfaction your ability to obtain and commence operations at the new location within a time we deem reasonable after you vacate the original location;
- C. you develop and equip, at your sole expense, the new location according to our then current specifications and standards;
- D. you pay all reasonable out-of-pocket expenses we incur because of the relocation. The terms "Franchise Territory" and "Franchise Premises" will include the relocated business site; and
- E. you satisfy our then current franchise placement and demographics criteria, as expressed in the Operations Manual.

1.5 **You Will Not Advertise Outside Territory.** Except with our prior written permission, you will not place under any circumstances advertisements using the Service Marks in or originating from any area other than the Franchise Territory.

1.6 **Existence of Divergent Forms of Franchise Contracts.** You acknowledge that we have offered franchises to others in the past the terms of which may have varied materially from those set forth in this Agreement.

1.7 **Rights We Reserve.** We retain all rights not specifically granted to you under this Agreement. Except as otherwise provided in this Agreement, we retain the right, in our sole discretion and without granting any right to you:

- A. to use or license the use of the Service Marks or any other trademarks, service marks, logos or commercial symbols in connection with the sale of any services or products other than those directly contemplated being used, offered, or sold by you under this Agreement. We expressly reserve the right to sell, or earn rebates and fees from the sale by others licensed or authorized by us to sell, proprietary products or services on a wholesale basis for use in preparing products or services or materials that will not carry a Joe Homebuyer brand.
- B. to operate and grant to others the right to operate Joe Homebuyer businesses inside or outside the Franchise Territory on such terms and conditions as we deem appropriate.
- C. to sell products or services anywhere, including within the Franchise Territory through channels of distribution other than the Joe Homebuyer business currently reserved to you in the Franchise Territory, including Internet, other forms of media now or in the future developed, wholesale and mail order channels. The Internet is a channel of distribution reserved exclusively to us, and you may not independently market on the Internet or conduct e-commerce except as otherwise allowed by us in the Operations Manual.
- D. to establish, operate, own or franchise any business, including competitive businesses, inside or outside of the Franchise Territory.

1.8 **Nonexclusive**. We reserve the right to market, solicit sales, and sell, lease, rent or otherwise dispose of franchise products to any person or customer we want. These include national accounts, commercial customers, franchisees, end users or any other customer we may select. We may exercise our right directly or indirectly by or through independent contractors that may include franchisees and dealers. We reserve the right to determine, in our sole discretion, availability of franchise locations in any given market, or to designate a market or location as unavailable or sold out.

1.9 **Maximum Pricing**. We will be permitted, to the extent permitted by relevant law, to establish price ceilings or minimum or maximum allowable prices on the products and services you offer and sell. Except as so specified by us or as otherwise required in this Agreement and in the Operations Manual, you may determine the prices at which you sell products and services, as well as the terms and conditions of sale.

2 **PAYMENT OF FEES AND OTHER FINANCIAL REQUIREMENTS**

2.1 **Initial Franchise Fee and Initial Purchases**. The Initial Franchise Fee is **\$50,000**. Contemporaneously with the execution of this Agreement, you have paid to us the entire Initial Franchise Fee. If you are executing this Agreement contemporaneously with a second territory, you are entitled to pay \$50,000 as the initial franchise fee for one agreement, and \$25,000 for the second agreement.

The Initial Franchise Fee is paid in consideration of our sales expenses, administrative overhead, return on investment, and start-up costs related to the execution of this Agreement and the opening of the Franchise and for our lost or deferred opportunity to sell franchises in the Franchise Territory to others. None of the Initial Franchise Fee is refundable.

2.2 **Transaction Fees**. Upon closing of each Transaction (defined below), you shall have an immediate obligation to pay to us the applicable "Transaction Fees." At our discretion, Transaction Fees will be paid one of two ways:

- (1) you must instruct the title company, escrow agent, or other settlement officer (the "Settlement Agent") to remit the Transaction Fee directly to us from the closing proceeds as a line item on the closing documents, settlement statement, HUD-1 Statement, or other transaction or closing documents (the "Closing Documents"). You must list the Transaction Fee and all partners, affiliates, and joint-venturers on the Closing Documents. You must also provide the Settlement Agent with a written payment instruction or commission disbursement authorization prior to closing, ensuring the Transaction Fees are treated as a direct closing cost.

OR

- (2) you must remit the payment via automatic pre-authorized payment plan, electronic funds transfer, or other automatic process we specify in the Operations Manual within 2 business days of closing.

Transaction Fees are calculated based upon the Transaction Price or Sales Price of the Transaction according to the following Transaction Fee Schedule:

Tier 1: All Transactions grossing, during the course of any calendar year, \$0 to \$500,000.

Tier 2: All Transactions grossing, during the course of any calendar year, in excess of \$500,000.

For purposes of this Agreement, "Sales Prices" shall comprise the sum of the net sales price of each Transaction. The Sales Price includes any and all proceeds received or retained by you and any other entities or individuals affiliated with you or the franchise. For each transaction type set forth below, the Sales Prices for purposes of Transaction Fees shall be determined as outlined specifically for that type of transaction.

Transaction Fees, according to these Levels, shall comprise, for Net Proceeds ("Net") as defined below:

Tier 1: For an Assignment Transaction: 9% of Net

All others: 5% of Net

Tier 2: For an Assignment Transaction: 7% of Net

All others: 4% of Net

Minimum Transaction Fee: For an Assignment Transaction: \$500 All others: \$500

For avoidance of confusion, all of your Sales Prices will have a percentage associated with them, pursuant to this Transaction Fee Schedule. When your Net Proceeds exceed \$500,000, you achieve Level 2 for all Transactions thereafter throughout the remainder of that calendar year. There is no maximum Transaction Fee.

"Transaction" is defined as any contractual or other undertaking whereby you, or anyone acting for your direct or indirect benefit, acquire an interest (whether vested, unvested, contingent, or otherwise) in real property.

"Net Proceeds" or "Net" means the difference between i) the contract purchase price for any agreement associated with your Transaction and ii) the Sales Price of your Transaction relating to the real property as reflected on the closing documents, settlement statement, HUD-1 Statement, or other transaction documents relating to the transfer of interests in real property. Net Proceeds includes any and all proceeds received or retained by you and any other entities or individuals affiliated with you or the franchise.

A. Purchase Transaction Fees

Upon closing of a purchase transaction, you incur \$500 in Transaction Fees.

B. Assignment Transaction Fees

Upon closing of a transaction defined as an "Assignment Transaction," you incur Assignment Transaction Fees. An "Assignment Transaction" means the acquisition of an interest in real property by a person to whom you, any affiliate, subsidiary, or any other related party or a covered person either A) assigned the rights to acquire such property, B) referred the acquisition of such property, C) have held your property interest for less than thirty (30) days following the closing or settlement of the Transaction; or D) acted as a broker for such property. The "Sales Price" for each Assignment Transaction is the sum of i) the contract sales price for such Assignment Transaction plus, ii) the amount payable to you, any affiliate, subsidiary, or any other related party or a covered person for x) assigning the contract rights to purchase the applicable property, y) referring the acquisition of such property, or z) acting as a broker for the buyer or seller of such property (if the amount payable for acting as a broker is in excess of the normal real estate commission for your Territory, not to exceed 3% of the contract sales price if you represent the buyer or seller, or 6% of the contract sales price if you represent both the buyer and seller) as shown on the closing documents, settlement statement, HUD-1 Statement, or other

transaction documents relating to the transfer of interests in real property associated with the Transaction. For purposes of an Assignment Transaction, the Assignment Transaction Price shall be calculated based upon the sum of the Sales Price and the Assignment Price.

The Assignment Transaction Fees, for each Assignment Transaction, shall comprise the greater of a) \$500 or b) the lesser of: i) the amount determined in accordance with the Transaction Fee Schedule, based upon the Assignment Transaction Price or ii) 10% of the amount payable to you for x) assigning the contract rights to purchase the applicable property, y) referring the acquisition of the applicable property or z) acting as a broker for the buyer or seller of the applicable property (if the amount payable for acting as a broker is in excess of the normal real estate commission for your Territory, not to exceed 3% of the contract sales price if you represent the buyer or seller, or 6% of the contract sales price if you represent both the buyer and seller).

C. Sale Transaction Fees

For purposes of this Agreement, a "Sale Transaction" means the sale or flip by you, any affiliate, subsidiary, or any other related party or a covered person of an interest in real property and the "Sales Price" for each Sale Transaction is the contract price as shown on the closing documents, settlement statement, HUD-1 Statement, or other transaction documents relating to the transfer of interests in real property associated with for the Transaction. A Sale Transaction applies to Transactions that have been fully consummated greater than thirty (30) days after the closing or settlement of the Transaction, but within six (6) months of the closing or settlement of the Transaction.

The Sale Transaction Fees, for each Sale Transaction, is the amount determined in accordance with the Transaction Fee Schedule, less the amount of the Purchase Transaction Fee paid for the applicable property.

D. Hold Transaction Fees

A "Hold Transaction," for purposes of this Agreement, shall mean any of the following, without duplication: (a) you have leased or rented a property in your portfolio acquired through any prior Transaction, (b) you have obtained financing with a maturity exceeding one year of a property in your portfolio, (c) you have held a property acquired through a prior Transaction for more than six (6) months and have not completed a Sale Transaction on a property in your portfolio within six months after the date you acquired such property, or (d) the Franchise Agreement terminates or expires and you have properties in your portfolio. The deemed "Sales Price" for each Hold Transaction is the after-repaired value of the property based on the report you submitted to us in connection with the purchase of the property, or such other amount as we may determine in our sole discretion, based on an appraisal or comparative market analysis.

The Hold Transaction Fees, for each Hold Transaction, shall be the amount determined in accordance with the Transaction Fee Schedule, using as the Transaction Price the amount calculated as your "Adjusted Hold Transaction Price." To arrive at your Adjusted Hold Transaction Price, there shall first occur a calculation of your "Hold Transaction Price," which shall comprise the Sales Price, less the amount of the Transaction Fee paid on the Purchase Transaction for the applicable property, which shall comprise your Adjusted Hold Transaction Price, from which your Hold Transaction Fees are calculated in accordance with the Transaction Fee Schedule.

E. Delayed Sale Transaction

A "Delayed Sale Transaction," for purposes of this Agreement, shall mean the sale by you, any affiliate, subsidiary, or any other related party or a covered person of an interest in real property that has previously become a Hold Transaction and is sold within one year of becoming a Hold Transaction. The "Sales Price" for each Delayed Sale Transaction is the contract sales price as shown on the HUD-1 Statement for the Delayed Sale Transaction.

The Delayed Sale Transaction Fees, for each Delayed Sale Transaction, shall be the amount determined in accordance with the Transaction Fee Schedule, less the sum of (a) the amount of the Transaction Fee paid on the Purchase Transaction

for the applicable property, and (b) the amount of the Transaction Fee paid on the Hold Transaction for the applicable property.

Transactions that involve creative financing (such as subject-to or seller financing) will be treated either as a Sale Transaction or a Hold Transaction, at our discretion. Creative financing Transactions must be approved beforehand by us.

Beginning 30 days after your sign this Agreement and prorated from that date, you will pay to us a **\$400 Monthly Fee** for the preceding month. Within 5 business days after each calendar month end you will pay to us the Monthly Fee. In every month during which you report a Purchase Transaction or Assignment Transaction and pay the applicable Transaction Fee, you will not be required to make any payment for your Monthly Fee, because you will be deemed to have satisfied such obligation through your payment of the applicable Transaction Fee(s).

The Monthly Fee is due and payable in the manner specified from time to time in the Operations Manual described in Section 5, below.

We may require these Monthly Fee and Transaction Fee payments to be made by automatic account withdrawal or other automatic processes we reasonably specify in the Operations Manual, such as automatic pre-authorized payment plan, electronic funds transfer or the Internet.

In addition, at closing of any transaction, you may incur Closing Fees to your designated title company or closing (real estate) attorney. For each closing, you must use a title company or closing (real estate) attorney. We may designate the title company or closing attorney that you are required to use. Otherwise, you must provide us notice of your preferred title company or closing (real estate) attorney. If we have not designated the vendor that you are required to use and if we approve of your choice, such title company or closing (real estate) attorney shall thereafter be your designated title company or closing (real estate) attorney. You authorize us to audit and to obtain copies of the entire closing file of each closing performed on your behalf with your designated title company or closing (real estate) attorney.

2.3 Brand Development Fee. You will pay to us a Brand Development Fee equal up to \$1,000 per month commencing 30 days after signing this Agreement and prorated from that date. This fee is due payable concurrent with your Monthly Fee and Transaction Fee due dates. We reserve the right to temporarily lower or suspend this monthly fee at any time, upon prior written notice to you and to our other franchisees.

This payment may be required to be made by automatic account withdrawal or other automatic processes we reasonably specify in the Operations Manual, such as automatic pre-authorized payment plan, electronic funds transfer or the Internet.

We may use all Brand Development Fees we receive from you in local, regional, national, Internet, or international brand development, promotion, marketings, and advertising for:

- maintaining, administering, researching, directing and preparing advertising and promotional activities (including, among other things, the costs of preparing and conducting television, radio, magazine and newspaper advertising campaigns, public relations programs and press releases);
- developing and protecting our brand;
- identifying properties and potential buyers;
- direct mail and outdoor billboard advertising;
- marketing research and development;
- marketing surveys and public relations activities;

- development and maintenance of any Internet or e-commerce programs;
- marketing materials;
- decor and promotional materials;
- artwork; advertising services;
- training and conventions related to marketing, customer service and sales augmentation;
- production and distribution of periodic newsletters to provide you with industry news, suggestions, and advice on franchise operations; and
- our reasonable salaries, accounting, collection, legal and other costs related to all of the above.

Our internal artwork, advertising, promotion and newsletter production costs and associated administrative costs are paid from the Brand Development Fees. These will be calculated at our cost as established from time to time. We will place your Brand Development Fees together with contributions from our other franchisees in a common fund (the “Fund”) to place advertising in geographic areas, in media, at times and using products and services we deem to be in the best interest of our franchisees and the Joe Homebuyer franchise system.

You recognize the value of advertising and the importance of the standardization of advertising and promotion to the furtherance of the goodwill and the public image of the Joe Homebuyer System.

The Fund will be administered by us. We will direct all regional and national brand development, promotional, marketings, and advertising programs. We will have sole discretion over the creative concepts, materials, endorsements, placement, and allocation of moneys from the Fund. The Fund will be used to maintain, administer, direct, prepare, and review national, regional, or local advertising materials and programs as we will in our sole discretion deem proper. It also will be used to cover our costs of collecting and administering the advertising fees we collect from our franchisees, including incurred legal fees. The Fund will be used to pay for joint marketing programs, including programs with our suppliers, sister corporations and co-branding partners. We are under no obligation to administer the Fund to ensure that expenditures are proportionate to contributions of franchisees for any given market area or that any franchise benefits directly or proportionately from the development or placement of advertising. We will not be obligated to expend all or any part of the Fund during any specific period of time. Upon your written request, we will provide to you the most recent annual accounting of the Fund.

The Fund may be used for marketing, advertising, public relations, production and media expenses related to promotion of the Service Marks, our franchise system and our products and services. The Fund may also be used for operational, administrative, office, rent, automobile, and collection expenses. We will not use any part of the Fund for franchise sales, but may include references to the availability of franchises in materials produced and placed in media by the Fund.

We may create an advertising advisory board made up of Joe Homebuyer franchisees. These franchisees will make recommendations on your behalf as to types of advertising, promotion and public relations. We will use these and other recommendations which we feel are appropriate when drafting a budget and program each year for the Fund.

We anticipate that all contributions and earnings of the Fund will be expended for the advertising and promotional purposes during the taxable year within which the contributions and earnings are received. If, however, excess amounts remain in the Fund at the end of such taxable year, all expenditures in the following taxable year(s) will come first from earnings and contributions from the prior year and next out of earnings in the current year.

as follows: A. We Will Administratively Segregate Advertising Contributions. The Fund will be administered

1. We will administratively segregate all Fund contributions paid to us by our franchisees. All payments will be deposited in our general operating account; will be commingled with our general operating funds; and will be deemed to be our asset, subject however to our obligation to expend it in accordance with the terms of this Agreement.
2. We will furnish to you annual financial statements of the Fund. Our books and records relating to the Fund will be available for your inspection during our normal business hours, upon reasonable notice.
3. Although we intend the Fund to be of perpetual duration, we maintain the right to terminate the Fund. The Fund will not be terminated, however, until all monies in the Fund have been expended.
4. An accounting of Fund contribution and expenditures will be prepared annually and will be made available to you upon request. Such accounting may include an audit of the contributions to and expenditures of the Fund prepared by an independent certified public accountant selected by us, at the Fund's expense.

B. You are Not a Third Party Beneficiary of the Fund. We will have the sole right to enforce the obligations of you and all our other franchisees, who contribute to the Fund. Neither you nor any other of our franchisees who are obligated to contribute to the Fund will be deemed a third party beneficiary with respect to the Fund or have any right to enforce any obligation to contribute to the Fund.

C. We May Return Funds to You or Use Funds for Regional Co-op Programs. We will have the right to expend all, or any portion of, the Fund for the following purposes:

1. for regional or local co-op advertising or promotional programs provided, however, that such programs will be available to all similarly situated franchisees; and,
2. if in our sole judgment, you or any other franchisee is located in a geographic territory not adequately serviced by our national or regional advertising programs, we may rebate all or a portion of the Fund Payment paid by that franchisee for use by that franchisee for local advertising. Expenditures by that franchisee will be in addition to the local advertising requirements set forth in this Agreement.

D. Establishment of Advertising Programs. At any time and from time to time, we will have the right to create or modify advertising regions for the purpose of establishing regional advertising, marketing and promotional programs. We will promptly notify you and our other franchisees, of the establishment, modification and geographical boundaries of regional advertising regions, based upon the regions and territories established by the franchisor.

Your contributions to a Regional Marketing Fund may be required, and will align with the Transaction Fee Schedule levels, with maximum monthly marketing contributions required at each level, as follows:

- Level 1: \$5,000 per month
- Level 2: \$8,000 per month

This amount is not a fee. It is spent by you for your regional advertising. Payment for this Regional Marketing Fund monthly contribution must be made on the 5th day of the preceding month. Payment for the Regional Marketing Fund will be credited toward your minimum Territory Advertising Requirement, if required. In some instances, we may recommend that you spend more than the Territory Advertising Requirement up to \$15,000 per month, depending on the size of the market, the demographic of homes within your Franchise Territory, including media price range of homes compared to the national average, competitive of the marketplace, and levels of in-market appreciation. We may waive or reduce this requirement for franchisees that implement approved alternative marketing strategies or activities.

In addition to these contributions to the Regional Marketing Fund, to your National Ad Fund Fee, and to your local marketing spending, an additional amount, not to exceed \$500 per transaction, may be assessed, in accordance with our Operations Manual. This will not be credited toward the local or Regional Marketing Fund obligations, and those obligations will remain unaltered by this general Marketing Fund Contribution.

We will administer each Regional Marketing Fund in the same manner and upon the same terms and conditions as the Fund established above. Alternatively, each Regional Marketing Fund will be administered pursuant to standards and procedures outlined in the Operations Manual. We will administer each Regional Marketing Fund in the same manner and upon the same terms and conditions as the Fund established above.

You agree to participate in and contribute your share to the cooperative advertising and promotional programs in your advertising coverage area. The cost of the program will be allocated among franchisees in the advertising coverage area and each franchisee's share will be in proportion to its sales during the preceding 12 month period, or portion of this period, but we will not require that the aggregate of your contributions for local and cooperative/regional advertising during any month exceed the monthly maximums stated above. We will have the right to approve or disapprove the content of all advertising. Your contributions to cooperative advertising promotional programs may be taken as a credit toward the monthly local advertising and promotional expenditure required in this Agreement. "Advertising coverage area" will be defined as the area covered by the particular advertising medium (television, radio, or other medium) as recognized in the industry. In the event of a disagreement, our determination of the coverage area will be final.

E. Sales Leads/Regional, National and International Accounts. We will alert you to any national accounts we acquire which may have locations in the Territory, on terms set forth in our Operations Manual regarding allocation of leads. We will also refer to you any leads who call our national toll free number that are located in the Territory, using referral systems created in our discretion. We will e-mail or telephone this information to you.

We will maintain your name on certain bidder's lists for large corporations and government agencies in order to provide you with the opportunity to expand your business in the Territory.

To the extent that we enter into an agreement to provide materials or services to any national or international account which has a location within your Territory, we may offer you the right to service that account at that location at the terms upon which we and the national or international account have agreed. If, for any reason, you elect not to service a national or international account that is offered to you, we may, in our sole discretion, service such account or appoint any other party to service that account.

This may include past, current and prospective customers with which we or one or more Joe Homebuyer franchisees have developed a relationship or standing as a preferred supplier. These may include, without limitation, customers with national, regional or multiple locations which may be located in the franchise territory of one or more Joe Homebuyer franchisees. We and our franchisees have spent time, money and effort developing contacts, expertise and relationships with these Joe Homebuyer customers that can cause certain business to be favorably secured by us and our franchisees for the mutual benefit of us and all of our franchisees. Such customers will be allocated and handled pursuant to processes and procedures outlined in the Operations Manual described in Section 5, below.

F. Obligation to Deliver Price Lists. You will deliver to us current price lists of all goods and services you sell in, at or through the Franchise. We will have the right to rely upon the accuracy of the price lists, and may use the information to advertise, market and promote the Franchise, and the goods and services you sell. At any time, you may amend, modify or change the price list by notifying us in writing. Price changes will not be effective for a period of 30 days after the notification, to enable us to modify advertising or promotional materials we use to advertise your goods or services. You will adhere to the price lists while they are effective. We may establish the prices at which you sell goods and services.

G. We May Advertise "Suggested Prices". In national or regional advertising programs, we may include "suggested prices" for the goods or services sold by you and our other franchisees. We will include within all our advertising the phrase "available at participating locations only" or other cautionary language to advise the consumer that the suggested prices may not be adhered to by all our franchisees. We may compel you to charge "suggested prices" to the extent permitted by state and federal laws and regulations.

H. Discount Programs. From time to time we may develop and market special discount or free coupon programs. You will have the right, but not the obligation, to participate in these programs. We will notify you of the creation and provisions of a discount or coupon program. Within 5 days after receipt of the notice, you will advise us whether or not you wish to participate in that program. If you notify us that you wish to participate, you will adhere to all provisions of the program. If you elect to be excluded from a program, we will have the right to advise consumers, by advertising, sales solicitation or otherwise, that you are not a participant. You will not be entitled to the benefits of that program. We will establish the discount or coupon programs in our sole discretion, and will not have any obligation to consult or confer with you or any other of our franchisees with respect to the nature, content or amount of any discount or coupon established pursuant to any program.

We may develop and market special promotional items which will be made available to you at our cost plus a reasonable mark up. You will maintain a representative inventory of such promotional items to meet demand. You will have the right to purchase alternative promotional items provided that alternative goods conform to our specifications and quality standards. You must fully and accurately participate in, honor, accept and redeem all promotional and marketing materials that we authorize.

When required by relevant law, you will have the right, but not the obligation, to participate in these programs. We will notify you of the creation and provisions of each program. Within 5 days after receipt of the notice, you will advise us whether or not you wish to participate in that program. If you notify us that you wish to participate, you will adhere to all provisions of the program. If you elect to be excluded from a program, we will have the right to advise consumers, by advertising, sales solicitation or otherwise, that you are not a participant. You will not be entitled to the benefits of that program. We may establish the programs in our sole discretion, and will have no obligation to consult or confer with you or any other of our franchisees with respect to the nature, content or price of any promotional item established pursuant to any program.

I. Your Obligation to Advertise Locally. In connection with your obligation to pay Brand Development Fees, each month you will implement approved marketing strategies and activities in your Territory. If you do not implement approved marketing strategies and activities, we may require you to spend in your territory market amounts equivalent to the limits of the Regional Advertising Fund Contribution minimum monthly amounts, with such Regional Advertising Fund and National Ad Fund fees and contributions credited toward that monthly minimum, spent to advertise and promote the Franchise (the "Territory Advertising Requirement"). We may waive or reduce this requirement for franchisees that implement approved alternative marketing strategies or activities. You will report the nature, extent and amount of these territory expenditures, in the form and at the times we require in the Operations Manual.

You are required to submit names of any third-party vendors or providers who you request to use for your advertising. Our approval, which will not unreasonably be withheld, will be given in writing, after which you may commence to use such approved vendors or providers. We may also require that you use specific marketing providers or vendors.

J. Telephone, Cellular Phone and Advertising and Social Media Content. You will not publish, promote or advertise any cell phone or landline telephone number except for the landline telephone number that we own in the areas where you conduct your Franchise. We will furnish you with one or more telephone numbers that we may require you to forward to a call center, the use of which is a condition of your franchise license. During and after customary business hours, you shall use only the type of telephone answering service or other means of telephone answering approved by Franchisor (us). To facilitate your compliance with this condition, Franchisor may provide

negotiated preferred relationships with telephone answering service providers or sales and support providers, and Franchisor may also, in its discretion, provide use of a toll-free telephone number for the Joe Homebuyer franchise system. You will not use any other telephone number(s) in relation to Franchise. You will advertise your franchise, in appropriate online or telephone directories that service your franchise area, using the furnished telephone number(s). This advertisement will be in the form and have the content specified from time to time in the Operations Manual. When more than one Joe Homebuyer facility serves a metropolitan area, classified advertisements will list all Joe Homebuyer units operating within the distribution area of the classified directory, and you will contribute your equal share in the cost of the advertisement. The expenditures for this advertising generally will be in addition to the minimum monthly local advertising requirements of this Agreement. From time to time, in our sole discretion, the Fund may be used for some or all of such advertising.

You will buy your own cellular phones for use in the Franchise. All costs associated with using and maintaining your cellular phones will be your sole responsibility. Your cellular phone numbers may be printed on your Joe Homebuyer business cards only. You will not print or use your cellular numbers on any type of publication, advertisement, signs, invoices, quotes, or any other printed matter except for your business cards.

You will not publish, promote or advertise any social media content or online accounts except for the social media and online accounts that we own and authorize for your Franchise. We shall own any social media and online accounts related to your Franchise and you will otherwise assign your entire right, title, and interest in and to them upon termination or expiration of this Agreement.

Upon termination or expiration of this Agreement, we reserve the right to acquire your cellular phones or their associated telephone numbers, and you agree to sell the phones and transfer the associated telephone numbers to us (the phones shall be valued at the phones' current market value less 20%) if we elect to acquire them. You will pay any costs or penalties due to cancellation of your cellular phones.

K. You Are to Use Local Advertising Materials We Supply. We will supply to you an Advertising Manual which will contain samples of local advertisements we approve. You will use only the advertising materials contained in the Advertising Manual, and may not, without our prior written consent, place any advertisement, in any media, which materially varies from the form and content of the approved advertisements in the Advertising Manual.

Additionally, you will at all times during the term or any successor or renewal term of the Franchise Agreement confer to us administrator or comparable privileges for your online presence, including web page, social media, marketing affiliate pages, directories, third party telephone or other contact accounts, and related account access and control credentials as may be more fully specified in the Operating Manual.

L. Approval of Your Local Advertising and Website, Social Media, and E-Commerce. You will submit to us all advertising copy and other advertising and promotional materials, public relations programs and press releases, radio and television advertising, specialty and novelty items and signs before you use them in your local advertising program. You will not use any advertising copy, public relations program, press release or other promotional material until we approve it. Your failure to conform to our provisions or requirements and subsequent non-action by us to require you to cure or remedy your failures and defaults will not be deemed a waiver of future or additional failures and defaults by you under this provision or any other provision of this Agreement.

You specifically acknowledge and agree that placing any information related to the Franchise on the Internet, on any web site, or in social media will be deemed "advertising" under this Agreement and will be subject to (among other things) our approval, right to access, restrictions, and requirements outlined in the Operations Manual. (As used in this Agreement, the term "web site" means an interactive electronic document, contained in a network of computers linked by communications software that you operate or authorize others to operate and that refers to the franchised business, proprietary marks, us or the Joe Homebuyer System. The term web site includes, but is not limited to, Internet and World Wide Web home pages, social media, and online accounts. For the purposes of this Agreement, "Internet" means any of one or more local or global interactive communications media, that is now available, or that may become available, and

successor technology to the internet and or wireless communication, and includes web sites and domain names and social media, and the successor technology to internet, web sites, web page or wireless communication and social media. Unless the context otherwise indicates, Internet includes, but is not limited to, online document completion and purchasing systems, and methods of accessing limited access electronic networks, such as Intranets, Extranets, and WANs.) In connection to any web site and social media, you agree to the following:

1. We will allow you to establish a web page as part of our web site.
2. You will not establish or use the web page or any social media without our prior written approval.
3. Before establishing the web page or any social media or online account, you will submit to us a sample of the format and information in the form and manner we may reasonably require.
4. In addition to any other applicable requirements, you will comply with our standards and specifications for web sites and social media as prescribed by us from time to time in the Operations Manual or otherwise in writing or on a franchisee forum intranet system.
5. If you propose any material revision to the web page or social media or any of the information contained in the web site or social media, you will submit the revision to us for our prior written approval.
6. You will use only approved key words, meta tags and titles pertaining to our industry. We will e-mail or respond via facsimile approved key words, meta tags and titles upon your request by e-mail or facsimile.
7. You may only offer approved products or services on your web page or social media. Any web site or social media changes made without our approval will put you in default of this Franchise Agreement.
8. We retain the sole right to market on the Internet and social media, including all use of web sites, domain names, URL's, linking, meta-tags, advertising, auction sites, e-commerce, and co-branding arrangements. You will provide us content for our Internet marketing, and follow our Intranet and Internet usage requirements. We also retain the sole right to use the Service Marks on the Internet, including on web sites, as domain names, directory addresses, meta-tags, and in connection with linking, advertising, co-branding, and other arrangements. We retain the right to approve any linking or other use of our web site. Only we and our affiliates may own domains, URLs', websites, etc. related to the franchise system. You may not purchase your own ULR or domain and you may not establish a presence on or market using the Internet or social media except as we may specify, and only with our prior written consent.
9. If you want to independently advertise or promote in any media (including the Internet), you must obtain our prior written approval, except when using materials and media previously approved by us.
10. Subject to the terms of use on our web site and social media, we may gather, develop and use in any lawful manner information about any visitor to the web site or social media, including but not limited to your customers, franchisees or prospective franchisees regardless of whether they were referred to you via the web site or were otherwise in contact with you.
11. We have established or may establish in the future an intranet or comparable on-line facility. You must use it in the manner we require. You understand and agree that we may elect to provide certain assistance, deliver information and materials or otherwise communicate with you via the Internet or the intranet. At your sole expense, you will maintain and update as needed all computer system requirements and services necessary to access the Internet and the intranet in the manner we require. You are required to have DSL or other high speed Internet service to your business or home office where you will be able to access downloads from us of advertising materials, operations manual revisions, training materials and corporate news.

12. You will make use of an approved email address, connected with any domain of our designation such as [email address]@joehomebuyer.com. You will pay us the then-current fee for each email address as we designate.
13. You shall respond promptly to any reviews by your customers and others made on your web page, any of your social media accounts, or any other online account or listings, such as Google reviews, Yelp, etc.

2.4 **Call Center Fees.** We may provide or designate a call center to help you manage telephone calls from your customers and potential customers and to assist you to manage your reports. You will pay to us or the designated call center or vendor, as we reasonably direct, the reasonable cost for this service. At the time that this Agreement was prepared, there is no call center or related call center fee. If implemented, the monthly fees will be due by the 7th day of each month or as otherwise reasonable determined by us or the designated vendor.. Outbound call center services, if required, will additionally incur fees in a rate established at the time that we establish such a program and you commence receiving such services. We reserve the right to adjust this payment as our costs or the costs to the designated vendor for running the Call Center service either increase or decrease. Regardless of whether done by you or with the assistance of us or of a designated vendor, all outbound calling, texting, and marketing communications must be approved by us before engaging in such activities. You must be certified or registered by us as having been training in how to comply with the Telephone Consumer Protection Act and related laws and issues.

Usage of our designated Call Distribution System, which may be required by our Operations Manual, will incur a Call Distribution System Fee, established by us or our vendor, and which may be changed with 30-days written notice. At the time of printing of this Agreement, such fee is \$0.29 per minute for calls, and may be adjusted in the Operations Manual, with 30-day notice of the effectiveness of such changes.

We may require that these payments be made by automatic account withdrawal or other automatic processes we reasonably specify in the Operations Manual, such as automatic pre-authorized payment plan, electronic funds transfer or the Internet. You agree to execute all documents required to comply with this provision.

You acknowledge and agree that we may shut down your access to any future designated Call Center and all related services and technologies if you fail to make timely payment of any Transaction Fee, Monthly Fee, or other fees or otherwise breach this Agreement.

2.5 **"Revenue" Defined.** "Revenue" means all receipts generated by the Franchise from any source, including, but not limited to, sales, rentals, vending, exchanges, repairs, services, labor, service charges, service contracts, any other type of remuneration, gift, contra-deal, barter of products or services, charity, payment in kind, or any other benefit or value that is received or deferred to be received, and excludes discounts, refunds and sales taxes. Credit transactions will be included in Revenue as of the date of the transaction without deduction for uncollected credit accounts. The proceeds from any business interruption insurance or eminent domain recovery you receive will be included in "Revenue." "Gross Revenue" means the total Revenue for any calendar period as relevant.

2.6 **You Will Pay Taxes and Indebtedness.** You will pay all taxes, assessments, liens, encumbrances, accounts, and other debts, regardless of their nature, assessed against you, the Franchise, or inventory, materials, and equipment used in the Franchise. Payment will be made when due and before delinquent except when being contested in good faith by appropriate proceedings. If we are charged with any tax by the authorized taxing authority of any state or political subdivision, including taxes on sales made to or licenses granted to you, or sales made by you through the Franchise you will pay these taxes. You will pay to us promptly and when due the amount of all sales taxes, personal property taxes and similar taxes imposed upon, required to be collected, or on account of collection by us of the Initial Franchise Fee, the Transaction Fee, the Monthly Fee, or any other payments you make to us pursuant to this Agreement.

You acknowledge that one of the benefits accruing to you and all of our other franchisees is the economy of mass purchasing power made available through us. Your failure to pay or repeated delay in making prompt payment in

accordance with the terms of the invoice or statements rendered to you for payments due, or misdirection of supplies or other abuses will result in a loss of credit standing and goodwill and a loss of benefits derived to us and other franchisees using the Joe Homebuyer System. You expressly agree to promptly make all product purchase payments on invoices and statements rendered to you in accordance with the terms of the invoices and statements and to make timely remittances of rent as required on your lease.

2.7 Transaction Fees, Monthly Fees, Brand Development Fees, Local Advertising Expenditures, and Other Sums to Be Paid Promptly. You will not set off any claim for damages or money due to you from us against any payments to be paid by you to us under this Agreement or any related agreement between the parties. No endorsement or statement on any check or payment of any sum less than the full sum due from you to us will be construed as an acknowledgment of payment in full or as an accord and satisfaction. We will have the right to accept any check or payment without prejudice to our rights to recover the balance due or to pursue any other remedy available to us.

Upon your failure to pay us as and when due, we may, at our election, deduct the unpaid sums from any monies or credit we hold for your account. You agree that you will not withhold payment of any amounts due to us on the grounds of any alleged non-performance by us, or in the event of any dispute or a claim by you, or for any other reason whatsoever.

A late/finance charge will be added to any sums to be paid under this Agreement that remain unpaid after the date due. The late/finance charge will equal **1.5%** per month. In addition, late payments and late reports will be subject to a late payment fee of \$10 per day. These late charges and late payment fees will not exceed any limits placed upon late charges and late payment fees and penalties by applicable local laws.

Our acceptance of late charges will not constitute a waiver of the breach created by your non-payment of any amount when due. Notwithstanding the payment of any late charges, we may exercise any rights or remedies granted by this Agreement upon your breach or any rights or remedies otherwise granted by law.

Nothing contained in this Agreement obligates us to accept any payments after due or to commit to extend credit to or otherwise finance your operation of the Franchise. You acknowledge that failure to pay all amounts when due will constitute grounds for termination of this Agreement.

2.8 Records and Reports; Accounting and Bookkeeping. You will keep a complete and accurate set of books and records of the operation of the Franchise, and must produce monthly financial statements in accordance with generally accepted accounting principles and practices for each calendar month, as well as a profit and loss report each calendar quarter, and furnish copies of these statements to us within **30** days after the end of each quarter. You must additionally provide annual financial reports within 30 days of any request made by us.

You must report to us or otherwise share with us all customer lists and buyer lists. You must report to us each property interest in which you, or any affiliate, subsidiary, or other related party or covered person acquire an interest within 24 hours of entering into any agreement through which you, or any affiliates, subsidiary, or other related party or covered person acquire an interest, direct or indirect, in any property or parcel of real estate. You must, in all instances, include us as a prospective buyer on all buyer lists, such that we are notified of every opportunity to acquire property in which you or any affiliate, subsidiary, or other related party or covered person have acquired an interest at the same time and on the same terms as each of your other prospective buyers.

You must provide us a HUD-1 (Settlement) statement for each transaction consummated by you in connection with the Franchise, which must include all Transaction Fees, and must be produced for each Transaction, either entered into the relevant software or emailed to the Franchisor.

You must provide to us full access to your financial statements, bank accounts, chart of accounts, accounting and bookkeeping reports, records, and software data. To provide you and us with current and accurate financial reports and to promote an efficient and smooth relationship, we currently require that you use required accounting software and use our designated chart of accounts and accounting and bookkeeping systems and processes. We may require you to use

ongoing accounting and bookkeeping services provided by an approved third-party vendors or by us. Such services shall incur the fees and costs or an Accounting Service Fee in the amount established by such vendor, or in a reasonably similar amount if provided by us to compensate for our cost in providing such a service.

You will furnish to us as outlined in the Operations Manual, an itemized report of the Gross Revenue and of your profit and loss for the prior month. This report must be certified by you to be true and correct. The report will be in the form and will include such supporting documentation as we may reasonably demand from time to time. All Transaction Fees and Brand Development Fees due based upon the Net or Gross Revenue for the preceding month will accompany the report.

You will keep records of all business done and Revenue received through the Franchise. These records will include, but are not limited to, order sheets, cash register tapes, sales and rental agreement forms, daily sales summaries, tax returns, financial statements, and invoices. You will date, file in consecutive order, retain for a period of **5** years, and make available to us for inspection and audit all of your records.

Our right to inspect will include, within 10 days of our request, the right to examine your books, tax returns, banking or other financial institution statements, and records of other businesses owned, in whole or in part, or operated by you to determine whether all revenue to be reported by you has been properly reported and that appropriate fees and contributions have been paid. We may establish a uniform list of accounts and a uniform bookkeeping system for all of our franchisees. You agree to maintain your books and records in the manner we require.

You will submit to us a list of all shareholders, members, partners or other owners of the franchise business and the respective interests held by each as of the end of each fiscal year. Provided, however, if your shares are publicly traded, the list of shareholders required will include only those owning **5%** or more of the shares outstanding. The required report will be submitted to us within **90** days after the end of your fiscal year.

You will deliver to us a copy of any formal complaint, regulatory advisory or inquiry, or related matter that would reflect legal action being taken against you or regulatory investigation or action underway related to your Joe Homebuyer business. Such delivery must occur not less than 30 days after you receive such matters.

In any instance when you fail to deliver to us required reports in an acceptable format as designated by us in the Operations Manual or as communicated to you by us, in addition to amounts that you owe to us for Transaction Fees and late payment fees, late/finance charges, and penalties, you will owe as a non-reporting fee the greater of i) \$5,000 per month for each month that you failed to deliver to us the required reports or ii) an amount equal to the Transaction Fees that from the preceding six (6) months if they had been properly paid and reported.

2.9 Audits. We may audit your reports, books, statements, business records, cash control devices, and tax returns at any time during normal business hours. Audits will be conducted at our expense unless you understate the Gross Revenue for any reported period or periods by more than **2%** or unless you fail to deliver any required report of Gross Revenue or any required financial statement in a timely manner. In the event of an understatement or failure to deliver, you will reimburse us for all audit costs. These will include, among other things, the charges of any independent accountant and the travel expenses, room, board, and compensation of our employees incurred in connection with the audit. You will immediately pay all Transaction Fees, Monthly Fees, Brand Development Fees, Local Advertising expenditures and late payment charges that the audit determines are owed. These payments will not prejudice any other remedies we may have under this Agreement or by law. Our right to audit will include the right to examine the books, tax returns and records of other businesses that you own or operate, in whole or in part, to determine whether all revenue to be reported by you has been properly reported and that appropriate fees and contributions have been paid.

2.10 You are to Pay all Franchise Costs. All the costs of the Franchise, including opening and operating costs, will be your sole obligation. We will have no costs, liability or expense whatsoever with respect to your opening and operation of the Franchise. You will not use or employ the Service Marks in performing any activity or incurring any obligation or indebtedness in a manner that could result in making us liable for them. You are responsible for any

employee wages and compensation, payroll taxes and other required withholding, worker's compensation and benefits. You will control your own employees and contractors. You will take all steps necessary to maintain a safe and healthy environment for your workers and customers.

2.11 **Attendance at Conventions.** We may hold conventions for the franchisees that make up our franchise system. These conventions may be held at a different location each time. They include programs on sales and marketing techniques, performance specifications, advertising programs, training suggestions, and committee elections, among other things. **Your attendance at each convention is required.** You will bear all expenses of attending, including travel, lodging, meals and entertainment. For any annual convention that you do not attend, we will deliver to you and you will pay us for all training materials, documentation, handouts, training videos, and video recordings of the activities of the convention. The price for the training materials, documentation, handouts, training videos, and video recordings for each annual convention will be established by us from time to time but will not be more than **\$2,000**. Your travel-related expenses, including transportation, lodging, and food, will remain your responsibility, in addition to the payment for attendance at the convention. Some of these costs may be collected by us and related to third parties on your behalf or paid directly by you to third party vendors.

The payment for attendance at the convention shall be up to \$2,000 to be paid upon invoice, up to six months prior to the event, and paid pursuant to your authorized method of payment on file at the time of invoice. Should you fail to attend, an additional \$1,000 shall be due and paid upon invoice within 30 days following the event.

2.12 **Application of Payments.** We have the right, in our sole discretion, to apply any payment from you to any past due indebtedness you owe to us or our affiliates, whether from monthly fee payments, purchases, late payment charges, or for any other reason. This section will apply regardless of how you may designate a particular payment is to be applied.

For the purposes of this Agreement, and all other instruments and agreements relating to it, we will have the right to treat any payment received from you as payment on account. We may apply any monies received from you in the following priority:

- a) to the payment of any sales or use taxes required to be paid in connection with any dealings between you and us pursuant to this Agreement;
- b) to the payment of interest on overdue amounts;
- c) to the payment of accrued late charges;
- d) to the payment of overdue or outstanding amounts;
- e) to the payment of current Transaction Fees and Monthly Fees;
- f) to the payment of current Brand Development Fees;
- g) to the payment of the purchase price for all or any items you purchase from us or Joe Homebuyer Suppliers, and
- h) to the payment of rent and any other amounts payable by you to us,

in any order that we, in our discretion, decide and notwithstanding any contrary designations by you as to the application of your payments.

2.13 **Method of Payments.** We have the right, in our sole discretion, to establish approved methods of payment, and require that you have a current payment method on file with us and pre-authorized to process payments of all amounts coming due under this Agreement. The approved or available payment methods may vary, and will be

available to you for updating and verification through the Operations Manual and the operations software. At all times you are required to have current account information for an approved payment method on file with us, as a condition of your franchise.

2.14 **Communications.** You shall endeavor in good faith to follow the spirit of our core mission in all communications within the system and with your customers, which is ‘Improving lives by delivering creative real estate solutions’ (our “Mission Statement”). All communications, text messages, email messages, social media, online accounts, or other forms of communication must be made through our approved methods and providers. Franchisor shall be given administrator access at all times to all communication platforms. Franchisees and their agents, associates, or employees must at all times pay for and use an email address that we designate to communicate with us; currently, we designate the email addresses from the @joehomebuyer.com domain. All email addresses, social media and online accounts and customer lists, customer data, or other customer information or buyer lists shall be and remain the exclusive property of ours, during and after the Term of the Franchise Agreement. During the Term of the Franchise Agreement, and after Termination, the customer list and customer database generated and maintained in connection with the Franchise and the Territory (the “List”) shall be and remain the exclusive asset of ours. At our discretion, the List may be used by us, or shared with other franchisees of the Joe Homebuyer system.

3 **TRAINING**

3.1 **Mandatory Onboarding and Training.** You must successfully complete such initial training as we determine in our reasonable discretion is necessary for you to commence operations of the Franchise. Typically, this includes approximately 40-100 hours of mandatory online onboarding, familiarization, and training content and information. The onboarding and training programs covers aspects of the operation of the Franchise, including use of our computer software and reporting systems, estimating, sales techniques, marketing plans and techniques, administration and bookkeeping controls, service methods, deployment of labor, and maintenance of quality standards. Unless we deem it unnecessary at our reasonable discretion based upon a franchisee’s or manager’s experience, you and the franchise managers, including your acquisitions manager and general managers, will complete the initial training before opening the Franchise for business and within 120 days of the Effective Date of this Agreement. Upon completion of initial training, we intend to issue a certificate of completion such that you and your managers can commence to operate the Franchise and related marketing activities.

In conjunction with initial training or after you start your business operations, we may require you to attend and complete an approximately 2-4 consecutive-day on-site training program at our headquarters, currently in South Jordan, Utah or another location designated by us as suited to our training needs. In some instances, all training may be completed virtually. All your accommodations, travel, room, board, and wage expenses during this period are borne exclusively by you.

You must ask us to schedule any on-site training session for you and the managers at least **35** days before the session is to start. You and the managers must complete this mandatory training program to our exclusive satisfaction or we may terminate this Agreement upon refunding all of the Initial Franchise Fee. You are encouraged to begin training before incurring any costs or expenses related to the planned opening of the Franchise. We will not be liable for any costs or expenses you incur if we terminate this Agreement because you or your manager fails to satisfactorily complete the mandatory training course.

You will pay the transportation, board, and lodging expenses you or the manager incur related to this training, including transportation, meals, accommodations and entertainment. Training and training materials may be delivered in the formats or media we choose. This may include online and virtual videos, content, and websites, as well as course books or other electronic format. You will participate in and pay for the training, including costs of computer equipment and internet services needed to participate.

If the Franchise is managed by any persons other than you, you will notify us of these managers. Each manager you hire must successfully complete the mandatory training program within **one** month after being hired. You will bear all costs

of the training, including a reasonable training fee at our then current rates. Each of your employees will complete a training program as prescribed in the Operations Manual. All training programs for your employees will be conducted under the direction of you or your designated manager who has successfully completed the mandatory training course. We may require you to use a designated recruiting service to hire your acquisition manager.

Individuals:

If you will be operating your franchised business as an individual, we strongly recommend that you devote your full time and best efforts to the day to day operation of your franchised business with no operational or management commitments in other businesses except other franchises offered by us. You may however, continue to operate such other businesses, (if any), in which you are engaged as of the date of this Agreement that are family owned. If you continue to operate other businesses, you must employ separate personnel for the businesses, market services under one or more trading designations separate from the Service Marks, maintain separate offices and customer reception space and have the personnel related to such other businesses wear apparel that does not feature any of the Service Marks.

Partnerships:

If you will be operating your franchised business as a partnership, one or more partners must participate in the actual day to day operation of your franchised business or you must have in your employ a manager who runs your day to day operations. The partner or partners who are in charge of running your franchised business or your manager must have successfully completed our training course.

Corporations, Limited Liability Companies:

If you will be operating your franchised business as a corporation, limited liability company, or other legal entity, you must have in your employ a general manager. This general manager can be you, any member of your board, an officer of your corporation or member of your limited liability company. The general manager who is in charge of running your franchised business must have successfully completed our training course.

Managers/Training:

No matter what form of business you decide to use, the person assigned to running the day to day operations of the business must have completed our training course. Anyone in your employ who is a manager or crew leader of your franchise operations must also have completed our required training course.

3.2 Supplemental Training At your option, or upon our reasonable determination of your need, and upon not less than 35 days' prior written notice to us, you may receive additional training at our training center or at other agreed upon locations. All expenses of this training will be borne by you, including but not limited to your or our travel, lodging, meals, compensation, and our reasonable costs and expenses including a reasonable training fee at our then current rates (not less than \$500 per day).

This additional training consists of visits to our franchises, work experience, and observation of franchise operations. The duration of training is negotiable depending upon your needs. You will not receive any compensation for services rendered by the trainee during this or any other training. We may designate qualified franchisees or master franchisees to conduct some or all of your training.

From time to time we may provide refresher training programs or seminars and may require that you or your managers attend and complete them to our satisfaction. These programs and seminars will be held at locations we designate and will be provided without charge to you. You will be exclusively responsible for paying all travel, living and other expenses and compensation of attending these programs and seminars. Each year, you or the designated managers of your

Franchise will be required to attend up to **20** hours of programs and seminars, depending upon program and seminar availability. In addition, we may deem it appropriate or necessary to provide additional training and supervision to you and your managers and employees at your franchise location. If so, you will fully participate in and complete this additional training and supervision, including additional or revised training programs and processes that may be added to the Operations Manual in the future. We may charge a reasonable Training Fee for these additional training sessions.

4 **COMMENCEMENT OF OPERATIONS**

4.1 **Time to Complete Training and Commence Operation.** You or your manager will complete to our exclusive satisfaction the mandatory training defined above, find a site location that is acceptable to you and approved by us, and commence full and continuous operation of the Franchise within **120** days after execution of this Agreement. Prior to commencing operation, you will procure all necessary licenses, permits and improvements and purchase initial inventory. Any failure to commence operation caused by a war or civil disturbance, a natural disaster, a labor dispute, shortages or other events beyond your reasonable control will be excused for a period of time that is reasonable under the circumstances.

If this training, site location and commencement of operation obligation is not fulfilled, we may, in our discretion, terminate this Agreement by refunding not less than **one-quarter** of the Initial Franchise Fee.

4.2 **You Are to Obtain Permits and Licenses.** Prior to commencing business operations, you will obtain all local permits and licenses necessary to operate the Franchise, including relevant contractor licenses. You will comply with all of the provisions of all other applicable federal, state or local statutes, rules or ordinances.

5 **FRANCHISE STANDARDS OF OPERATION**

5.1 **Operations Manual, Minimum Inventory, Supplies, Plans and Specifications, and Public Relations.** Our industry is highly competitive. Continuous efforts to maintain, update and improve the Joe Homebuyer System are essential. The developments we will make for the benefit of our franchise system as a whole are contemplated throughout the term of this Agreement. The continuous development of the Joe Homebuyer System in this manner is an important and beneficial aspect of the relationship you want to have with us. We agree to provide you online access to the **Joe Homebuyer** Operations Manual once you have paid to us the Initial Franchise Fee, in full. The Operations Manual is a hosted online portal that contains content and information that describes the Joe Homebuyer System, including specifications, standards, operating procedures, accounting and bookkeeping methods, marketing ideas, inventory requirements and control techniques, plans and specifications, service requirements, co-branding requirements, public relations and other rules that we may prescribe from time to time and identify as part of the Operations Manual. Among other things, the Operations Manual may contain information, requirements and standards related to:

- Planning and consulting
- Site selection assistance
- Permitting assistance
- Hiring and employee management training and assistance
- Equipment standards and assistance
- Proprietary computer programs for estimating, point of sale, marketing, accounting, scheduling and reporting
- Inventory management assistance and training
- Written operations standards and assistance
- Initial and ongoing operational training
- Management and employee training
- Marketing and advertising
- Standards, ongoing training and ongoing support
- Insurance guidance and standards

The Operations Manual includes materials in whatever form (including electronic) we provide to you that describe the guidelines, advice, and requirements regarding the operation of your franchise, including user manuals and related instruction materials. It includes amendments, supplements, and new documents made and identified by us as part of the Operations Manual. The Operations Manual may be delivered to you by hard paper copy, computer diskette, CD-ROM, via an intranet or other downloading mechanism to your computer or via another medium chosen at our discretion.

For avoidance of confusion, the Parties state and agree that Franchisee's compliance with the Operations Manual is a continuing condition of the franchise license from Franchisor; however, the terms of the Operations Manual are not terms of this Agreement. The terms of the Operations Manual comprise a condition to the continued license of the franchise, and include such terms as may be contained in the aforesaid manual as of the date of the Franchise Agreement, together with updates thereto as may, from time to time, be provided by Franchisor to Franchisee.

The Operations Manual is and will remain confidential and our exclusive property. You will not disclose, copy or duplicate any part of the Operations Manual for any reason. Nothing in this Agreement may be construed as an incorporation of the terms of the Operations Manual or as making the Operations Manual part of this Agreement. The Operations Manual, in part, may consist of confidential:

- A. manual or manuals, and
- B. any Intranet or password protected portion of an Internet site, and
- C. any other embodiment of the Methods of Operation, including notices of new standards and techniques including all media identified by us as part of the Operations Manual, and
- D. any amendments, supplements, derivative works, and replacements; whether embodied in electronic or other media.

We develop minimum requirements for service, estimating, supplies, stationery, business forms, advertising, plans and specifications, materials and signs, among other things. These requirements are outlined in the Operations Manual. You will purchase all initial inventory items and additional items specified from time to time in the Operations Manual. We may amend the Operations Manual, including changes which may affect minimum requirements for your franchise operations. You will strictly adhere to the requirements of the Operations Manual as we amend it from time to time. You will implement immediately all changes at your cost, unless we otherwise specify. We reasonably may restrict you from producing, stocking, and selling certain services and goods, from time to time, as specified in the Operations Manual.

You must purchase items that bear the Service Marks from us or suppliers we approve from time to time. Proprietary items and supplies may be private labeled by us.

We retain the right to make a reasonable profit on any items, supplies and materials you buy from us. We may also make a reasonable profit on supplies we purchase in bulk quantities and sell to you.

We may obtain money, goods, services, or other benefits from persons and entities with which you do business, on account of that business with you. These may include rebates, refunds, commissions, co-operative payments, or discounts. Such benefits or funds will be received and used for purposes as may be deemed desirable in our discretion. The uses to which we may put such funds may include such uses as providing supplemental training or offering promotional services to our franchisees.

There are no required quotas as to quantity of purchases you must make from us or from approved vendors. You must only have enough supplies on hand to meet customer demand. If you elect to purchase equipment, inventory, and supply items from us at our then current prices, payment must be made when you place your order. The items we offer may include among other things equipment, merchandise, and supplies that bear the Service Marks. You may offer these Trademark bearing items only through the Franchise.

Any products and goods sold, licensed, or leased by or through us to you will be sold, licensed, or leased in accordance with the terms expressly set forth in the Operations Manual or as otherwise provided for in writing by us or the manufacturer of the products and goods. **EXCEPT AS EXCLUSIVELY SET FORTH IN WRITING AND SIGNED BY US, WE MAKE NO EXPRESS OR IMPLIED WARRANTIES WITH RESPECT TO THE PRODUCTS AND GOODS, AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT RESTRICTED TO, THE IMPLIED WARRANTY OF TITLE AND THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE EXPRESSLY DISCLAIMED. UNDER NO CIRCUMSTANCES WILL OUR LIABILITY IN CONNECTION WITH ANY PRODUCTS OR GOODS EXCEED THE DOLLAR AMOUNT OF THE PURCHASE PRICE OR LICENSE FEE PAID BY YOU FOR THE PRODUCTS OR GOODS. IN NO EVENT WILL WE BE LIABLE TO ANY PARTY, INCLUDING BUT NOT LIMITED TO, YOU AND YOUR CUSTOMERS, FOR ANY TORT DAMAGES OR INDIRECT, SPECIAL, GENERAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO, LOSS OF PROFITS OR ANTICIPATED PROFITS AND LOSS OF GOODWILL, ARISING IN CONNECTION WITH THE USE (OR INABILITY TO USE) THE PRODUCTS OR GOODS FOR ANY PURPOSE WHATSOEVER, EVEN IF WE ARE AWARE OR HAVE BEEN ADVISED OF THE POSSIBILITY OF POTENTIAL LOSS OR DAMAGES.**

We will not be liable to you if we are unable to deliver equipment, inventory or supply items to you because of any loss, damage, or delay caused by strikes, riots, fire, insurrection, war, elements, embargoes, failure of carriers, inability to obtain transportation facilities, forces majeure, acts of God or of the public enemy, or any other cause beyond our control.

You will purchase all products, supplies and materials required for the operation of the Franchise from manufacturers, suppliers or distributors approved by us. We may designate required, approved, or preferred vendors and promote them and negotiate discounts and other incentives. We may require you to use certain vendors for, among other things, estimating software and programs; call center services; website, web design, advertising, and marketing programs, and social media management systems and applications; accounting software, chart of accounts, and payment processing. All specifications that we require of you and lists of approved suppliers will be included in the Operations Manual. We will use our best judgment to set and modify specifications in order to maintain the integrity and quality of the franchise system. You specifically agree that as a condition to your continued use of the license granted to you pursuant to this Franchise Agreement, during and after customary business hours you will use only the type of telephone answering service, software, and telecommunications providers or other means of telephone answering and communications approved by us as the Franchisor. Preferred vendor rates and relationships may be negotiated by us from time to time, and you agree to enter into such agreements as may be necessary to avail yourself of such approved and preferred telephone answering services and to satisfy the condition to use an approved telephone answering service. You additionally agree, as a condition to your continued use of the license granted to you pursuant to this Franchise Agreement, during and after customary business hours you will use only the type of communications and messaging service or other means of instant communication or messaging as approved by us as the Franchisor. To appropriately respond to and administer customer inquiries, you will establish procedures for responses to customer inquiries via communications and messaging, by use of a service approved by Franchisor ("Communication Services"). The Communication services shall be available to, and apply to, the authorized telephone number(s) in use by you, which you have conditionally assigned to Franchisor, and over which you have authorized Franchisor to control and manage. In responding to and administering customer Communication Services, any communication or message exchange (a "Conversation") conducted through the Company website (chat) or through a text-enabled telephone line (text) initiated by a lead or by an individual expressing an interest in Company (a "Customer"), and wherein the communication or message exchange continues without a lapse in time between the last message or response by Provider and the Customer's last message that is greater than six hours shall be considered a Conversation. For any exchange with a Customer where the Customer's response comes after greater than six hours since the last message or text by Provider, the first Conversation shall be deemed to have ended, and the new Customer response initiates a new Conversation. Franchisor, or its designated vendor, may provide the Communication Services. Subject to change upon 30-day written notice to you, the rates and fees for Communication Services that shall be due and owed comprise: i) a fee of \$2.50 per Conversation; and ii) such other fees as may be established and delivered to you, effective following 30-days prior written notice.

You must sell, offer for sale, distribute or deliver only such services or products that meet the specifications and standards of quality and quantity in the Operations Manual. You must sell or offer to sell all approved items and services. You must refrain from deviating from our standards and specifications and must discontinue selling or offering for sale any such items as we may, in our discretion, disapprove in writing at any time.

With advance written notice, you may request our approval to obtain products, or services from sources that we have not previously approved. We may require you to give us sufficient information, or data to allow us to determine whether the products or services from these other sources meet our specifications and standards, as established from time to time. We may require a Confidentiality and Non-Disclosure Agreement signed by the proposed supplier prior to release of any confidential information. We will not unreasonably withhold approval of a supplier you propose. We will notify you in writing of the approval or disapproval of any supplier you propose within 30 days of our receipt from you of your written notice of request for approval.

One of the benefits accruing to you and all our other franchisees is the economy of mass purchasing power made available through us. Your failure to pay or repeated delay to make prompt payment in accordance with the terms of the invoices and statements for payments due on your purchases of signs, equipment, products, supplies and other inventory items, or you misdirection of supplies or other abuse of our approved suppliers, distributors and manufacturers, will result in a loss of credit standing and goodwill and benefits otherwise available to us and our other franchisees. You expressly agree to promptly pay all such invoices and statements in accordance with their terms.

5.2 **Standards to Be Maintained.** You will follow the Joe Homebuyer System and maintain standards for products and service that we prescribe.

A. You will operate the Franchise in a clean, orderly, and respectable manner in strict compliance with this Agreement and the Operations Manual. You will endeavor to follow the spirit of our Mission Statement in your operation of the Franchise. You will only use signs, equipment, materials, products, inventory, plans and services that conform to our specifications to conduct the franchise.

You may only use approved vehicles, as necessary, which are free of any rust and dents. You will wash your vehicles at least once every two weeks. Your vehicles will only be used for Franchise purposes including positive advertising and will not be used for any other reason that could harm the Joe Homebuyer system, brand, or Marks. We must approve the vehicles you use for your Franchise. You will maintain your vehicles in good repair and operating condition. You will adhere to our vehicle requirements and standards, including our requirements for the purchase of new vehicles.

You will only take title to properties acquired through our Joe Homebuyer System in the name of the Franchisee (individually, or as an entity, or collectively).

B. You will maintain signs approved by us on the Franchise Premises (if at an office site or commercial location) and on vehicles you use in your franchise operations and to identify locations where you are conducting franchise services. These signs must comply with local sign ordinances, regulations and laws. The signs will describe you only as a franchisee operating pursuant to this Agreement. You will apply only decals and logos approved by us on your vehicles, signs and equipment. You will keep your signs clean and legible and free of tears, paint problems, punctures, cuts, and graffiti.

C. We may inspect the Franchise at reasonable times to verify your compliance with the terms of this Agreement. To do so, we may:

1. Inspect the Franchise;
2. Observe your operation of the franchise business for any consecutive or intermittent periods we deem necessary;

3. Select items, products and other materials, services, equipment and materials, operations and supplies for test of content and evaluation purposes to make certain that they are satisfactory and meet our quality control provisions and performance standards;
4. Interview your personnel, customers, vendors and co-branded partners; and
5. Inspect and copy any books, records and documents related to the operation of the franchise and any other franchise information we may require.
6. Hire a third party “secret shopper” or present ourselves as a customer without disclosing our identity for the purpose of evaluating the quality of products, services, and experience you offer. We may do this no more than three times a calendar year and for a total cost of no more than \$125.00 per evaluation event.

You and anyone acting as your agent will cooperate fully with us and our agents in connection with these inspections, observations, and interviews. You expressly waive any rights of privacy or confidentiality you have with your personnel, customers, vendors and co-branded partners in reference to these inspections, observations and interviews.

D. You will comply with all applicable ordinances, regulations, bylaws, laws, and statutes. You will not permit unlawful activities through the Franchise and will not sell, exchange, offer, hold, show, rent, or permit to be sold, exchanged, offered, held, shown, or rented any material or service you know or reasonably suspect to have been obtained in violation of law or to be otherwise illegal.

You will secure and maintain in force all required licenses, permits and certificates relating to the operation of the Franchised Business and will operate the Franchised Business in full compliance with all applicable ordinances and regulations, including without limitation, all government laws and regulations relating to occupational hazards and health, EEOC laws, Americans with Disabilities Act, copyright laws protecting owners of artistic works, consumer protection, trade regulations, workers compensation, unemployment insurance and withholding, and payment of federal and state income taxes, social security taxes and sales, use and property taxes.

E. You will not sell or dispense any products or services or activities other than those we specifically recognize and approve in writing.

F. After we have delivered to you written notice of default or violation of this Agreement or notice of specific actions, omissions, or instances of neglect or misguidance, we may employ professional shopping services to monitor your compliance with this Agreement. You will repurchase merchandise and otherwise fully reimburse these shopping services for goods, services, and other items they receive, lease, or buy from you in the process of verifying compliance, including reasonable travel and time costs (currently \$35 per hour). You will hold us harmless from any such charges incurred by any shopping service. We will pay all other charges made by the shopping services.

G. You, at your expense, will maintain the Franchise and your vehicles, equipment and furnishings in good repair, attractive appearance, and sound operating condition in compliance with the Operations Manual. At our request, you will make necessary repairs in order to maintain uniform appearance and to protect the reputation of the Service Marks. You will commence all repairs and changes within a reasonable time after notice from us, and you will proceed with due diligence until completion.

If you do not maintain the Franchise or your vehicles as required, after notice to you, we at our option, may make the necessary maintenance and repairs and charge the cost to you. If we make or direct the making of repairs, we will not incur any liability to you, including but not limited to, liability for interruption of your business during the course of making the maintenance and repairs.

H. You will keep your franchise open for business every business day of the year, except holidays we designate, during the hours specified or approved in writing by us. For clarification, we currently consider active communication by you or your designated representative (if you are unavailable) with a designated Call Center as satisfying this “open for business” requirement. We may change these requirements from time to time as designated in the Operations Manual.

I. At all times you will insure that your copy of the Operations Manual and any other manuals given to you are kept current and up to date with the amendments and updates we provide to you. In the event of any dispute as to the contents of the Operations Manual, the terms of our master copies maintained at our principal place of business will be controlling.

J. If you fail to complete or repair a job up to the quoted estimate and job description, we may, at our sole discretion and in order to protect our brand and system reputation, complete or repair the job to the quoted estimate and description. You will bear 100% of the expense and cost of any and all remedial action we take to complete or repair the job, which costs and expenses may exceed the quoted estimate.

5.3 Service Marks, Operations Manual, Customer Database, and Joe Homebuyer System Are Our Exclusive Property. You agree that the Service Marks, Operations Manual, Customer Database, and Joe Homebuyer System are our sole and exclusive property, as is all content entered by you into all Software provided to you by us (which content is deemed a work made for hire, and is created by you for the sole benefit of Joe Homebuyer). Except for the Franchise granted to you by this Agreement, nothing in this Agreement or any other agreement will give you or others any right, title, or interest whatsoever in or to the Service Marks, Operations Manual, or Joe Homebuyer System. Your license to use the Service Marks is non-exclusive. We, in our sole discretion, may operate under the Service Marks and may grant licenses to others to use the Service Marks on any terms and conditions we deem appropriate. In those states and nations where applicable, you agree to execute on request all documents necessary to record you as a registered user of the Service Marks. You will not use the Service Marks as part of any electronic mail address or in any electronic mail message except in accordance with the Operations Manual and only for purposes of the franchise.

You will immediately notify us of any infringement of, or challenge to, your use of the Service Marks or any marks identical to or confusingly similar to the Service Marks, including any claims of infringement or unfair competition. While we will make reasonable efforts to protect your rights to use the Service Marks, we will have sole discretion to take or not to take action, as we deem appropriate. If we undertake the defense or prosecution of any litigation or administrative action involving you or any litigation or administrative action involving the Service Marks or the Joe Homebuyer System, you agree to execute any and all documents and to do all acts and things that in the opinion of our counsel are necessary or advisable to carry out the defense or prosecution. This may be done either in our name or in your name, as we will elect. We will not be required to participate in your defense or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving the Service Marks or if the proceeding is resolved unfavorably to you. Instead, at any time, you will modify or discontinue use of any franchise names or Service Marks, or will use one or more substitute names or marks, if we so direct in writing at any time. Our sole obligation in this event will be to reimburse you for your tangible costs in complying with our direction (i.e., cost of changing signs, stationery, etc.). Under no circumstances will we be liable to you for any other damages, costs, losses, rights, or detriments related to any modification, discontinuance, or substitution. All obligations or requirements imposed upon you relating to the Service Marks will apply with equal force to any modified or substituted names or marks.

You will not contest, directly or indirectly: our ownership, title, right, or interest in the Service Marks, the Operations Manual, the Customer Database, or the Joe Homebuyer System; or our exclusive right to register, use, or license others to use the Service Marks, Operations Manual, and Joe Homebuyer System. You will not advertise or use the Service Marks without following our then current guidelines and requirements. These may include, but will not be limited to, the placement of appropriate © or ® copyright and registration marks, or the designations TM or SM, where applicable.

Any and all goodwill associated with the Service Marks, including any goodwill that might be deemed to have arisen through your activities, will accrue directly and exclusively to our benefit, except as otherwise provided by applicable

law. You appoint us as your agent and attorney-in-fact to amend or cancel any registered user or business name filings obtained by you or on your behalf that involve or pertain to the Service Marks.

You will not use the Service Marks on products or services that come from any source other than us or sources we approve in writing except for products you prepare or produce pursuant to the Operations Manual and the Joe Homebuyer System.

We make no representation or warranty, express or implied, as to the use, exclusive ownership, validity or enforceability of the Service Marks.

We and you will use reasonable best efforts to continuously improve the products, processes and services used in the Joe Homebuyer System and to develop new products, processes and services for use as part of the Joe Homebuyer System. All the improvements, inventions and developments you make, develop or create for use in the Joe Homebuyer System will be our property and we alone will hold any patent, trademark registration or other form of protection for those improvements, inventions, developments, processes, methods and practices.

5.4 **You Will Not Use Names or Marks in Combination.** Except as provided in this Agreement, you will not use or give others permission to use the Service Marks, or any colorable imitation of them, combined with any other words or phrases. You and your owners, officers, and agents will not form or participate in the formation of any company, firm, corporation, or other entity having a name containing the words of the Service Marks. You may not combine or associate any name or symbol of the Service Marks with any other name or word in any advertising or sign. The Service Marks must be used in exact conformity with specifications we set in the Operations Manual.

5.5 **Service Marks, Operations Manual, and Joe Homebuyer System May Be Changed.** You acknowledge that the Service Marks, Operations Manual, and Joe Homebuyer System, including any future amendments or modifications to them, have substantial value, and that the conditions, restrictions, covenants not to compete, and other limitations imposed by this Agreement are necessary, equitable, and reasonable for the general benefit of you, us, and others enjoying any lawful economic interest in the Service Marks, Operations Manual, and Joe Homebuyer System.

We may change or modify any part of the Service Marks, Operations Manual, or Joe Homebuyer System from time to time at our sole discretion. You will accept, use, and protect, for the purposes of this Agreement, all changes and modifications as if they were a part of the Service Marks, Operations Manual, and Joe Homebuyer System at the time this Agreement is executed. You will bear all costs and expenses which may be reasonably necessary as a result of such changes or modifications. Under no circumstances will we be liable to you for any damages, costs, losses, or detriments related to of these changes or modifications.

Complete and detailed uniformity of the Service Marks, Operations Manual, and Joe Homebuyer System under the varying conditions to be experienced by our franchisees may not be possible or practicable. Therefore we reserve the right, at our discretion, to accommodate your special needs, or those of any other of our franchisees. These needs may result from the peculiarities of a particular site or location, density of population, business potential, population of trade area, existing business practices, requirements of local law or local customers, landlord requirements, or any other condition which we deem to be important to the successful operation of the franchisee's business. From time to time, we may allow certain franchisees to depart from normal system standards and routines to experiment with or test new products, equipment, designs, and procedures. In no event will any variance or testing be deemed a waiver of any of our rights, or an excuse for you to not perform any of your duties under this Agreement. We may require you at any time to commence full compliance with the Operations Manual and the Joe Homebuyer System. You will endeavor to follow the spirit of our Mission Statement in your use of the Service Marks. We will not be required to grant any variance to you under any circumstances. You will not require us to disclose or grant to you a like or similar variation.

5.6 **Standard Uniform.** You will require that all of your employees wear a standard uniform as described in the Operations Manual. All uniforms will be properly laundered regularly and replaced when worn. We may change the standard uniform from time to time. You agree to adopt new uniforms and replace worn uniforms when necessary and bear the purchase price of them.

5.7 **Employees.** You will ensure that your employees present a neat and clean appearance and render friendly, efficient, sober and courteous service to your patrons in accordance with the grooming and training requirements of the Operations Manual, which may include background checks and drug testing standards. You are responsible for any employee wages and compensation, payroll taxes and other required withholding, worker's compensation and benefits. You will in no way obligate us for expenses incurred in the operation of your franchise including labor costs. You are required to hire and maintain sufficient staff in order to handle customer volume at all times.

You are responsible for making sure your employees meet the standards, specifications and procedures outlined in the Operations Manual. You will hire only efficient, competent, sober and courteous employees for the conduct of the franchise business. You may not hire any employees who have been found guilty of any charges of fiduciary misconduct, any form of unlawful sexual conduct, any felony of any kind, or any similar charges that reflect negatively on the person's moral turpitude and character. All revenues generated under this Agreement from all business activities of the Franchise must be paid directly to you. *Your Employees and Associates are not permitted to receive or request payment directly from your customers or clients to them in their personal names or capacities.*

5.8 **You Will Not Communicate Confidential Information.** You specifically acknowledge that you will receive valuable specialized and confidential information, including information regarding our operational, sales, promotional and marketing methods and techniques, operating procedures, processes, practices, lists of suppliers, customer lists and buyer lists, manuals, marketing and sales techniques and strategies, and the Joe Homebuyer System. Unless required by court order or applicable law, you agree not to copy, download to internet, intranet, modem, fax, e-mail, mail or send any confidential material or divulge any material directly or indirectly to any other person or enterprise outside of the Joe Homebuyer system. During the term of this Agreement and after it expires or is terminated, you will never communicate, fax, e-mail, post on an internet electronic bulletin board, divulge or use in any other manner, either for your benefit or the benefit of any other person, persons, partnerships, associations, companies or corporations any confidential or proprietary information, knowledge or know-how concerning the Joe Homebuyer System or any information we have communicated to you in written, verbal or electronic form, including intranet passwords, for the operation of your franchised business.

The Joe Homebuyer System includes valuable proprietary and confidential information. Unless required by court order or applicable law, you agree to not communicate or divulge the contents of our Operations Manuals or any other information related to the Joe Homebuyer System or to the operation of the Franchise or our franchise system to any person or entity except those we authorize in writing to receive the information. You agree that these contents and information are confidential. They include information that is our exclusive property, and you may only use them in the Franchise subject to the provisions and duration of this Agreement. You agree to fully and strictly adhere to all security procedures we prescribe for maintaining the confidentiality of the information. You agree to disclose information to your employees only to the extent necessary to perform the franchise business. You will not reverse engineer, decompile or disassemble any items embodying the Joe Homebuyer System or our confidential information.

The Joe Homebuyer System is a technologically advanced program of accounting, identification procedures, management systems, techniques and business operations and systems that would, if used by other persons, firms or entities, give a substantial competitive advantage which we presently enjoy. Any and all information, knowledge and know how, not generally known about the Joe Homebuyer System and our products, services, standards, specifications, systems, procedures and techniques, including information, manuals, contracts, customer data, buyer lists, supplier data, financial data, price lists, methods, techniques, processes, compilations, formulas, programs or patterns related to the operation of a Joe Homebuyer franchise and its products and services and any other information or material that we may designate as confidential, will be deemed confidential for purposes of this Agreement. This will not apply to information which you can demonstrate came to your attention prior to disclosure by us, or which is or has become a part of the public domain through publication or communication by others. You acknowledge and agree that all customer and buyer data and all customer lists and buyer lists are part of our confidential information. Our confidential information is licensed, not sold, to you. You will not reverse engineer, decompile or disassemble any item that embodies confidential information. The Operations Manual may contain guidelines to protect confidential information [and trade secrets], including limited

access to the information on a need to know basis, locking of offices and computer files, placement of appropriate legends on materials, limited access for copying and scanning, pass-word protection, and encryption. You will conduct periodic meetings with your managers and employees to instruct them on their responsibilities to maintain the confidentiality of our information, including severance interviews with terminated employees in which they acknowledge in writing their post-employment confidentiality obligations.

You will require as a condition of the employment of your employees and anyone else providing services to you that they maintain and protect our confidential and proprietary information, including the signing of a confidentiality agreement. You must follow our security procedures, which may include the execution of approved nondisclosure agreements, and Intranet and Internet usage agreements. You will be responsible to use your best efforts to enforce these covenants and agreements by your employees. These covenants are for the benefit of us and the Joe Homebuyer franchise system and are enforceable by us. If you become aware of any actual or threatened violations of these covenants by any of your employees and anyone else providing services to you, you will promptly and fully advise us in writing of all related facts known to you. You will cooperate with us in all ways we reasonably request to prevent or stop any violation. This may include institution or permitting to be instituted in your name any demand, suit or action that we determine is advisable. The demand, suit or action may be maintained and prosecuted by us and you at your expense.

You will use your best efforts to assure that you and all your agents, employees, consultants, partners, owners, members, officers, directors, and shareholders and other persons in your control, to whom any information is communicated, will keep, preserve, and protect all confidential information.

This section contains prohibitions based upon an understanding that you, your key employees, your officers, your partners, your employees, members and stockholders (as applicable) will possess knowledge of business and operating methods and confidential information, disclosure of which would prejudice our interests and our other franchisees.

If you engage in any real estate cash offer purchase services contract assignment or related investment strategy or service business within 2 years of the expiration, termination or transfer of this Agreement, you will prove to us that you have not used our confidential information in that business. This 2-year period is not intended to limit the duration of your obligation to preserve the confidentiality of the information and to not use the information after expiration, termination or transfer of this Agreement.

5.9 **Conflicting or Competing Interests.** You will diligently, faithfully, and honestly perform your obligations pursuant to this Agreement. You will use your best efforts to develop, promote, and enhance your franchise. You will not engage in any activity or business enterprise that conflicts with these obligations. We require that you, or your majority owner if you are a corporation, limited liability company or partnership, participate fully in the actual day to day operation of the franchise business.

At all times the Franchise must be under your direct supervision. You will devote a substantial enough amount of time and energy to properly operate the Franchise. What constitutes proper operation will be in our sole reasonable discretion. In your absence, the Franchise must be under the direct supervision of a manager who has successfully completed the required training programs and who devotes the necessary time during business hours to the management of the Franchise.

In express consideration for and during the term of this Agreement, neither you nor your owners, shareholders, members, partners, directors, officers, employees, consultants, distributors, or agents, nor the members of your or their immediate families or households (who have access to or knowledge of the Operations Manual or Joe Homebuyer System), will directly or indirectly participate as an owner, shareholder, member, partner, director, officer, employee, consultant, franchisor, franchisee, distributor, advisor or agent, or serve in any other capacity in any business (including business in formation) engaged or to be engaged in the sale or rental at wholesale or retail or on the Internet of real estate cash offer purchase services contract assignment or related investment strategy or services or any business that offers products or services that are essentially the same as, or substantially similar to, the products and services that are part of the Joe Homebuyer System. We may waive this covenant only in writing. During all of these periods, you agree to promptly and

fully disclose to our Chief Executive Officer any business opportunity coming to your attention, or conceived or developed in whole or in part by you, which relates to our business.

You will use your best efforts to assure that you and your owners, directors, officers, partners, shareholders, members, employees, consultants, and agents, during the term of this Agreement and for a period of 2 years after expiration or termination of this Agreement do not:

- A. divert or directly or indirectly attempt to divert any of our business or any of our customers to any competing establishment;
- B. employ or seek to employ any person we employ or any other person who is at that time operating or employed by or at any of our franchises or otherwise directly or indirectly induce these persons to leave their employment; nor
- C. do or perform, directly or indirectly, any other act injurious or prejudicial to our goodwill associated with the Service Marks and Joe Homebuyer System

If, for any reason, any provision set forth in this Subsection is determined to exceed any lawful scope or limit as to duration, geographic coverage, or otherwise, it is agreed that the provision will nevertheless be binding to the full scope or limit allowed by law or by a court of law. The duration, geographic coverage and scope allowable by law or court of law shall apply to this Agreement.

The provisions relating to interests in any other business will not apply to your ownership of outstanding securities of any corporation whose securities are publicly held and traded. Provided that you hold these securities for investment purposes only and that your total holdings do not constitute more than 5% of the outstanding securities of the corporation.

You will use your best efforts to obtain written covenants from your owners, shareholders, members, partners, directors, officers, employees, consultants, distributors, and agents in a form satisfactory to us that these persons will comply with the provisions of this Section.

You and we stipulate that, in light of all of the facts and circumstances of the relationship between you and us, the covenants, restrictions and agreements referred to in this Section (including without limitation their scope, duration and geographic extent) are fair and reasonably necessary for the protection of our confidential information, goodwill and other protectable interests. If a court of competent jurisdiction should decline to enforce any of those covenants and agreements, you and we request the court to reform these provisions to restrict your use of confidential information, non-solicitation, ability to compete with us, and any other covered topics to the maximum extent, in time, scope of activities, and geography, the court finds enforceable under applicable law.

5.10 **Computer Systems.** You will install and use accounting and inventory control computer systems approved by us. You will purchase, lease, or otherwise acquire, from sources of your choice and at your expense, computer hardware and software (including but not limited to programs, computer terminals, Internet and other network access providers, web site vendors and video conferencing) that are totally compatible with and strictly conform to all requirements, standards, and specifications we may set from time to time, including coordination with consolidated systems used at co-branded locations. You must have these systems in operation prior to opening for business. You must comply with any separate software or other license agreement that we or our designee uses in connection with providing these services to you.

Use of the customer relationship management, real estate, marketing, and/or operations software, as required by the Operating Manual, will also incur a hosting and software support fee of at least \$300 per month, and up to \$1,500 per month, which you agree to pay monthly, on or before the 7th day of each calendar month. The amount of this fee will depend on the size of your team, the types of software and the marketing channels utilized, subject to change from time to time. Currently, there is a \$1,950 one-time set-up fee and \$300 per month for the first user; \$175 per month for each

additional user. This fee is in consideration of the cost to maintain the software in working order and performing maintenance and updates as appropriate. Should you request or require technical support for use of the software, which in our discretion is deemed extraordinary, we may charge you a reasonable fee as a Software Technical Support Fee, not to exceed \$50.00 per hour.

You are required to have DSL or other high speed Internet service to your business or home office where you will be able to access downloads from us of advertising materials, operations manual revisions, training materials and corporate news and through which we may have access to your computer systems and records. You must also have a laptop computer and cell phone. You must have a wireless card or similar technology for your laptop computer to remotely connect to the internet to assist you in making on-site bids and proposals to customers. You must pay for and use at least one email address connected with a domain designated by us. Upon your request, we can provide additional email addresses at our then-current fee, currently \$22 per month for each email address.

E-PROBLEM DISCLAIMER: Computer systems are vulnerable in varying degrees to computer viruses, bugs, power disruptions, communication line disruptions, Internet access failures, Internet content failures, the Year 2000 problem and similar date-related problems, and attacks by hackers and other unauthorized intruders ("E-Problems"). We do not guarantee that information or communication systems that we or others supply will not be vulnerable to E-Problems. It is your responsibility to protect yourself from E-Problems. You should also take reasonable steps to verify that your suppliers, lenders, landlords, customers, and governmental agencies on which you rely, have reasonable protection from E-problems. This may include taking reasonable steps to secure your systems (including firewalls, password protection, and anti-virus systems), and to provide backup systems.

6 RENEWAL, TERMINATION AND STEP-IN RIGHTS

6.1 Renewal of Franchise.

A. If you are not in breach, you may renew the Franchise for periods of 7 years under the terms of our then-current Franchise Agreement forms. "Then-current," as used in this Agreement and applied to our Franchise Disclosure Document and Area Development Agreement will mean the form then currently provided to prospective franchisees or area developers, or if not then being provided, then the form we select in our sole discretion which previously has been delivered to and executed by a franchisee of ours. You will exercise your renewal option by giving written notice to us. The notice must be given at least three months, but no earlier than six months, before the end of the franchise term established by this Agreement.

You will incur a renewal fee of **\$2,500**, plus applicable taxes, in consideration of our efforts and costs related to closing, processing paperwork, training, upgrading and your continued use of Joe Homebuyer System during the term of the new agreement of the Franchise. The renewed Franchise Agreement will be evidenced by you signing the Franchise Agreement forms we then are using (with appropriate modifications to reflect the fact that the agreement relates to the grant of a renewal franchise). These forms may vary materially from this Agreement. Transaction Fees, Monthly Fees, Brand Development Fees, Local Advertising expenditures and other fees will be set at the then prevailing rates and terms. Your failure or refusal to execute the Renewal Franchise Agreement forms within **30** days after delivery to you may be regarded as an election by you not to renew. Upon renewal, the Franchise must remain located in the geographical territory designated in this Agreement. The Franchise Territory and its geographic area may be modified to meet our then current franchise market penetration and demographic standards and co-branding requirements.

You will refurbish the Franchise and its vehicles and equipment to conform to the then current Operations Manual and Joe Homebuyer System. You must make all capital expenditures reasonably required to renovate and modernize the Franchise and its vehicles, signs and equipment to reflect the design and decor image of Joe Homebuyer franchises we then are requiring of new or renewing Joe Homebuyer franchises. These expenditures will be in the amount necessary to make the Franchise modern and fresh and to resolve wear and tear.

You must execute a general release, in a form we prescribe, following applicable law, to release us from any claims you may have against us.

Before renewal, you or your designated manager will attend and successfully complete any retraining program we prescribe in writing. This will be done at your expense, including travel, meals and lodging. The renewal fee will cover our training fees and costs.

B. We may refuse to renew this Agreement if you fail to satisfactorily comply with this Agreement. The determination of satisfactory compliance will be within our exclusive discretion in good faith. If we refuse to renew, you must continue to perform under this Agreement until its expiration.

C. Continuation. You have no automatic right to continue operation of the Franchise following expiration or termination of this Agreement. If you continue to operate the Franchise with our express or implied consent, following the expiration or termination of this Agreement, the continuation will be a month-to-month extension of this Agreement. This Agreement will then be terminable by either party upon **30** days written notice. Otherwise, all provisions of this Agreement will apply while operations continue. Upon termination of this Agreement under this section, all post-termination covenants and obligations in this Agreement will apply.

6.2 **Termination by You**. You may terminate this Agreement if you comply with the terms of this Agreement and if we substantially breach any material provision of this Agreement and fail to cure or reasonably to begin to cure that breach within **30** days after receipt of written notice specifying the breach. Termination will be effective **10** days after you deliver to us written notice of termination for our failure to cure within the allowed period.

6.3 **Termination by Us**.

A. The following provisions are in addition to all other remedies available to us at law or in equity. We will have the option to cure your breaches at your expense.

If you breach or default in any of the terms of this Agreement, we have the right to appoint a receiver to take possession, manage and control assets, collect profits, and pay the net income for the operation of the Franchise as ordered by a court of jurisdiction. The right to appoint a receiver will be available regardless of whether waste or danger of loss or destruction of the assets exists, and without the necessity of notice to you.

1. You irrevocably nominate, constitute and appoint the person serving from time to time as our President to be your attorney-in-fact so to act in your name and on your behalf.
2. At our election and without waiving any claims for default or breach and without prior notice to you or resort to legal process, we may enter upon any premises using the reasonable force as is necessary in the circumstances, without being guilty of trespass or liable to you or the property owner for the entry, for the purposes of securing the return of our property, the performance of your obligations of discontinuance and the protection of our rights upon expiration or termination of this Agreement.

You agree that it will be a *default constituting a substantial breach of a material provision of this Agreement pursuant to relevant law, thus establishing good cause for termination* of this Agreement and any other franchise and related agreements between the parties if you (or your owners, officers, or key employees) breach any term or provision of this Agreement and do not cure the breach (or reasonably begin to cure and diligently pursue the cure until the breach is remedied) within **30** days after receipt of our written "Notice to Cure." Termination will occur immediately upon delivery to you of our written declaration of termination for failure to cure within the allowed time frame.

You further acknowledge and agree that we may limit or completely shut down your access to our Call and Technology Center and related services and technologies if you fail to make timely payment of any Transaction Fee, Monthly Fee, service, royalty, or other fees or otherwise breach this Agreement.

B. You agree that it will be a default constituting a substantial breach of a material provision of this Agreement pursuant to relevant law, thus establishing good cause for us to immediately terminate this Agreement and any other franchise and related agreements between the parties without other cause, and without giving you an opportunity to cure, if you (or your owners, officers, or key employees):

1. Become insolvent, make a general assignment for the benefit of creditors, have a receiver appointed to administer or take possession of any part of the franchised business or your assets, or admit to not being able to meet your obligations as they become due or become bankrupt, or become subject to any chapter of the United States Bankruptcy Code, unless you:
 - a. timely undertake to reaffirm the obligations under this Agreement;
 - b. timely comply with all conditions as legally may be imposed by us upon such an undertaking to reaffirm this Agreement; and
 - c. timely comply with such other conditions and provide such assurances as may be required in relevant provisions of the United States Bankruptcy Code;

provided, however, that we and you acknowledge that this Agreement constitutes a personal service contract and that we have relied to a degree and in a manner material to this Agreement upon the personal promises of you and/or your directors, officers, shareholders or partners, as the case may be, to participate personally on a full-time basis in the management and operation of the franchised business, and, consequently, we and you agree that any attempt by any other party, including the trustee in bankruptcy or any third party, to assume or to accept an assignment of this Agreement will be void.

2. Fail to operate the Franchise continuously and actively for **5** consecutive days or for any shorter period after which it is reasonable under the facts and circumstances to conclude that you do not intend to continue the Franchise or maintain a suitable Franchise location.
3. Fail to comply with any requirement of this Agreement or of any related agreement between the parties within twelve months after having received the most recent of two or more **30-day** or **5-day** Notices to Cure deficiencies in performance of the same or any other requirement pursuant to Subsection (A) above or this Subsection (B), whether or not you had corrected your earlier failures to comply after we delivered notice to you.
4. On more than two occasions fail to report monthly Revenue on time, understate monthly Revenue by more than **2%**, or distort other material information.
- . Make or have made any material misrepresentation or misstatement on the franchise application or with respect to ownership of the Franchise. If you misrepresented yourself and are a competitor of ours or a competitor of an affiliate of ours, we may keep your entire initial franchise fee, cancel training and terminate this Agreement.
5. Allow the Franchise or Franchise Premises to be seized, taken over, or foreclosed by a creditor, lien holder, or lessor; let a final judgment against you to remain unsatisfied for **30** days (unless a supersedeas or other appeal bond is filed); or allow a levy of execution upon the Franchise or upon any property used in the Franchise, that is not discharged by means other than levy within **5** days of the levy.
6. Are convicted of a felony, or are convicted of any criminal misconduct relevant to the operation of the Franchise.

7. Within a period of **10** days after notification of noncompliance, fail to comply with any federal, state or local law or regulation applicable to the operation of the Franchise.
8. Fail to pay any Initial Franchise Fee, Transaction Fee, Monthly Fee, or Brand Development Fees or other amounts owed pursuant to this Agreement within **5** days after receipt of written notice that the fees or amounts are overdue.
9. Operate the Franchise in a manner that creates an imminent danger to public health or safety.
10. Do not keep confidential information related to the Franchise confidential except to employees or persons authorized to know.
11. Fail to obtain agreements from your employees to keep confidential information confidential.
12. Attempt to unilaterally repudiate this Agreement or the performance or observance of any of its terms, conditions, covenants, provisions or obligations by any conduct evidencing your intention to no longer comply with or be bound by this Agreement.

If, upon the event of a notice of default which remains uncured, we have a right to terminate your Franchise Agreement, we may permit you to avoid termination of the Franchise Agreement upon our offer to you, at our sole discretion, of a Default Redemption Fee. Payment of this fee, in any reasonable amount determined necessary to appropriately remedy the default, together with any additional conditions imposed together with the Default Redemption Fee, may avoid termination.

6.4 **Time Frames Subject to Applicable Laws.** The provisions of this Agreement may state periods of notice less than those required by applicable law. They may provide for termination, cancellation, non-renewal or the like other than according to applicable law. They will be extended or modified to comply with applicable law.

6.5 **You Will Discontinue Use of Service Marks, Operations Manual, and Joe Homebuyer System on Termination of Agreement.** Substantial damages that are difficult to determine at the date of execution of this Agreement will accrue to us if you do not comply with any of the following requirements upon expiration or termination of this Agreement. Upon expiration or termination of this Agreement, you will:

A. Immediately cease using the Service Marks (or any names or marks deceptively similar to them), the Operations Manual and the Joe Homebuyer System.

B. Return to us all copies of the Operations Manual. Return to us all records, files, instructions, correspondence, and materials in your possession or control related to the Joe Homebuyer System, including but not limited to the customer database and any content you may have entered into any Joe Homebuyer software or reporting system. You will give us a complete and accurate summary of your advertisers, customers and leads, including their names, addresses, telephone numbers and related file records. You will assist us in every way possible to bring about a complete and effective transfer of your franchise business to us or to our designated franchisee.

C. Authorize telephone, Internet, email, electronic network, directory and listing entities to transfer all numbers, addresses, domain names, locators, directories and listings to us or our designee. Notify them of the termination of your right to use the Franchise names and Service Marks. You authorize the transfer of your telephone numbers and directory listings and Internet addresses, domain names and locators to us or our designated franchisees. You appoint us as your agent and attorney-in-fact to effect the transfer of these telephone numbers and directory listings and domain names and Internet directory listings to us. You agree that we will be treated as the subscriber for the telephone numbers and directory listings. We will have full authority to instruct the applicable telephone, directory and

listing companies on the use and disposition of the telephone listings and numbers. You release and indemnify these companies from any damage or loss because they follow our instructions.

D. Make reasonable modifications to the interior and exterior of any retained premises and vehicles to reduce your identification as a part of our franchise system. These modifications will include but will not be limited to removal of reasonable alterations to eliminate any possibility of confusion with any other Joe Homebuyer operation.

E. Pay to us within **seven** days all Transaction Fees, Monthly Fees, Brand Development Fees, and other sums you owe. These sums will include all damages, costs and expenses, including reasonable attorneys fees and collection costs, we incur because of your breach. These sums will include all costs and expenses, including reasonable attorney fees, we incur in obtaining injunctive, appellate, or other relief to enforce the provisions of this Agreement.

F. Abide by all provisions of the restriction upon communication of confidential information set forth above and the post-termination Covenant Not to Compete set forth below. You will immediately return to us all of our confidential information you have received, including lists and any items that embody the confidential information. You acknowledge that you have no continuing ownership interest in the confidential information.

G. At our option, do some or all of the following:

H. Remove all Franchise-related equipment, furnishings, and inventory from the Franchise Premises;

I. Sell the equipment, furnishings, and inventory to us, at the following purchase prices:

i.i.1.a. For new and unused items, your cost as originally invoiced to you less a restocking charge equal to 15 percent of your cost.

i.i.1.b. For used items, products, equipment, supplies, materials and inventory, the current fair market value less 20 percent of the value.

i.i.1.c. For leasehold improvements, machinery, equipment, fixtures, furnishings and signage, the lesser of:

i. the current fair market value less 20 percent of the value,

ii. your cost as originally invoiced to you less 20 percent of your cost.

i.i.1.d. Damaged, obsolete or discontinued items will be transferred to us at no cost.

i.i.1.e. We will not be liable for payment to you for intangibles, including, without limitation, goodwill.

i.i.1.f. In each the instance we may deduct from any monies payable to you all sums due by you to us or your suppliers, whether under this Agreement or any other agreement or instrument.

J. If the Franchise Premises is at an office site or commercial location, assign to us the lease for the Franchise Premises and ownership and control of any web site you own or control;

K. Unless we state in writing that we do not intend to exercise this right, the parties must agree upon a purchase price and terms within **5** business days after termination of this Agreement. If not, a fair value and fair terms will be determined in Utah County, Utah by three appraisers. Each party must select one appraiser. The two appraisers chosen must then select a third appraiser. Each party will pay for its own appraiser and each party will pay half for the third appraiser. The parties may then present evidence of the value of the Franchise and fair terms for the purchase. The appraisers must exclude from their decision any amount or factor for the "goodwill" or

“going concern” value of the Franchise. The decision of the majority of the appraisers will be conclusive. Any time within **30** days after receiving the appraisers’ decision, at our option we may purchase the Franchise and your assets at the price and upon the terms determined by the appraisers.

L. Upon termination for any reason, you will return to us all proprietary and confidential materials, including customer lists and buyer lists, keys, codes, signage, advertising and marketing materials, uniforms, service agreements and other forms, printed files, clients lists and account information, security codes, cards and passes, picture identification badges and the like as described in the Operations Manual. If you fail to return or cease use of any of these items, we may enter your business premises without being guilty of trespass or any other tort to remove and retain the items. You will pay to us, on demand, any expenses we incur in trying to remove or collect such items or in attempting to have you cease use of them. Your failure to immediately return all keys and security codes or passes to us may result in us changing locks, keys and codes at client premises at your expense.

M. You agree to continue to provide warranty coverage as necessary to your past customers or compensate us for such warranty coverage if necessary. Warranty coverage will not automatically transfer to us upon termination.

N. **Liquidated Damages:** Subject to applicable law, upon the expiration, termination or transfer of this Agreement, it is understood and agreed that we will suffer damages if you do not immediately comply with the requirements of this Agreement. In addition to any other remedy provided for or available to us at law or equity, we will have the right to claim and recover damages from you for your failure to comply. Because any actual or direct damages associated with your improper disclosure of proprietary information and breach of restrictive covenants are uncertain and/or difficult to ascertain, you agree that we are entitled to for each day subsequent to the expiration, termination or transfer of this Agreement that you operate the Franchise without having complied with the requirements this Agreement, you will pay to us the non-refundable sum of **\$200 per day** as and for liquidated damages in respect of your failure. You agree that this sum represents a genuine attempt by the parties to pre-estimate the magnitude of the damages caused by your failure.

In addition to the non-compliance Liquidated Damages, upon termination of the Franchise Agreement, to address the damages that will result through your discontinuance of operations, in addition to any other remedy provided for or available to us at law or equity, and as a genuine attempt to pre-estimate the magnitude of the damages caused by your termination, we will have the right to claim and recover damages from you as Early Termination Damages for your failure to adhere to the Agreement for its entire term, in the amount of the product of: (1) the greater of \$1,000 or the average monthly Transaction Fees for the 12 months immediately preceding the termination; multiplied by (2) the greater of 24 or the number of months left on the term of this Agreement.

6.6 **We May Assign Territory Upon Termination.** Upon expiration or termination of this Agreement, we may immediately license or franchise the Franchise Territory to another person or may operate Joe Homebuyer businesses within the Franchise Territory.

6.7 **Our Step-In Rights.** The parties want to prevent any operation or interruption of the Franchise that would cause harm to the Franchise and to our franchise system and lessen their value. Therefore, you authorize us to step in to operate the Franchise for as long as we believe necessary and practical in our exclusive judgment. We may do so without waiving any other rights or remedies that we may have. Cause for stepping-in may include our reasonable determination that: you are incapable of operating the Franchise; you are absent or incapacitated because of illness or death; you have failed to pay when due any real property, equipment rent or lease payments, suppliers, or inventory payments; you have failed to pay to us when due any franchise, transaction, monthly, royalty, advertising, or other fee; you have failed to pay when due any taxes or assessments against the Franchise or property used in the Franchise; you have failed to pay when due any liens or encumbrances placed upon or against your business property; your business

activities are having a negative impact upon the value of our franchise system_or we decide that significant operational problems require us to operate the Franchise for a time. We may exercise our step-in rights if you are ill or disabled, you, your lender, or the SBA requests our assistance or agrees to our proffered support and supervision, directly or indirectly or through contract agents. If you have a loan for the franchise that is guaranteed by the Small Business Administration, our right to step-in will be limited to a **60** day period unless otherwise requested or agreed with the lending bank at that time. Thirty days after exercising our step-in rights, we will re-evaluate your then-current status. At our discretion, we will either operate for an additional 30-day period or turn the operation back over to you. In turning the operation back over to you, we do not waive our rights to step back in the future.

All Revenue from our operation of the Franchise will be for your exclusive account. We will pay from that Revenue all expenses, debts and liabilities we incur during our operation of the Franchise. This will include our personnel and administrative costs, plus **15%** to cover our overhead expenses. In addition, we will have the option, but not the obligation, to pay for you any claims owed by you to any creditor or employee of the Franchise. You will reimburse us upon demand, including at the rate set forth above for overdue amounts.

We will keep in a separate account all Revenue generated by the operation of the Franchise, less the expenses of operation.

We will have no obligation to retain any employee of the Franchise, nor to honor any contractual employment commitments you previously made. If we elect to retain any employee, employment will be pursuant to a new employment agreement between us and the employee. Employment will commence on the first business day on which we carry on business through the Franchise. Any claim by an employee for unpaid salary, vacation pay, or other benefits will be your responsibility.

Upon our exercise of these Step-In Rights, you agree to hold us harmless for all acts, omissions, damages, or liabilities arising during our operation of the franchise.

Our operation of the Franchise will not operate as an assignment to us of any lease or sublease of franchise property. We will have no responsibility for payment of any rent or other charges owing on any lease for franchise property, except as the charges relate to the period of our operation of the Franchise.

You agree to pay our reasonable legal and accounting fees and costs we incur because of our exercise of these Step-In Rights.

6.8 You and Your Owners Not to Compete on Expiration, Termination or Transfer of Agreement.

This covenant will apply for **720** days after termination, expiration or transfer of this Agreement. In express consideration for this Agreement, you will assure that you and your owners, shareholders, partners, directors, officers, employees, and agents, and the members of their immediate families or households (who have actual knowledge of or access to the Operations Manual or Joe Homebuyer System), will not directly or indirectly participate as an owner, shareholder, director, partner, officer, employee, consultant, franchisor, franchisee, distributor, advisor or agent, or serve in any other capacity in any business engaged directly or indirectly in the offer, sale, rental, Internet dissemination, or promotion of real estate cash offer purchase services contract assignment or related investment strategy or services or any business that offers products or services that are essentially the same as, or substantially similar to, the products and services that are part of the Joe Homebuyer System. This covenant applies within the Franchise Territory, within a **100-mile** radius of the Franchise Territory, within a **100-mile** radius of any location where we operate or have granted the franchise to operate a Joe Homebuyer business, or to the maximum extent enforceable under the laws governing and interpreting this Agreement.

You acknowledge and confirm that the time, content and geographical restrictions contained in this Section are fair and reasonable. They are not the result of overreaching, duress, or coercion of any kind by us. You further acknowledge and confirm that your observance of the covenants contained in this Agreement will not cause you any undue hardship, financial or otherwise, and that enforcement of each of the covenants contained in this Agreement will not impair your ability to obtain employment commensurate with your abilities and on terms fully acceptable to you, or otherwise to

obtain income required for the comfortable support of your family and the satisfaction of your creditors. Your knowledge of the Joe Homebuyer System would cause our franchise system serious injury and loss if you use the knowledge to the benefit of a competitor or to compete with us or our franchisees.

If, for any reason, any provision set forth in this Subsection exceeds any lawful scope or limit as to duration, geographic coverage, or otherwise, it is agreed that the provision will nevertheless be binding to the full scope or limit allowed by law or by a court of law. The duration, geographic coverage and scope allowable by law or court of law shall apply to this Agreement.

7 TRANSFER

7.1 Sale or Assignment.

A. Your rights and obligations under this Agreement are exclusive to you. Whether voluntarily or involuntarily, neither you, your owners, partners nor others claiming an interest in the Franchise will sell, transfer, assign, encumber, give, lease, or sublease, or allow any other person to conduct business in or through (collectively called "transfer") the whole or any part of: this Agreement, the Franchise Premises (if at an office site or commercial location), substantial assets of the Franchise business, or ownership or control of you or to fractionalize any of the rights granted to you pursuant to this Agreement. Any attempted transfer without our prior written consent will be a breach of this Agreement. Our consent will not be unreasonably withheld. We need not consent to any transfer before the date the Franchise opens for business.

Because we will have a strong and vested interest in the financial viability and ongoing management abilities of the transferee, we need not consent to any transfer if we reasonably believe the purchase price is excessive or if we believe based upon a review of the transferee's operational and business plans that the transferee's business operations might not be beneficial on a cash flow or financial basis.

We enter this Agreement, in part, in reliance upon the individual or collective character, skill, attitude, business ability and financial capacity of you (or your shareholders, members or partners, if you are a corporation, limited liability company, partnership or other entity).

Notwithstanding the foregoing, and by way of additional agreement and clarification, a transfer consummated pursuant to the provisions of this Section 7 through Franchisor's use of a franchise broker or referral service facilitated by Franchisor shall include as a requisite provision in the relevant Purchase Agreement (or its equivalent) a clause requiring that the entire purchase price be delivered to Franchisor via wire transfer, after which, upon the delivered funds clearing Franchisor's financial institution, Franchisor shall reduce the amount by those sums owing pursuant to Franchisee's outstanding amounts owed under the Agreement (including applicable Transfer Fees or Commissions due to the respective franchise broker or referral service partner of Franchisor) and remit the remaining amounts pursuant to the instructions of Franchisee and Transferee or the instructions of the relevant Purchase Agreement (or its equivalent).

You recognize that there are many subjective factors that comprise the process by which we select a suitable franchise owner. Our consent to a transfer by you will remain a subjective determination and will include, but not be limited to the following conditions. Before the effective date of a transfer we approve:

1. The transferee must assume your Franchise obligations. You will remain bound by your covenants in this Agreement to not disclose confidential information and to not compete with us or our franchisees.
2. You will pay all ascertained or liquidated debts concerning the Franchise.
3. You may not be in breach of this Agreement or any other agreement between the parties. Our consent to the transfer will not constitute a waiver of any claims we may have against you.

4. The transferee will complete to our exclusive satisfaction the training programs we then require of new franchisees or otherwise show to our satisfaction sufficient ability to successfully operate the Franchise. The cost of this training and our related evaluations are included in the Transfer Fee described below.
5. You or the transferee will pay a Transfer Fee according to our then current Transfer Fee Schedule. This fee will reimburse us for our reasonable legal, accounting, credit check, and investigation expenses that result from the transfer. The Transfer Fee will be equal to the greater of **\$5,000** or **five** percent of the proposed purchase price for the Franchise, plus applicable taxes. The Transfer Fee will be paid by delivering: i) a non-refundable deposit of \$1,000 with the written request for our approval of the proposed purchaser, and ii) the balance on the closing date of the transfer. Depending on your volume of operations and sales over the preceding 12-months prior to transfer, an escrow amount of up to 5% of the purchase price may additionally be withheld to fund warranty claims during the 12-month period immediately following the transfer of the franchise (the “warranty escrow period”). Upon completion of the warranty escrow period, any amounts actually expended on warranty claim expenses, together with a processing fee of \$300 will be deducted from this escrow amount, and the balance will be refunded after 45 business days from the close of the warranty escrow period. Notwithstanding the foregoing, the applicable commission or transfer fee, in the specific event of Franchisor delivering a resale partner to Franchisee through Franchisor’s use of a franchise broker service with whom Franchisor has any active referral agreement, and Franchisee transacts a transfer of the franchised business shall be the obligation of Franchisee. Thus, any obligation of Franchisor toward the franchise broker or referral service with respect to such referral agreement is hereby assumed in full by Franchisee for such transaction relating to Franchisee.
6. You will pay us a **10%** Transfer Referral Fee on the gross transfer price (excluding the price of real property), if we obtain the transferee for you. If through our efforts to assist you in finding a buyer, the person who buys your Joe Homebuyer business or an ownership in you or in the Franchise Agreement, including, without limitation, our efforts through making an introduction between you and the buyer, or giving you the buyer’s contact information, or giving the buyer your contact information, including through the delivery of a franchise disclosure document, our efforts assist you in finding your buyer, this Transfer Referral Fee shall apply, in addition to the Transfer Fee.
7. You agree that up to 5% of the gross transfer price will be held by us in escrow for the twelve (12) calendar months following the date of the sale to cover any warranty or service agreement claims by your customers. The exact percentage held in escrow will be determined by the number and value of projects completed by you in the twelve (12) calendar months preceding the sale. If a warranty or service agreement claim is made, we will charge the escrow fund our then-current hourly service fee (a minimum of \$100 per hour) for labor plus the actual cost of materials and supplies plus a \$50 processing fee for each claim. At the conclusion of the twelve (12) months, we will release any remaining escrowed funds to you. If there are no claims, a one-time processing fee of \$150 will be charged, with the remaining funds released to you.
8. The transferee will execute all documents we then require of new franchisees. This includes a new franchise agreement in the form we then are using. The new franchise agreement may contain economic and general terms that are materially different from those contained in this Agreement. The term of the new agreement will be for the unexpired term of this Agreement or for a new full term as we will elect. You must ask us to provide the prospective purchaser with our current form of disclosure document required by the applicable federal or provincial/state registration and disclosure laws, and a receipt for this document will be delivered to us; provided however, we will not be liable for any representations you make apart from those contained in our disclosure document.

9. The transferee will meet our standards for quality of character, financial capacity, and experience required of a new or renewing franchisee. You will provide information we require to prove the transferee meets our standards.
10. If permitted by applicable law, you and your owners, members, partners, officers, and directors will execute a general release in our favor. The release must be in a form we prescribe, following applicable law, to release any claims you may have against us and our representatives, subsidiaries and affiliates and our officers, directors, attorneys, shareholders and employees in their corporate and individual capacities. This will include claims arising under federal, state and local laws, rules and ordinances arising out of, or connected with, the offer, sell and performance of this Agreement or any other agreement between the parties.
11. If the Initial Franchise Fee has not yet been paid in full, it must be paid in full despite the due date for payment established by this Agreement.
12. If you have lease or sublease for the Franchise Premise and such document requires, the lessor or sublessor must have consented to the assignment or sublease of the Franchise Premises to the transferee. All equipment must be inspected and certified by a qualified professional inspector to be in good working order and free of operational defects. It will be your responsibility to bring all equipment to proper working order before the transfer takes place.
13. You will enter into an agreement to subordinate, to the transferee's obligations to us (including the payment of all franchise fees), any obligations of the transferee to make installment payments of the purchase price to you. The form of this subordination is subject to our approval.
14. The transferee will refurbish the Franchise, and its equipment and signage to conform to the current Operations Manual and Joe Homebuyer System within 90 days of transfer.
15. Upon our granting of approval for the transfer, you will:
 - a. ensure that the transfer is effected in compliance with the requirements of all federal, state, and local laws, including applicable tax and bulk sales legislation;
 - b. deliver to the purchaser the Operations Manual and all other manuals and materials we provided to you for use in the Franchise, including all materials bearing the Trademarks and our advertising, promotional and training materials, order books and bookkeeping and reporting forms. With our prior written consent, you may transfer your rights and obligations under this Agreement to a corporation or other entity in which you continuously own a majority of the issued and outstanding shares of each class of stock or other evidence of ownership. The entity must be newly organized with its activities confined exclusively to act as the franchisee under this Agreement. The entity must contemporaneously agree in writing to be bound by the terms of this Agreement. You must contemporaneously agree in writing to guarantee the obligations of the entity and to remain personally liable in all respects under this Agreement. (You and all other owners will personally and unconditionally guarantee the obligations of the new entity and you will remain personally subject to and bound by all terms, conditions, restrictions and prohibitions contained in this Agreement. You as an owner of the entity agree to separately and personally, for you and for your successors, heirs and personal representatives, will act as surety for the full and faithful performance of all of the obligations, commitments and payments required of the entity. In that capacity, you agree that we do not have to pursue any remedies we may have against the entity, but rather, may proceed directly and primarily against you with or without joining the entity as principal or as a named party in any proceeding.)

You will be in breach of this Agreement if you at any time dispose of any interest sufficient to reduce your ownership in the entity to less than a majority of any class of stock or other evidence of ownership. From time to time, at our request, you will provide to us a current list of all your owners, shareholders, members, directors, officers, partners, and employees, with a summary of their respective interests in you.

B. We may transfer this Agreement. If we do, it will be binding upon and inure to the benefit of our successors and assigns. Specifically, you agree that we may sell our assets, the Service Marks, or the Joe Homebuyer System outright to a third party, may go public, may engage in a placement of some or all of our securities, may merge, acquire other entities or be acquired by other entities, or may undertake a refinancing, recapitalization, re-organization, leveraged buyout or other economic or financial restructuring. As for any or all of these sales, assignments and dispositions, you waive any claims, demands or damages arising from or related to the loss of the Service Marks (or any variation of them) or the loss of association with or identification as part of our franchise system.

We will not be required to remain in any particular form of business or to offer to you products, whether or not bearing our Service Marks.

C. You may offer your securities or partnership interests to the public, by private offering, or otherwise, only with our prior written consent. Consent may not be unreasonably withheld. All materials required for the offering by federal or state law will be submitted to us for review before filing with any government agency. Any materials to be used in any exempt offering will be submitted to us for review prior to their use. No offering by you will imply (by use of the Service Marks or otherwise) that we are participating in an underwriting, issuance, or offering of your securities. You and all other participants in the offering must fully indemnify us concerning the offering. For each proposed offering, you will pay to us the amount necessary to reimburse us for our reasonable costs and expenses associated with reviewing the proposed offering, including, legal and accounting fees. You will give us at least **60** days written notice before the effective date of any offering or other transaction covered by this subsection.

D. You may not grant a sub-franchise or transfer less than all of your rights under this Agreement.

E. Our consent to a proposed transfer will not be a waiver of any claims we may have against you (or your owners), nor will it be a waiver of our right to demand exact compliance with this Agreement. Our consent to a transfer will not constitute or be interpreted as consent for any future or other transfer.

F. You will comply with and help us to comply with any laws that apply to the transfer, including state and federal laws governing the offer and sale of franchises.

7.2 Your Death or Disability.

A. Besides the Step-In Rights described above, the following will apply in case of your death or incapacity if you are an individual, or of any general partner of you if you are a partnership, or of any member or shareholder owning **50%** or more of you if you are a limited liability company or corporation or other entity. Within **180** days of the event, the heirs, beneficiaries, devisees or legal representatives of that individual, partner, member or shareholder will:

1. Apply to us for the right to continue to operate the Franchise for the duration of the term of this Agreement. The right to continue will be granted upon the fulfillment of all of the conditions set forth in Subsection (A) of the section entitled "Sale or Assignment," above (except that no transfer fee will be required). Or,
2. Transfer your interest according to the provisions of that Subsection. If a proper and timely application for the right to continue to operate has been made and rejected, the 180 days within which to transfer will be computed from the date of rejection. For purposes of this Subsection, on an application for the right to continue to operate,

our silence through the **180** days following the event of death or incapacity will be deemed an acceptance made on the last day of the period.

3. If a suitable transferee purchaser is not found within **180** days from the date of death or permanent incapacity, we may at our sole option enter into a contract to purchase the Franchise. Unless we state in writing that we do not intend to exercise this right, the parties must agree upon a purchase price and terms within twenty business days after notice from us. If not, a fair value and fair terms will be determined in Utah County, Utah by three appraisers. Each party must select one appraiser. The two appraisers chosen must then select a third appraiser. Each party will pay for its own appraiser and each party will pay half for the third appraiser. The parties may then present evidence of the value of the Franchise and fair terms for the purchase. The appraisers may include in their decision a factor for the "goodwill" or "going concern" value of the Franchise. The decision of the majority of the appraisers will be conclusive. Any time within **30** days after receiving the appraisers' decision, at our option, we may purchase the Franchise and your assets at the price and upon the terms determined by the appraisers. Terms of payment will be **10%** of the purchase price payable upon contract signing, the balance payable in **60** equal monthly payments of principal payments with interest calculated at the prime rate, published by your principal bank at time of each monthly principal payment.

B. If the provisions of this Subsection have not been fulfilled within the time provided, at our option, all rights licensed to you under this Agreement will immediately terminate and revert to us.

7.3 **First Right of Purchase.** You will give us the right of first purchase before soliciting offers from a third party if you choose to sell your franchise business. You agree to notify us in writing if you desire to sell or transfer any interest in you or in your franchised business. You will give us sufficient information and documentation to allow us to analyze the status and value of your business. We will elect to exercise our option to purchase within **60** business days after our receipt of your written notification and due diligence information. If we offer you an amount that you do not agree to, you may try to sell to a third party but on no better terms for the purchaser than we offered to you. If you later receive an offer from a third party purchaser on better terms than we offered to you, you are obligated to re-offer to us pursuant to the subsection entitled "First Right of Refusal". You are obligated before any transfer to a third party to comply with all criteria set forth in the subsections entitled "Sale or Assignment" and "First Right of Refusal." If you do not complete a transaction with a third party within six months, you agree we will again have the right of first purchase before any subsequent contemplated transaction.

We may elect to purchase all of the franchise business regardless of your intent to sell, assign or transfer a lesser interest. We can pay the purchase price in cash up front or by industry-standard monthly payments that amortize the principal amount with interest calculated at prime plus 1% as of the date of purchase. The choice of payment type is in our sole discretion.

7.4 **First Right of Refusal.** If you receive a bona fide offer from a third party acting at arm's length to purchase the Franchise, a majority interest in ownership of you, or substantially all of the assets of the Franchise, which offer is acceptable to you or to your owners, we will have the right to purchase at the bona fide price on the same terms and conditions as offered to you. We may substitute cash for any other form of consideration contained in the offer. Our credit will be deemed to be equal to the credit of any proposed purchaser. At our option, we may pay the entire purchase price at closing. Within **6** days after receipt by you of an acceptable bona fide offer, you will notify us in writing of the terms and conditions of the offer. You will give us sufficient information and documentation to allow us to analyze the status and value of your business. We may exercise this right to purchase within **30** days after receipt of notice from you and due diligence information. If the interest which is the subject of the offer involves less than all of the ownership interest, then in our sole option, our right of first refusal will apply to the entire ownership interest. In such case, the consideration to be received, as set forth in the offer shall be divided by the percentage interest subject to the offer and the resulting quotient shall be the price to be paid for the entire ownership interest. Terms and conditions for the purchase of the entire ownership interest shall be as similar to the terms and conditions set forth in the offer as practicable, except for the substitute provisions noted above in this section.

If we do not exercise our right to purchase within the **30** days, you may make the proposed transfer to a third party. The transfer will not be at a lower price or on more favorable terms than disclosed to us. Any transfer will be subject to our prior written permission described in the section entitled "Sale or Assignment," above. If the Franchise is not transferred by you within **6** months from the date it is offered to us, or if any material change is made in the terms of the proposed sale, then you must re-offer to transfer to us before a transfer to a third party.

8 INDEMNITY AND INSURANCE

8.1 **Indemnity.** You will indemnify and hold us harmless from all fines, suits, proceedings, claims, demands, actions, losses, attorney fees and damages arising out of or connected with the Franchise and the business activities, acts or omissions of you and your employees and agents, including claims under the Telephone Consumer Protection Act and those brought against you and us jointly alleging that you and we were negligent or otherwise liable. We will not be liable to you or to any other person because of your act, omission, neglect, or breach. If it is established that both you and we were negligent or otherwise liable, you and we will contribute to the relevant award, and the obligation to indemnify and hold harmless shall be determined, based upon the adjudicated and assigned respective degree of fault. In the event of a settlement prior to adjudication, you and we will agree to degrees of fault. You and we will contribute to the relevant settlement, and the obligation to indemnify and hold harmless shall be determined, based upon the agreed degree of fault. All provisions of this Section will be subject to these contribution and allocation of indemnification provisions.

You will indemnify us for any loss, cost or expense, including attorneys' fees that may be sustained by us because of the acts or omissions of your vendors or suppliers.

This indemnification will include use, condition, equipping, maintenance or operation of the Franchise, including the sale of any products, service or merchandise sold through the Franchise. Any loss, claims, costs, expenses, damages and liabilities shall include, without limitation, those arising from latent or other defects in the Franchise, whether or not discoverable by us, and those arising from the death or injury to any person or arising from damage to the property of you or us, and our respective agents or employees, or any third person, firm or legal entity.

You will defend us at your own expense in any legal or administrative proceeding subject to this Subsection. The defense will be conducted by attorneys we approve. Our approval will not be unreasonably withheld. You will immediately pay and discharge any liability rendered against us in any proceeding, including any settlement that we approve in writing. You will not settle any claim against us without our prior written approval. In our sole discretion and upon prior written notice to you, we may settle or defend any claims against us at your expense, including attorney fees that we pay or incur in settling or defending. Promptly upon demand, you will reimburse us for any and all legal and other expenses we reasonably incur in investigating, preparing, defending, settling, compromising or paying any settlement or claim, including monies that we pay or incur in settling or defending such proceeding.

All references in this Agreement that provide that you will indemnify or defend us or that you will name us under any insurance policy will also mean that our affiliates, directors, officers, and employees will be also and equally indemnified, defended or named.

8.2 **Insurance.** Upon commencement of franchise operations, and during the term of this Agreement, you will obtain and keep in force by advance payment of premium appropriate fire and extended coverage, vandalism, malicious mischief, general liability and products liability insurance. This insurance will be in an amount sufficient to replace your personal property upon loss or damage. This insurance will be written by a financially responsible insurance company satisfactory to us in accordance with our standards and specifications in the Operations Manual. The insurance will include, at a minimum, the following:

A. Comprehensive general liability insurance, including and products liability, completed operations, property damage, contractual liability, independent contractors liability, owned and non-owned and hired automobile coverage, and personal injury coverage with a combined single limit of at least **\$1,000,000** per occurrence and **\$2,000,000** aggregate, including umbrella coverage.

B. Workers' compensation and employer's liability insurance, and other insurance required by statute or rule of the state in which the franchise is located and operated.

C. Title insurance, with a policy obtained for each property acquired, with a policy coverage limit in a minimum amount of the contract amount of the property acquisition cost.

The insurance will insure us, you, and our respective subsidiaries, owners, officers, directors, partners, members, employees, servants, and agents against any loss, liability, products liability, personal injury, death or property damage that may accrue due to your operation of the Franchise. Your policies of insurance, will contain a separate endorsement naming us as an additional named insured. The insurance will not be limited in any way because of any insurance we maintain, and will be the primary, non-contributory insurance for claims made thereunder. The insurance will not be subject to cancellation except upon **20** days' written notice to us. Certificates of your insurance policies will be kept on deposit with us. Maintenance of the required insurance will not diminish your liability to us under the indemnities contained in this Agreement. The policy or policies will insure against our vicarious liability for actual and (unless prohibited by applicable law) punitive damages assessed against you.

All insurance policies you obtain will contain a blanket waiver of the insurer's rights of subrogation in respect of or against us and our officers, agents, employees and representatives; and will not contain any insured vs. insured exclusion clause, but will contain a severability clause providing that each the policy will be treated as though a separate insurance policy had been issued to each named insured.

We may require you to increase the minimum limits of and types of coverage to keep pace with regular business practice and prudent insurance custom.

If you fail to comply with any of the requirements of this Subsection, we may, but are not obligated to, purchase insurance at your expense to protect our interests. This insurance may, but need not, also protect your interest. The coverage we obtain might not pay any claim you make or any claim made against you. You may later cancel the insurance we obtain by providing evidence that you have obtained proper coverage elsewhere. You are responsible for the cost of any insurance purchased by us pursuant to this paragraph. This coverage may be considerably more expensive than insurance you can obtain on your own and might not satisfy your needs. You will pay us upon demand the premium cost of this insurance with a late payment charge on the unpaid balance at the rate established in this Agreement.

You will promptly report all claims or potential claims against you, the Business or us in writing when you become aware of them. You will give immediate written notice to us of any claims or potential claims you make to your insurers.

We may, at our sole discretion, upon not less than 90 days prior written notice to you, secure a policy of insurance which will provide defined insurance coverage to all or any part of the Joe Homebuyer system. This policy may replace or supplement the insurance coverage you are required to maintain. You will pay the relevant insurance premium to us or the designated insurance provider, as we direct.

Nothing contained in this Agreement will be construed as a representation or warranty by us that the insurance coverage we specify will insure you against all insurable risks or amounts of loss which may or can arise out of or in connection with the operation of your franchise business. It is your sole responsibility to ensure that adequate insurance coverage is obtained for your business.

Your procurement and maintenance of the insurance specified above will not relieve you of any liability to us under any indemnity requirement of this Agreement.

9 NOTICE AND MISCELLANEOUS

9.1 **Notices.** All notices required by this Agreement will be in writing. They may be sent by certified or registered mail, postage prepaid and return receipt requested. They may be delivered by Federal Express, or other reputable air courier service, requesting delivery with receipt on the most expedited basis available. Notices will be delivered to you at the Franchise Premises, to us at our headquarters or to other locations specified in writing.

Notices may be delivered and receipted to you personally at any location.

Notices sent by certified or registered mail will be deemed to have been delivered and received **3** business days following the date of mailing. Notices sent by Federal Express, or other reputable air courier service will be deemed to have been received one business day after placement requesting delivery on the most expedited basis available.

9.2 **Business Name.** You will execute any documents we may from time to time direct, to be retained by us until this Agreement ends, to evidence that you abandon, relinquish, and terminate your right or interest you may claim in or to the Service Marks and the name “Joe Homebuyer.” If you operate your business as an entity, you will use an entity name that does not contain the name “Joe Homebuyer,” but you will obtain a fictitious name for your business entitled “Joe Homebuyer of _____” which describes your ownership or location to specify and distinguish from any other entity’s fictitious name.

9.3 **We and You Are Not Joint Venturers, Partners, or Agents.** You are and will remain an independent contractor. You and we are not and will never be considered joint venturers, partners, employees, or agents one for the other. Neither will have the power to bind nor obligate the other except as otherwise outlined in this Agreement. No representation will be made by either party to anyone that would create any apparent agency, employment, or partnership. Each will hold the other safe and harmless from each other's debts, acts, omissions, liabilities, and representations. You acknowledge that you are not in a fiduciary relationship with us.

In all public and private records, documents, relationships, and dealings, you will show that you are an independent owner of the Franchise. You will prominently indicate on your letterheads and business forms that you are our licensed franchisee by using language saying that you operate an independently owned Franchise. You will prominently display, by posting of a sign within public view, on or in the Franchise Premises (if at an office site or commercial location) and on any vehicles that you use, a statement that clearly indicates that your franchise business is independently owned and operated by you as a franchisee and not as our agent.

You will maintain employee records to show clearly that you and your employees are not our employees. All employees and independent sub-contractors you employ must meet our character, quality and performance standards. All state and federal, workers compensation and insurance requirements must be met for all employees and sub-contractors, including requirements we express in the Operations Manual.

The liability of you and your owners, shareholders, members or partners will be both joint and several. A breach of this Agreement by you or by any shareholder, member or partner will be a breach by all of the shareholders, members or partners and also by you.

9.4 **Waiver.** A waiver of any breach of any provision, term, covenant, or condition of this Agreement will not be a waiver of any subsequent breach of the same or any other provision, term, covenant, or condition.

Any waiver of any provision of this Agreement must be set forth in writing and signed by the party granting the waiver. Any waiver we grant will not prejudice any other rights we may have, and will be subject to our continuing review. We may revoke any waiver, in our sole discretion, at any time and for any reason, effective upon delivery to you of **10** days prior written notice of revocation. Customs or practices of the parties in variance with the terms of this Agreement will not constitute a waiver of our right to demand exact compliance with the terms of this Agreement. Our delay, waiver,

forbearance, or omission to exercise any power or rights arising out of any breach or default by you of any of the terms, provisions, or covenants of this Agreement, will not affect or impair our rights and will not constitute a waiver by us of any right or of the right to declare any subsequent breach or default. Our subsequent acceptance of any payment due to us will not be deemed to be a waiver by us of any preceding breach by you of any terms, covenants or conditions of this Agreement.

By written notice, we unilaterally may waive any obligation of you, your owners, or the Guarantors.

Our consent, whenever required, may be arbitrarily withheld if you are in breach of this Agreement.

9.5 **Time Is of the Essence.** Time and strict performance are of the essence of this Agreement. ("Time is of the essence" is a legal term that emphasizes the strictness of time limits. In this Agreement, it means it will be a material breach of this Agreement to fail to perform any obligation within the time required or permitted by this Agreement.)

9.6 **Documents.** You and your partners, shareholders, members, officers, and owners agree to execute and deliver any documents that may be necessary or appropriate during the term and upon expiration or termination of this Agreement to carry out the purposes and intent of this Agreement. Upon the expiration, termination or transfer of this Agreement, if you do not execute any document necessary in our judgment to comply with the requirements of this Agreement, then by this Agreement, you irrevocably nominate, constitute and appoint the person then serving as our President as your attorney-in-fact to so execute that document in your name and on your behalf.

Any material violation or breach of any of these documents or of any other Franchise or related agreement between the parties will be a material violation of this Agreement and of all the other documents and agreements. The non-breaching party may enforce or terminate this Agreement and any or all of the other documents and agreements as provided for enforcement or termination of this Agreement.

If you are a partnership, all general partners will sign the documents. If you are a corporation or limited liability company or other entity, all shareholders or members and all officers will personally guarantee your faithful performance.

You will assure that each of your owners, shareholders, general partners, members, directors, officers, managers, employees, consultants, distributors and agents will not compete with us; will not attempt to divert customers to competing businesses; will not induce the employees of us or of our franchisees to leave their employment; and will keep, preserve, and protect confidential information as required by this Agreement.

9.7 **Construction.**

A. **Entire Agreement.** This document, including any exhibits attached to this Agreement and the documents referred to in this Agreement, will be construed together and constitute the entire agreement between the parties. It supersedes all prior or contemporaneous agreements or understandings, whether written or oral, with respect to the subject matter of this Agreement. There are no other oral or implied understandings between the parties with respect to the subject matter of this Agreement. Except as expressly and otherwise provided in this Agreement, this Agreement may not be modified, nor may any rights be waived or abridged, orally or by course of dealing, but only by a written instrument signed by the parties. The words "this Agreement" include any future modifications unless otherwise suggested by the context. No salesperson, representative, or other person has the authority to bind or obligate us in any way, except our president or a vice president at our home office by an instrument in writing.

No previous communications, negotiations, course of dealing or usage in the trade not specifically set forth in this Agreement will be admissible to explain, modify, or contradict this Agreement. The parties intend to confer no benefit or right on any person or entity not a party to this Agreement and no third party will have the right to claim the benefit of any provision of this Agreement as a third party beneficiary of that provision.

Nothing in this Agreement or any related agreement is intended to disclaim the representations we made to you in our franchise disclosure document.

B. Format. All words in this Agreement include any number or gender as the context or sense of this Agreement requires. The words "will" and "must" used in this Agreement indicate a mandatory obligation. This Agreement has been prepared in the "you/we" format to simplify it and to facilitate our compliance with state and federal franchise disclosure laws. The rule of construction that a written agreement is construed against the party preparing or drafting such agreement will specifically not be applicable to the interpretation of this Agreement.

C. Captions and Headings. All captions and headings are for reference purposes only and are not part of this Agreement. The recitals set forth in this Agreement are specifically incorporated into and constitute a part of the terms of this Agreement. If there is any typographical, word processing, printing or copying error in this Agreement, the error will be interpreted and corrected consistent with the following order of interpretation:

1. The content and expressed intent and exhibits of our Franchise Disclosure Document(s) previously delivered to you.
2. The content and expressed intent of franchise agreements we have executed with our other franchisees reasonably contemporaneous to this Agreement.

D. Severability. If, any part of this Agreement is declared invalid, that declaration will not affect the validity of the remaining portion which will remain in full force and effect as if this Agreement had been executed with the invalid portion omitted. The parties declare their intention that they would have executed the remaining portion of this Agreement without including any part, parts, or portions which may be declared invalid in the future. Provided, however, that if we determine that the finding of invalidity materially and adversely affects the basic consideration of this Agreement, we may, at our option, terminate this Agreement.

E. Implied Covenants. If applicable law implies a covenant of good faith and fair dealing in this Agreement, the parties agree that covenant will not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement. If applicable law implies such a covenant, the parties acknowledge and agree that:

1. This Agreement (and the relationship of the parties which is inherent from this Agreement) grants us the discretion to make decisions, take actions or refrain from taking actions not inconsistent with our explicit rights and obligations under this Agreement that may favorably or adversely affect your interests;
2. We will use our business judgment in exercising our discretion based on our assessment of our own interests and balancing those interests against the interests of the owners of other Joe Homebuyer businesses generally (including us, our franchisees and parties related to us) and specifically without considering the individual interests of you or any other particular franchisee;
3. We will have no liability to you for the exercise of our discretion in this manner, so long as our discretion is not exercised in bad faith toward you; and
4. In the absence of bad faith, no trier of fact in any judicial or arbitration proceeding will substitute its judgment for the business judgment we exercise.

F. Joint and Several. If, at any time during the term of this Agreement, you consist of two or more persons or entities (whether acting in partnership or otherwise and whether or not all have signed this Agreement), the rights, privileges and benefits granted to you in this Agreement may only be exercised and enjoyed jointly; and your obligations, liabilities and responsibilities under this Agreement will be joint and several obligations of each such person and entity.

9.8 Enforcement. From time to time there may be controversy about this Agreement, its interpretation, or performance or breach by the parties.

A. Mediation and Arbitration. If a dispute arises between the parties, prior to taking any other legal action, the parties agree to participate in at least 8 hours of mediation in accordance with the Mediation Procedures of the US Arbitration & Mediation Service or of any similar organization that specializes in the mediation of commercial business disputes. The Parties agree to equally share the costs of mediation.

From time to time there may be controversy, dispute, question or claim arising out of, in connection with or relating to this Agreement and its execution, delivery, existence, interpretation, construction, legality, validity, binding effect, enforceability, discharge, performance, non-performance or breach by the parties. This may include a claim that this Agreement, or any portion of it, is indefinite, invalid, illegal, or otherwise void, voidable or unenforceable. The controversy (unless related to trademark infringement or collection of delinquent payments) will be resolved by arbitration before an arbitrator from Utah County or as close thereto as can be reasonably identified selected by Franchisor, who shall decide the arbitration unless that arbitrator's recusal is requested for good cause, and the arbitrator's adjudication is terminated thereby, in which case, Franchisor shall designate a replacement arbitrator. The arbitration shall occur under the process and rules of the American Arbitration Association or its successor. Regardless of the Commercial Dispute process and the rules of the American Arbitration Association or its successor, there will be no arbitration on a class or consolidated basis. The arbitrator will have power and jurisdiction to decide the controversy or dispute solely according to the express provisions of this Agreement. The arbitrator may not alter, amend, delete, or add to the provisions of this Agreement by implication or otherwise. In any arbitration the parties will be entitled to injunctive relief or specific performance of the obligations of the other. The arbitrator will determine the prevailing party for purposes of this Section and may make a percentage award of reimbursable fees and expenses. The decision of the arbitrator made within its power or jurisdiction will be final and binding. The decision may be entered as a judgment in any court of law having jurisdiction.

The provisions of this Section will be construed as independent of any other covenant or provision of this Agreement; provided that if a court of competent jurisdiction determines that any the provisions are unlawful in any way, the court will modify or interpret the provisions to the minimum extent necessary to have them comply with the law. Notwithstanding any provision of this Agreement relating to the laws under which this Agreement will be governed by and construed under, all issues relating to its appropriateness for arbitration or the enforcement of the agreement to arbitrate contained in this Agreement will be governed by the Federal Arbitration Act (9 U.S.C. §_1 et seq.) and the federal common law of arbitration. The provisions of this Section will not limit our right to seek and obtain any provisional or final remedy, including, but without limitation, injunctive relief, an order for payment of any monies due and owing by you, an order for recovery or delivery up of possession, or for specific performance, or similar relief, from any court of competent jurisdiction, as may be necessary in our sole judgment to protect the Service Marks and the Joe Homebuyer System and our confidential information and property rights, to enforce the restrictive covenants of this Agreement, to enforce our contractual rights, and to protect against actual or threatened conduct that on balance would cause or be likely to cause loss or damage if allowed to continue pending completion of an arbitration proceeding.

This arbitration provision is self-executing, and in the event that any party fails without good cause (i) to appear at any properly noticed arbitration proceeding or (ii) to make payment in full of its share of the required arbitration fees and costs within 10 days after notice and demand, absent a previously issued court order to the contrary, then a final award may be entered against such party notwithstanding the failure to appear or to make the required payment.

B. Injunctive Relief and Specific Performance. Either party may obtain in any court of competent jurisdiction specific performance and injunctive relief to restrain a violation by the other party of any term or covenant of this Agreement. Nothing contained in this Agreement will bar us or you to obtain specific performance of the provisions of this Agreement and injunctive relief against threatened conduct that will cause you or us loss or damages under customary equity rules, including applicable rules for obtaining restraining orders and preliminary injunctions.

C. Governing Law and Venue. You acknowledge that we have appointed and intend to appoint many franchisees on terms and conditions similar to those set forth in this Agreement. It mutually benefits those franchisees,

you and us if the terms and conditions of these license agreements are uniformly interpreted. This Agreement is accepted by us in the State of Utah and will be governed by the substantive laws of Utah without regard to Utah choice of law provisions. Provided, however, that any law of the State of Utah that regulates the sale of franchises or business opportunities or governs the relationship of a franchisor and its franchisee will not apply unless its jurisdictional requirements are met independently without reference to this Section. Utah laws will prevail, except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051, et seq.) and except in those states whose franchise laws require exclusive application of those laws. This choice of laws will not include and does not extend the scope of application of any Utah franchise or business opportunity laws except as they may otherwise apply pursuant to their terms and definitions. No franchise or business opportunity, antitrust, "implied covenant," unfair competition, fiduciary or any other doctrine of law statute, law or regulation of Utah or any other state is intended to be made applicable to this Agreement unless it would otherwise apply absent this paragraph. The foregoing will not be construed as a waiver of any of your rights under any applicable franchise registration, disclosure or relationship law of another territory, state or commonwealth. Any portion of this Agreement that requires enforcement in any other state, and is enforceable under the laws of that state but not of Utah, will be construed and enforced according to the laws of that state. All issues or disagreements relating to this Agreement will be mediated, arbitrated, tried, heard, and decided in Utah County, Utah, which you agree is the most convenient venue for these purposes, and the jurisdiction and venue of which you submit to hereby as the exclusive and jurisdiction and venue for such disputes. You acknowledge and agree that this location for venue is reasonable and the most beneficial to the needs of and best meets the interest of, all of the members of the Joe Homebuyer franchise system.

D. Remedies. You recognize the unique value and secondary meaning attached to the Joe Homebuyer System, the Service Marks and our standards of operation and trade practices. You agree that any noncompliance with the terms of this Agreement or any unauthorized or improper use of the Joe Homebuyer System or the Service Marks will cause irreparable damage to us and our franchisees. You agree that if you engage in any unauthorized or improper use, during or after the period of this Agreement, we will be entitled to both permanent and temporary injunctive relief from any court of competent jurisdiction in addition to any other remedies prescribed by laws.

No right or remedy conferred upon us is exclusive of any other right or remedy in this Agreement or provided by law or equity. Each will be cumulative of every other right or remedy.

We may employ legal counsel or incur other expense to collect or enforce your obligations or to defend against any claim, demand, action or proceeding because of your failure to perform your obligations. Legal action may be filed by or against us and that action or the settlement of it may establish your breach of this Agreement. If either event occurs, we may recover from you the amount of our reasonable attorney fees and all other expenses we incur in collecting or enforcing that obligation or in defending against that claim, demand, action or proceeding.

You agree that the existence of any claims you may have will not constitute a defense to the enforcement by us of any of the confidentiality requirements and covenants not to compete described in this Agreement. You acknowledge that any violation of the confidentiality requirements and covenants not to compete would result in irreparable injury to us for which no adequate remedy at law may be available and you accordingly consent to the issuance of an injunction prohibiting any conduct by you in violation of the terms of the covenants not to compete.

You agree that each of the confidentiality requirements and covenants not to compete described in this Agreement will be constructed as independent of any other covenant or provision. If all, parts or any portion of any covenant in this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which we are a party, you expressly agree to be bound by any lesser covenant subsumed within the terms of that covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in this Agreement. Each of the covenants described in this Agreement is a separate and independent covenant in each of the separate counties and states in the United States in which we transact business. To the extent that any covenant may be determined to be judicially unenforceable in any county or state, that covenant will not be affected with respect to any other county or state. You understand and acknowledge that we will have the right, in our sole discretion, to reduce the scope of any of covenants, confidentiality requirements or covenants not to compete set forth in this Agreement that apply

to you or to any other of our franchisees. We may do so without your consent, effective immediately upon your receipt of written notice. You agree that you will comply with any covenant that pertains to you as we so modify it.

You acknowledge we will suffer immediate and irreparable harm that will not be compensable by damages alone if you repudiate or breach any of the provisions of any part of this Agreement that relates to the confidentiality or protection of confidential information and trade secrets or your covenants to not compete against us or our franchise system or your threats or attempts to do so. For this reason, under those circumstances, we, in addition to and without limitation of any other rights, remedies or damages available to us at law or in equity, will be entitled to obtain temporary, preliminary and permanent injunctions in order to prevent or restrain the breach, and we will not be required to post a bond as a condition for the granting of this relief. You also agree that a violation of any of our your confidentiality or non-competition covenants will entitle us, in addition to all other remedies available at law or equity, to recover from you any and all funds, including, without limitation, wages, salary, and profits, which will be held by you in constructive trust for us, received by you in connection with such violation.

You specifically acknowledge the receipt of adequate consideration for the confidentiality and non-competition covenants contained in this Agreement and that we are entitled to require you to comply with these covenants. Those covenants will survive termination or expiration of this Agreement. You represent that if this Agreement expires or is terminated, whether voluntarily or involuntarily, you have experience and capabilities sufficient to enable you to find employment or otherwise earn a livelihood in areas which do not violate this Agreement and that our enforcement of a remedy by way of injunction will not prevent you from earning a livelihood.

E. Attorneys Fees. The prevailing party in any arbitration, insolvency proceeding, bankruptcy proceeding, suit, or action to enforce this Agreement will recover its arbitration, proceeding, and court costs and reasonable attorney fees and previously incurred mediator fees. These will be set by the arbitration, proceeding or court, including costs and attorney fees on appeal or review from the arbitration, proceeding, suit, or action. "Prevailing party" means the party who recovers the greater relief in the proceeding.

9.9 Other Agreements. If you or any of your shareholders, partners, or officers violate any material provision of any other franchise or similar agreement with us, that breach will be considered a breach of this Agreement and of the other agreements. We then may terminate or otherwise enforce this Agreement and the other agreements.

Whenever this Agreement requires that you enter into a release, such as for a transfer or renewal, the release will be in substantially the following form:

You (and your owners, members, partners, officers, and directors) agree to the following general release, subject to and following laws applicable in your jurisdiction, to release us from any claims you may have against us:

In consideration of the mutual covenants and understandings set forth in this release agreement, you release and discharge us and our current and former owners, partners, directors, officers, employees and agents from all obligations, duties, covenants and responsibilities to be performed under the franchise agreement with us related to the franchise and the franchise premises ("your Prior Franchise Agreement").

You release and forever discharge us and our current and former owners, partners, directors, officers, members, employees and agents from any and all claims, demands, actions or causes of action of every name, nature, kind and description whatsoever, whether in tort, in contract or under statute, arising directly or indirectly out of the negotiation of, execution of, performance of, nonperformance, or breach of your Prior Franchise Agreement and any related agreements between you and us and out of any other action or relationship between you and us arising prior to the date of the release agreement.

You represent that this release has been read and that it is fully understood and voluntarily accepted. The purpose of this release is to make a full, final and complete settlement of all claims against us, known or unknown, arising directly or indirectly out of your Prior Franchise Agreement and the relationship between you and us prior to the date of the transfer [renewal] agreement including, but not limited to, economic loss.

It is expressly understood and agreed that this release is intended to cover and does cover not only all known losses and damages but any further losses and damages not now known or anticipated but which may later develop or be discovered, which arise under your Prior Franchise Agreement prior to the date of the transfer [renewal] agreement, including all effects and consequences.

These releases are intended to waive, release and discharge all claims against us, other than these expressly reserved, with the express waiver of any statute, legal doctrine or other similar limitation upon the effect of general releases. In particular, the parties waive the benefit of any applicable statutory provision such as by illustration, California Civil Code Section 1542, which states:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

You will waive the benefit of both statute and any other legal doctrine or principle of similar effect in any jurisdiction.

9.10 **Agreement Binding on Successors and Assigns.** This Agreement benefits and binds the respective heirs, executors, administrators, successors, and assigns of the parties.

9.11 **Execution in Counterparts and Our Acceptance.** This Agreement will be binding upon you at the time you sign it and deliver it to us. This Agreement will not be binding upon us until we accept it in writing by one of our principal officers at our home office. If we do not accept it within **60** days, this Agreement will no longer be binding upon you. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, will constitute an original. Delivery of executed signature pages of this Agreement by facsimile transmission will constitute effective and binding execution and delivery of this Agreement. Electronic signatures shall be deemed equally effective as manual signatures.

9.12 **Approval by Shareholders, Members or Partners.** If you are a corporation, limited liability company, partnership or other entity, we will not be bound until your shareholders, members or partners read and approve this Agreement, agree to the restrictions on them (including restrictions on the transfer of their interest in the Franchise and the restrictions and limitations on their ability to compete with us), and jointly and severally guarantee your performance under this Agreement. We may request a copy of the Resolution approved by your partners, members, shareholders, owners or directors as confirmation of your fulfillment of this requirement and authorizing your execution of this Agreement.

Your ownership certificates will have conspicuously endorsed upon them a statement that they are subject to, and that further assignment or transfer of them is subject to, the restrictions imposed upon assignments by this Agreement.

If You are an entity with more than one owner, the partnership agreement, shareholders agreement, limited liability operating agreement or other similar agreement for the entity ("Owners Agreement") must contain the following provisions which will supersede any contrary provisions in that agreement:

1. Your owners ("Owners") agree to submit any dispute they cannot resolve relating to the operation and management of the franchise business to arbitration by our president or his designee. If the arbitration

submission is accepted by our president, it must be held at our headquarters or at another location the Owners and the arbitrator agree. The decision of the arbitrator will be final and subject to enforcement by the courts of competent jurisdiction. If the submission to arbitration is not accepted by our president, the Owners must resolve their disputes in accordance with the other provisions of this Franchise Agreement.

2. The term "operations and management" includes, but is not limited to, questions relating to:
 - A. Allocations of management responsibilities between the Owners;
 - B. Contributions to capital for purposes of business operations, repairs and remodeling;
 - C. The reasonable salaries of the Owners;
 - D. Marketing efforts;
 - E. The termination of the employment of an Owner;
 - F. Procedures for making and implementing management decisions;
 - G. Whether an Owner has performed duties with respect to the operation or management of the franchise business.
3. Unless the Owners and the arbitrator agree in writing otherwise, "operation and management" does not include questions relating to:
 - A. Allocations, computations or distributions of profit or loss;
 - B. Accounting issues;
 - C. Elections of officers of the entity;
 - D. Investments of cash not necessary for the operation of the business;
 - E. Determining whether an Owner is disabled or incompetent within the meaning of the Owners Agreement;
 - F. The fair market value of the Owners' interests in the entity;
 - G. Whether an event has occurred, which gives rise to a right to buy the interest of an Owner other than a right resulting from an Owner's default determined to exist under 2, above;
 - H. Whether an Owner has met his obligations to purchase the interest of any current or former Owner;
 - I. Matters relating to the winding up of the entity after a dissolution;
 - J. Matters relating to the legal validity of the Owners Agreement.
4. The Owner's agreement must provide that the Owner or Owners who are to be responsible for operation of the franchise business must own 50% or more of the capital interests in the entity and that the Owners of the entity must have voting rights proportionate to their interests in capital.
5. The Owners agree to notify us in writing of their intent to enter into, modify or amend any Owners Agreement. Notice must be given at least 10 business days before they enter into that agreement, modification or amendment. The purpose of this notice is to enable us to review it for compliance with this section.
6. Inclusion of these provisions in the Owner's Agreement will be a condition to our consent to the transfer of the franchise to an entity.

9.13 **Personal Guarantee.** The undersigned Franchisees or Guarantors are all of your partners, members, shareholders or owners. They jointly, severally, irrevocably, and unconditionally guarantee to us the due and punctual observance and performance by you of all of your obligations under this Agreement and any other agreement to which we and you are parties. Each Guarantor agrees to guarantee us against all liability, loss, harm, damage, costs, and expenses (including attorney fees) that we may incur because of your failure to observe your obligations. The liabilities and obligations of each Guarantor will not be released, discharged, or affected by our release or discharge of or dealing with you under any of these agreements; or by anything we do, suffer, or allow to be done in relation to you; or by change,

alteration, or modification of any of the agreements; or by any compromise, arrangement, or plan of reorganization affecting you; or by your bankruptcy or insolvency; or by any other act or proceeding in relation to you or any of the agreements by which any Guarantor might otherwise be released. The liabilities and obligations of each Guarantor pursuant to this Guarantee will be continuing in nature and will terminate only on the satisfaction of your obligations under this Agreement. A fresh cause of action will arise in respect of each breach by you producing a liability of any Guarantor.

The Guarantors agree that it shall not be necessary for us or our assigns to institute suit or exhaust our legal remedies against you in order to enforce this guaranty. Guarantors agree that we may from time to time extend the time for performance or otherwise modify, alter, or change this Agreement, may extend the time for payment of all sums guaranteed, and may receive and accept notes, checks, and other instruments for the payment of money made by you and extensions or renewals without in any way releasing or discharging Guarantors from their obligations. This guaranty shall not be released, extinguished, modified, or in any way affected by our failure to enforce all the rights or remedies available to it under this Agreement. Our release of one or more Guarantor will not operate as a release of the other Guarantors.

9.14 **Representations and Acknowledgements.**

A. **Receipt of Disclosure Documents.** You acknowledge that you have received our Franchise Disclosure Document at the earlier of (1) the first personal meeting with us (in New York and Rhode Island); or (2) 14 calendar days before signing any franchise or related agreement or making any payment with the franchisor or an affiliate in connection with the franchise sale (10 business days in California, Michigan, New York, Oregon, Rhode Island, Washington and Wisconsin). In addition, you acknowledge either:

- a.1. receipt of this Agreement containing all substantive terms at the time of delivery of the Franchise Disclosure Document; or
- a.2. if we unilaterally or materially altered the terms and conditions of our standard franchise agreement or any related agreements attached to the Franchise Disclosure Document, you acknowledge that you received a complete and final copy of this Agreement and its exhibits not less than 7 calendar days before you signed this Agreement.

B. **You Have Read and Understand this Agreement.** You acknowledge that you have had ample to read and have read this Agreement and our Franchise Disclosure Document. You understand and accept the terms, conditions and covenants contained in this Agreement. They are necessary to maintain our high standards of quality, service and uniformity at all franchises. They protect and preserve the goodwill of the Service Marks and the confidentiality and value of the Joe Homebuyer System. You have received advice from advisors of your own choosing regarding all pertinent aspects of this Franchise and the franchise relationship created by this Agreement. You also acknowledge that you believe you have made a good decision for yourself or your partners or your corporation based upon what you believe is your ability to run and control a business of your own.

C. **Varying Forms of Agreement.** You are aware that some present and future **Joe Homebuyer** franchisees may operate under different forms of agreement and, consequently, that our obligations and rights in respect to our various present and future franchisees may differ materially in certain circumstances.

D. **Speculative Success.** The success of your franchise is speculative and depends, to a large extent, upon your ability as an independent businessperson. You recognize that the business venture contemplated by this Agreement involves business risks. We do not make any representation or warranty, express or implied, as to the potential success of the Franchise.

E. **Independent Investigation, No Projections or Representations.** You acknowledge that you have entered this Agreement after conducting an independent investigation of us and of the Franchise. Your success will be dependent upon your ability as an independent businessperson. Except as outlined in Item 19 of our Franchise Disclosure

Document, we expressly disclaim the making of, and you acknowledge that you have not received, any representation, warranty, or guarantee, express or implied, concerning the potential revenues, cost savings, volume, profits, or success of the business venture contemplated by this Agreement. You acknowledge that neither we, nor any of our officers, directors, shareholders, employees, agents or servants, made any other representation about the business contemplated by this Agreement or that are not expressly set forth in this Agreement or our Franchise Disclosure Document to induce you to accept this Franchise and execute this Agreement. Any oral representations made by our representatives to you, whether or not set forth in earlier versions of our standard form franchise agreement, have either been ratified by us by including the representations in this document or have been disavowed by excluding them from this Agreement.

F. **No Review of Business Plans, Loan Applications.** Prior to your execution of this Agreement, we have not given you any advice or review of any of your business plans or third party loan applications related to your purchase of and proposed operation of the franchise. We do not receive or review business plans and loan applications before a franchisee signs the relevant franchise agreement. We have strongly recommended that you retain and work with your own independent accountant and financial advisors to fully review all financial aspects of your potential franchise investment for you. You acknowledge that we will not provide financial assistance to you and that we have made no representation that we will buy back from you any products, supplies, or equipment you purchase in connection with your franchise.

G. **Your Location and Market Area.** You acknowledge that we will not provide or designate locations for you. You have investigated the potential of the market area in which you are to establish and operate your franchise business and the laws and regulations applicable thereto. You agree and represent that that market area is reasonable and the Initial Franchise Fee represents fair consideration for the opportunity to establish and operate a Joe Homebuyer franchise.

H. **Health and Full-Time Participation.** You acknowledge that a Joe Homebuyer business involves hard work and sometimes long hours, similar to most small businesses that are owner operated. We have not represented that this business is going to be easy for you, your partners, officers or directors. You or your majority owner if you are a corporation, limited liability company or partnership, must actively participate in the daily affairs of the business. You represent that you or your majority owner are in good health and able to devote your full time and best efforts in the day to day operations of your franchised business or that you have the business management skills necessary to successfully hire a general manager to run the day to day operations of your franchised business.

I. **Terrorism, Convictions, Immigration Status.** Neither you, nor your spouse, nor your children, nor your parents, nor anyone who has an interest in or who will manage the franchise, nor any of your partners or affiliates:

1. supports terrorism,
2. provides money or financial services to terrorists,
3. receives money or financial services from terrorists or institutions that support terrorists
4. is engaged in terrorism, or
5. is on the current U.S. government lists of persons and organizations that support terrorism as provided for by law, such as the list of "Specially Designated Nationals" and "Blocked Persons" under the "USA Patriot Act" 18 USC Section 1900 et seq.

Neither you nor any of these persons has engaged in or been convicted of fraud, corruption, bribery, money laundering, narcotics trafficking or other crimes, and each is eligible under applicable U.S. immigration laws to communicate with and travel to the United States to fulfill your obligations under your agreements with us.

J. **We May Investigate.** We may conduct investigations and make inquiries of any person or persons we, in our reasonable judgment, believe appropriate concerning the credit standing, character, and professional and personal qualifications of you and your owners, shareholders, members and partners. You authorize us to conduct these

investigations and to make these inquiries. We agree to comply with the requirements of laws that apply to these investigations and inquiries.

K. **Supplier Approval.** You acknowledge that while you may propose alternate suppliers for products and services, the proposed suppliers may not qualify. You further acknowledge that our approved suppliers may be the only source of supply for products and services required in the Franchise.

L. **Operations Manual.** You acknowledge that access to the Operations Manual is licensed to you by us and at all times the Operations Manual and any updated or amended pages remain our property and that the copyright in the Operations Manual and all associated materials is vested in us. You agree to return to us the Operations Manual and any updated or amended pages immediately upon written demand.

M. **NO REPRESENTATIONS, PROJECTIONS, OR WARRANTIES.** WE HAVE NOT MADE ANY REPRESENTATIONS, PROMISES, GUARANTEES, PROJECTIONS, OR WARRANTIES OF ANY KIND TO YOU, YOUR OWNERS, OR THE GUARANTORS TO INDUCE THE EXECUTION OF THIS AGREEMENT OR CONCERNING THIS AGREEMENT EXCEPT AS SPECIFICALLY SET FORTH IN WRITING IN THIS AGREEMENT AND IN OUR FRANCHISE DISCLOSURE DOCUMENT THAT WE DELIVERED TO YOU. YOU ACKNOWLEDGE THAT NEITHER WE NOR ANY OTHER PARTY HAS GUARANTEED YOUR SUCCESS IN THE BUSINESS CONTEMPLATED BY THIS AGREEMENT.

[Signature Page Immediately Follows]

SIGNATURES

IN WITNESS, the parties have executed this Agreement on the day and year first above written.

("we/us" and "Franchisor"): **JOE HOMEBUYER FRANCHISING, LLC**

By: _____

Name: _____

Title: _____

Date: _____

(jointly and severally "you" and "Franchisee"):

By: _____

Name: _____

Title: _____

Date: _____

By: _____

Name: _____

Title: _____

Date: _____

**FRANCHISE AGREEMENT
SCHEDULE 1
FRANCHISE TERRITORY**

The Franchise Territory is defined as:

("we/us" and "Franchisor"): **JOE HOMEBUYER FRANCHISING, LLC**

By: _____
Name: _____
Title: _____
Date: _____

(jointly and severally "you" and "Franchisee"):

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

SCHEDULE 2 – FRANCHISE OWNER INFORMATION

Effective Date: This Exhibit 2 is current and complete

as of _____

FRANCHISEE and Its Owners

1. **Form of FRANCHISEE.** [Check (a), (b) or (c).]

- ☐ (a) **Proprietorship.** The Owner(s) of FRANCHISEE (is) (are) as follows:

- ☐ (b) **Corporation, Limited Liability Company or Partnership.** FRANCHISEE was incorporated or formed on _____ under the laws of the State of _____. It has not conducted business under any name other than its corporate, limited liability company or partnership name and _____. The following is a list of FRANCHISEE's directors, if applicable, and officers as of the effective date shown above:

Name of Each Director/Officer

Position(s) Held

_____	_____
_____	_____
_____	_____
_____	_____

- ☐ (c) **Trust.** FRANCHISEE is a revocable trust formed under the laws of the State of _____ on _____, _____. The grantor, trustee and primary income beneficiary of FRANCHISEE is _____, a resident of the State of _____. The governing trust instrument of FRANCHISEE consists of a trust agreement dated _____, _____ and the following amendments, if any:

The trustee has full power and authority to bind the trust estate and to execute, deliver and perform, or cause the execution, delivery and performance, of all of FRANCHISEE's obligations. In the event of the trustee's resignation, death or inability to act, the following are named to act as successor trustee, in this order:

- (a) _____
(b) _____
(c) _____

Please include current and contingent beneficiaries under the trust, and their respective interests therein:

Current beneficiaries:

(a) _____
(b) _____
(c) _____

Contingent beneficiaries:

(a) _____
(b) _____
(c) _____

2. **Owners.** The following list includes the full name and mailing address of each person who is an Owner (as defined in the Franchise Agreement), and fully describes the nature of each Owner's interest.

Owner's Name and Address

Description and Percentage of Interest

_____	_____
_____	_____
_____	_____

3. **Signatures.**

("we/us"): **JOE HOMEBUYER FRANCHISING, LLC**

By: _____
Print Name: _____
Title: _____

(jointly and severally "you"):

By: _____
_____, an individual

By: _____
Print Name: _____
Title: _____

SCHEDULE 3 –OWNER’S GUARANTY

THIS OWNER’S GUARANTY (“Guaranty”) is made as of _____, by _____ (each and if more than one, “Guarantor”), who have an interest in _____, a _____ (“Franchisee”) in connection with that certain **JOE HOMEBUYER** Franchise Agreement dated as of _____ (the “Franchise Agreement”) between Franchisee and **JOE HOMEBUYER FRANCHISING, LLC**, a Utah company (“Franchisor”). This Guaranty is hereby incorporated in and made a part of the Franchise Agreement and shall be annexed thereto. All terms not defined herein shall have the meaning provided in the Franchise Agreement.

1. Acknowledgments. Guarantor acknowledges and agrees that Franchisor has entered into the Franchise Agreement with Franchisee solely on the condition that, and each Guarantor hereby agrees that, each Guarantor is personally obligated and jointly and severally liable with Franchisee (and with each other Guarantor) for the performance of each and every obligation, agreement, undertaking, covenant, liability and debt of Franchisee and the Guarantors, whether direct or indirect, absolute or contingent, now existing or hereafter arising (collectively, the “Obligations”) under the Franchise Agreement, any amendments or modifications to the Franchise Agreement, any extensions of the Franchise Agreement, and under each and every agreement related thereto that has been or hereafter may be entered into by Franchisee with Franchisor (all such agreements are collectively referred to herein as the “Franchise Agreements”).

2. Guaranty. In consideration of Franchisor’s granting of a franchise, and as an inducement to Franchisor to grant a franchise, to Franchisee, Guarantor hereby personally, unconditionally, absolutely and irrevocably guarantees to Franchisor and its successors and assigns the prompt payment in full in cash and the prompt performance in full of the Obligations.

3. Representations, Warranties and Agreements.

a. Guarantor expressly agrees that the liability of the Guarantor for the payment and performance of the Obligations guaranteed hereby shall be primary and not secondary.

b. Guarantor represents and warrants to Franchisor that all equity interests in the Franchisee are held of record and beneficially by Guarantor;

c. Guarantor agrees to promptly notify Franchisor of any change in the ownership of any equity interests in Franchisee;

d. Guarantor agrees to be personally bound by, and personally liable for the breach of each and every provision in the Franchise Agreement and each and every provision in the other Franchise Agreements, as if Guarantor was the Franchisee thereunder; and

e. Guarantor represents and warrants that, if no signature appears below for such Guarantor’s spouse, such Guarantor is either not married or, if married, is a resident of a state which does not require the consent of both spouses to encumber the assets of a marital estate.

4. Waivers by Guarantor. Guarantor hereby waives:

a. acceptance and notice of acceptance by Franchisee of the foregoing guaranties;

b. notice of demand for payment of any indebtedness or nonperformance by Franchisee of any obligations guaranteed by Guarantor;

c. protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations of Franchisee guaranteed by Guarantor;

d. any right Guarantor may have to require that an action be brought against Franchisee or any other person as a condition of liability;

e. any right Guarantor may have to assert the bankruptcy or insolvency of Franchisee or any other person as a defense hereunder or as the basis for rescission hereof and any defense arising because of Franchisor's election, in any proceeding instituted under the Federal Bankruptcy Code, of the application of Section 1111(b)(2) of the Federal Bankruptcy Code;

f. any defense based on an election of remedies by Franchisor which destroys or otherwise impairs the subrogation rights of Guarantor, the right of Guarantor to proceed against Franchisee or another person for reimbursement or both;

g. any and all other notices and legal or equitable defenses to which Guarantor may be entitled to the extent such notices and defenses may be waived pursuant to applicable law; and

h. if Guarantor is a resident of California, in accordance with Section 2856 of the California Civil Code, Guarantor waives any and all rights and defenses available to Guarantor by reason of Sections 2787 to 2855, inclusive, 2899 and 3433 of the California Civil Code.

5. Further Agreements and Understandings. Guarantor hereby consents and agrees that:

a. Guarantor's direct and immediate liability under this Guaranty is joint and several with Franchisee and each other Guarantor;

b. Guarantor agrees to render any payment or performance required under the Franchise Agreement upon demand if Franchisee fails or refuses punctually to do so;

c. Guarantor's liability hereunder is not contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person;

d. this Guaranty will continue in full force and effect for and as to any extension of or modification or amendment to the Franchise Agreement or any Franchise Agreements and notwithstanding the transfer of any interest in the Franchise Agreement or Franchisee, and Guarantor waives notice of any and all such extensions, modifications, amendments, or transfers;

e. Guarantor's liability hereunder is not diminished, relieved or otherwise affected by any extension of time, credit or other indulgence, or any waiver which Franchisor may from time to time grant to Franchisee or to any other person, including without limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims (including the release of other Guarantors), or the taking of any action by Franchisor which may have the effect of increasing the obligations of Guarantor, none of which in any way modifies or amends this Guaranty, which will be absolute, unconditional, continuing and irrevocable during the term of the Franchise Agreements and so long as any performance is or may be owed under any of the Franchise Agreements by Franchisee or its Guarantors and so long as Franchisor may have any cause of action against Franchisee or its Guarantors;

f. Guarantor agrees that no invalidity, irregularity or unenforceability of the Obligations or invalidity, irregularity, unenforceability or non-perfection of any collateral therefor, will affect, impair or be a defense to this Guaranty, which is a primary obligation of Guarantor;

g. Guarantor expressly waives any claim or other right which Guarantor (or any of them) may now have or hereafter acquire against Franchisee, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution, indemnification or any right to participate in any claim or remedy of Franchisor against Franchisee, whether or not such claim, right or remedy arises in equity or under contract, statute or common law;

h. The obligations of Guarantor under this Guaranty will not be altered, limited or affected by any proceeding, voluntary or involuntary, involving the bankruptcy, reorganization, insolvency, receivership or liquidation of Franchisee or any affiliate, or by any defense which Guarantor may have by reason of any order, decree or decision of any court or administrative body resulting from any such proceeding; and

i. Guarantor agrees that this Guaranty and the obligations of Guarantor hereunder will continue to be effective or automatically reinstated, as the case may be, if and to the extent that for any reason any payment by or on behalf of Guarantor in respect of the Obligations is rescinded or otherwise restored to the Guarantor or Franchisee, whether as a result of any proceedings in bankruptcy or reorganization or otherwise, all as if such payment had not been made, and Guarantor agrees to indemnify Franchisor on demand for all costs and expenses (including fees of counsel) incurred by Franchisor in connection with any such rescission or restoration.

j. Guarantor represents to Franchisor that each Guarantor has had the opportunity to review the matters discussed and contemplated by the Franchise Agreement and any Franchise Agreements, including the remedies Franchisor may pursue against Franchisee in the event of a default under the Franchise Agreement and any Franchise Agreements and Franchisee's financial condition and ability to perform under the Franchise Agreement and any Franchise Agreements. Guarantors further agree to keep themselves fully informed on all aspects of Franchisee's financial condition and the performance of Franchisee's obligations to Franchisor and that Franchisor has no duty to disclose to Guarantors any information pertaining to Franchisee. If provided in the Franchise Agreement and any Franchise Agreements, Guarantors agree that their bankruptcy, insolvency and other actions set forth therein may be events of default under the Franchise Agreement and any Franchise Agreements.

k. Each of the Guarantors agrees to be personally bound by any and all non-competition provisions under Section 13 of the Franchise Agreement and the provisions relating to intellectual property and Confidential Information under Sections 8, 10 and 12 of the Franchise Agreement.

l. The prevailing party in any dispute resulting in arbitration, litigation or other proceedings between Guarantors and Franchisor shall be entitled to its costs and expenses for such proceedings, including reasonable attorneys' fees and costs.

m. Guarantors agree to take all actions necessary to enable Franchisee to observe and perform, and to refrain from taking any action which would prevent Franchisee from performing the Obligations.

n. Franchisor may assign this Guaranty with the Franchise Agreement or one or more of the Franchise Agreements, without in any way affecting Guarantors' liability under it or them. This Guaranty shall inure to the benefit of Franchisor and its successors and assigns and shall bind Guarantors and their respective heirs, executors, administrators, successors and assigns.

o. In the event of the death of any or all of the Guarantors hereunder, the obligation of Guarantors under this Guaranty shall continue in full force and effect against said deceased Guarantor's estate as to all of such obligations which shall have been created or incurred by Franchisee prior to the time when Franchisor shall have received written notice of such death.

p. Guarantors shall hold harmless, defend, protect and indemnify Franchisor from any actions, causes of action, liabilities, damages, losses and fees (including attorneys' fees and costs) and all other claims of every nature which may arise as a result of any dispute between or among Guarantors and any other persons or entities.

q. All notices, requests and demands to be made hereunder shall be in writing at the address set forth below by any of the following means: (i) personal service (including service by overnight courier service); (ii) electronic communication, whether by email or other means (if confirmed in writing sent by personal service or by registered or certified, first class mail, return receipt requested); or (iii) shall be deemed received five (5) days following deposit in the mail.

r. Guarantor acknowledges and agrees that Guarantor has had adequate opportunity to have this Guaranty reviewed by counsel of its own choosing and that Guarantor has not relied on Franchisor or any of its counsel in any respect.

s. GUARANTOR HEREBY WAIVES THE RIGHT TO TRIAL BY JURY.

t. This is a continuing Guaranty and all obligations to which it applies or may apply under the terms hereof shall be conclusively presumed to have been created in reliance hereon. In the event that, notwithstanding the provisions of this paragraph, this Guaranty shall be deemed revocable in accordance with applicable law, then any such revocation shall become effective only upon receipt by Franchisor of written notice of revocation signed by Guarantor. To the extent permitted by applicable law, no revocation or termination hereof shall affect, in any manner, rights arising under this Guaranty with respect to Obligations arising prior to receipt by Franchisor of written notice of such revocation or termination.

u. No terms or provisions of this Guaranty may be changed, waived, revoked or amended without Franchisor's prior written consent. Should any provision of this Guaranty be determined by a court of competent jurisdiction to be unenforceable, all of the other provisions shall remain effective.

v. This Guaranty shall be enforced and interpreted according to the laws of the State of Utah, irrespective of its conflicts of laws rules.

IN WITNESS WHEREOF, each Guarantor hereby executes this Guaranty on the day and year first above written.

GUARANTORS:

Print Name: _____

Address:

Print Name: _____

Address:

SCHEDULE 4
OWNER PERSONAL COVENANTS REGARDING
CONFIDENTIALITY & COMPETITION

In conjunction with your ownership in _____ (“Franchisee”) a _____ [limited liability company, etc.], you (“Owner” or “you”), acknowledge and agree as follows for the benefit of **JOE HOMEBUYER, LLC** (the “Franchisor”):

Franchisee owns and operates, or is developing, a Joe Homebuyer™ franchise located at, or to be located at, _____ pursuant to a franchise agreement dated _____ (“Franchise Agreement”) with the Franchisor, which Franchise Agreement requires persons with legal or beneficial ownership interests in Franchisee under certain circumstances to be personally bound by the confidentiality and non-competition covenants contained in the Franchise Agreement. All capitalized terms contained in this Agreement shall have the same meaning set forth in the Franchise Agreement.

The Franchisor is the franchisor of the Joe Homebuyer™ franchise system and owns proprietary ideas and other Confidential Information related to the ownership and operation of “Joe Homebuyer” businesses that promote, advertise, and provide real estate buying and contract assignment services and transactions the Joe Homebuyer™ Marks and System.

If you are a corporation, partnership, limited liability company or other entity, all persons who have a legal or beneficial interest in you (“Owners”) must also sign this Agreement. You own or intend to own the percentage legal or beneficial ownership interest in Franchisee, set forth beneath your signature below, and acknowledge and agree that your signing of this Agreement is a condition to this ownership interest and that you have received good and valuable consideration for signing this Agreement. Franchisor may enforce this Agreement directly against you and your Owners.

THEREFORE, in consideration of the mutual promises and covenants, the parties agree as follows:

1 PROTECTION OF CONFIDENTIALITY

1.1 **The Franchisor’s Exclusive Property.** You acknowledge and agree that all Confidential Information is and shall continue to be the Franchisor’s sole and exclusive property, whether or not disclosed or entrusted to you in connection with your relationship with Franchisee or the Franchisor. Nothing in this Agreement will give you or others any right, title, or interest whatsoever in or to them. The Confidential Information shall be considered the Franchisor’s trade secrets and shall be entitled to all protections provided by applicable law to trade secrets. The Confidential Information shall include information in any form in which such information exists, whether oral, written, digital, or other form of media.

1.2 **Safeguard of Confidential Information.** You agree to exercise the highest degree of care in safeguarding Confidential Information against loss, theft, or other inadvertent disclosure. You agree to accord to the Confidential Information the same degree of care and use the same confidentiality protection practices as you exercise or employ with respect to your confidential or proprietary information. This includes obligating employees and consultants who receive Confidential Information to covenants of confidentiality and non-use.

1.3 **Notice.** You agree that if you or your Owners, employees and agents are served with any subpoena or other compulsory judicial or administrative process calling for production of Confidential Information, you will immediately notify Franchisee and the Franchisor in order that the Franchisor may take such action as it deems necessary to protect its interests. You agree to execute any and all documents and to do all acts

and things in the opinion of the Franchisor's legal counsel are necessary or advisable to protect its interests.

1.4 Competition and Non-Circumvention. During the term of the Franchise Agreement and during the time that you and your Owners, if any, have any legal or beneficial ownership interest in Franchisee, neither you nor your Owners, directors, officers, employees, consultants, distributors, or agents, nor the members of your or their immediate families or households (who have access to or knowledge of the Confidential Information), will directly or indirectly participate as an owner, shareholder, member, partner, director, officer, employee, consultant, franchisor, franchisee, distributor, advisor or agent, or serve in any other capacity in any business (including business in formation) or endeavor engaged or to be engaged in any activities related to or in direct or indirect competition with the concepts and activities of the System.

You agree to promptly and fully disclose to Franchisee and the Franchisor's chief officer any opportunity coming to your attention, or conceived or developed in whole or in part by you, which relates to or competes with the System. You will assure that you and your owners, directors, officers, partners, shareholders, members, employees, consultants, and agents, do not do or perform, directly or indirectly, any other act injurious or prejudicial to the System or the Confidential Information.

For a period of 730 days, starting on the earlier to occur of the date you or Owners cease to have any legal or beneficial ownership interest in Franchisee and the effective date of termination or expiration (without renewal) of the Franchise Agreement, neither you nor your Owners, directors, or officers, nor the members of your or their immediate families or households (who have access to or knowledge of the Confidential Information), will directly or indirectly participate as an owner, shareholder, member, partner, director, officer, employee, consultant, franchisor, franchisee, distributor, advisor or agent, or serve in any other capacity in any business (including business in formation) or endeavor engaged or to be engaged in any activities related to or in direct or indirect competition with the concepts and activities of the System within a radius of 10 miles of any Joe Homebuyer™ outlet or territory then in operation or under construction without obtaining the Franchisor's consent, which consent may be withheld for any reason. If you or any of your Owners fail to or refuse to abide by any of the foregoing covenants and Franchisor obtains enforcement in a judicial proceeding, the obligations under the breached covenant will continue in effect for a period of time ending two years after the date of the order enforcing the covenant.

You and each of your Owners expressly acknowledge the possession of skills and abilities of a general nature and the opportunity to exploit these skills in other ways, so that enforcement of the covenants contained in this Agreement will not deprive any of you of your personal goodwill or ability to earn a living.

The duration, geographic coverage and scope allowable by law or court of law will apply to this Agreement. If, for any reason, any provision set forth in this Agreement is determined to exceed any lawful scope or limit as to duration, geographic coverage, or otherwise, but could be rendered enforceable by reducing any part or all of it, it is agreed that the provision will nevertheless be binding and enforceable to the fullest extent permissible by applicable and public policy. If a court of competent jurisdiction should decline to enforce any of those covenants and agreements, the parties request the court to reform these provisions to restrict your use of confidential information, non-solicitation, ability to compete with the Franchisor or circumvent the Franchisor in respect to the System, and any other covered topics to the maximum extent, in time, scope of activities, and geography, the court finds enforceable under applicable law.

2. COVENANT OF NON-DISCLOSURE You specifically acknowledge that as a result of owning or investing in Franchisee, you will receive or gain access to valuable and specialized Confidential Information, including information regarding the Franchisor's operational, sales, promotional and marketing methods and techniques and the System. You agree not to disclose Confidential Information to any third party and to limit disclosure within your association to designated employees approved by the Franchisor. Disclosures to designated employees will be done on a "need to know" basis to the extent

necessary for them to perform the duties of their employment with you. Unless required by court order or applicable law, you agree not to copy, download, send, or divulge any Confidential Information directly or indirectly to any other person or enterprise outside of the Franchisor's system. You will never communicate, divulge, or use in any manner, either for your benefit or the benefit of any other person, persons, partnerships, associations, companies or corporations any Confidential Information or proprietary information, knowledge or know-how or any information the Franchisor has communicated to Franchisee or to you in written, verbal or electronic form, including intranet passwords, for the operation of your business.

3 COVENANT OF NON-USE You and your Owners agree not to use Confidential Information, except as authorized by the Franchisor. You will obligate your Owners, board of directors, your employees, and your agents to the same non-use covenant. The Franchisor must approve in writing any use of Confidential Information by you or your owners or your directors or employees.

4 RETURN OF CONFIDENTIAL INFORMATION. You agree that all originals and copies of materials related to or containing any Confidential Information, in whatever form they exist, whether written, digital, or other form of media, shall be the Franchisor's sole and exclusive property. If you or your Owners cease to have an interest in Franchisee or upon request by the Franchisor, you will promptly return to the Franchisor or its designated representatives all documents or other tangible property that contains Confidential Information that is in your or your Owners' possession or control.

5 REMEDIES: INJUNCTION AND DAMAGES. You acknowledge that any disclosure of Confidential Information will cause irreparable harm to the Franchisor and the System. You agree that it may be difficult to measure damage to the Franchisor or the System from any breach by you or your employees and agents of this Agreement. You agree that monetary damages may be an inadequate remedy for any such breach. Accordingly, you agree that if you breach or take steps preliminary to breaching this Agreement, the Franchisor shall be entitled, in addition to all other remedies the Franchisor may have at law or in equity, to a restraining order, temporary and permanent injunctive relief, specific performance, or other appropriate equitable relief, without showing or proving that the Franchisor actually sustained any damage. If the Franchisor files a claim to enforce this Agreement and prevails in this proceeding, you must reimburse the Franchisor for all its costs and expenses, including reasonable attorneys' fees.

6 MISCELLANEOUS

6.1 Duration. The obligations set forth in this Agreement will continue during and beyond the term of your relationship with Franchisee and the Franchisor and for as long as you possess Confidential Information.

6.2 Construction. This Agreement does not supersede or cancel any prior understandings and agreements you and your Owner had with respect to these matters, including any provision of the Franchise Agreement previously entered into pertaining to confidentiality. This Agreement benefits and binds the respective heirs, executors, administrators, successors, and assigns of the parties.

6.3 Acknowledgments. No person has made any other representation that is not expressly set forth in this Agreement to induce you to accept and execute this Agreement. You recognize that the business venture contemplated by the Franchise Agreement involves business risks. This Agreement creates no obligation to purchase, sell, develop, research, or disclose anything. It grants no license. It creates no agency or partnership.

7. SIGNATURES

IN WITNESS WHEREOF, the undersigned have signed this Agreement on the date first above written.

OWNERS

If an individual

If a corporation, partnership, limited liability company or other legal entity

(Name of corporation, partnership, limited liability company or other legal entity)

By: _____

Print Name: _____

Title: _____

Date: _____

% Ownership of Franchisee: _____

By: _____

Print Name: _____

Title: _____

Date: _____

% Ownership of Franchisee: _____

By: _____

Print Name: _____

Title: _____

Date: _____

By: _____

Print Name: _____

Title: _____

Date: _____

SCHEDULE 5
AUTHORIZATION FOR ELECTRONIC FUNDS TRANSFER

JOE HOMEBUYER FRANCHISING, LLC

10122 S. Redwood Rd., Ste B

South Jordan UT 84095

Phone: (833) 397-2560

I (we) hereby authorize JOE HOMEBUYER FRANCHISING, LLC (the "Company") to initiate Electronic Funds Transfer charges to my (our) bank account (indicated below) for payment of my (our) Transaction Fees, Brand Development Fees, and other fees owed by me (us) to the Company on or near any transaction closing and on the 5th day of each month. This Authorization will remain in full force and effect until Company receives written confirmation of termination of this Authorization via certified letter.

Financial Institution Name: _____

Account Number: _____

Routing Number: _____

Branch Name: _____

Address: _____

City: _____ State: _____ ZIP: _____

I further certify that I have received a copy of the Authorization for my files.

Individual Name: _____

Corporate Name: _____

JOE HOMEBUYER Franchise Territory: _____

By: _____

Print Name: _____

Title: _____

Effective Date: _____

Please attach a voided blank check for verification purposes.

[VOIDED CHECK]

SCHEDULE 6

ROLL-IN ADDENDUM

This ROLL-IN ADDENDUM (the "Addendum") is entered into as of this _____ (the "Effective Date") by and between JOE HOMEBUYER FRANCHISING, LLC, a Utah limited liability company having a principal place of business at 10122 S. Redwood Rd., Ste B, South Jordan UT ("we" or "us" and "Franchisor"), and _____, individually, having an address of _____ ("you" and "Franchisee").

WHEREAS, we and you have contemporaneously herewith entered into a Franchise Agreement (the "Agreement") for the operation of the Business (the "Franchised Business") (Capitalized terms used herein without a definition shall have the meaning assigned to them in the Agreement);

WHEREAS, you (or your affiliate) currently operate an existing business ("Existing Business") which performs services for existing customers (the "Roll-In Services") that are similar to services provided by the Franchised Business operated under the Agreement; and

WHEREAS, in consideration of an assignment or "roll-in" of the Roll-In Services (including the customer base for work which falls within the definition of the Franchised Business) from the Existing Business to the Franchised Business, we are willing to alter certain fees payable by you under the Agreement for a time period specified in the Data Sheet to which this Addendum is attached;

NOW, THEREFORE, for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

(a) Anything in the Agreement to the contrary notwithstanding, from and after the Effective Date the definition of "Gross Sales" (as defined in the Agreement) shall apply to the operation of the Roll-In Services to the same extent as it applies to the operation of the Franchised Business and you shall pay Transaction Fees and Brand Development Fees with respect to the Gross Sales arising from the operation of the Roll-In Services, as specified below and in the Data Sheet.

(b). Manner of Operation of Roll-In Services. All provisions of the Agreement shall apply to the Roll-In Services and the accounts and customers associated with such services, including the insurance and covenants, to the same extent as they apply to the Franchised Business. For avoidance of doubt, except as specifically provided otherwise herein, for purposes of the Agreement, from and after the Effective Date, the Roll-In Services are included in the definition of the Franchised Business.

(c). Franchisee's Representations and Warranties. Franchisee hereby represents and warrants to Franchisor that it has all necessary power and authority to execute this Addendum, to bind the noncompetition Existing Business to the terms hereof and to perform and comply with all of its obligations hereunder. There is no agreement or understanding (and Franchisee will not permit any such agreement or understanding to be entered into during the term of this Addendum) with respect to the Existing Business or the Roll-In Services that would conflict with the terms of this Addendum.

(d). Construction. Notwithstanding anything to the contrary in the Agreement, in the event of a conflict between the provisions of the Agreement and the provisions of this Addendum, the provisions of this Addendum shall control. The Agreement remains fully effective in all respects except as specifically

modified herein, and all the respective rights and obligations of Franchisee and Franchisor remain as written unless modified specifically herein. [SIGNATURES APPEAR ON FOLLOWING PAGE]
("we/us" and "Franchisor"): **JOE HOMEBUYER FRANCHISING, LLC**

By: _____
Name: _____
Title: _____

(jointly and severally "you" and "Franchisee"):

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

FRANCHISEE'S AFFILIATE (IF APPLICABLE):

_____, individually

Franchise Disclosure Document Exhibit C
CONDITIONAL ASSIGNMENT

_____ ("you") operate your franchise business at _____. In consideration of the granting of a franchise to you and other valuable consideration given by **JOE HOMEBUYER FRANCHISING, LLC.**, a Utah limited liability company ("us"), you assign to us all telephone numbers and listings you use in the operation of the franchise., together with administrator or comparable privileges for all web page(s), online marketing accounts, social media accounts, directories, accounts through which customers have a point of contact with you, accounts with marketing affiliates, or related items. Upon our exercise of this assignment for any event of termination, we assume the performance of all of the terms, covenants and conditions of your agreement with the provider(s) concerning the web presence or listings with the full force and effect as if we had been originally issued the accounts, listings, or points of contact. We will hold this assignment, and will deliver it to the providers or other interested third parties only upon termination of the Franchise Agreement between us and you dated _____.

DATED this _____.

("we/us"): **JOE HOMEBUYER FRANCHISING, LLC**

By: _____
Name: _____
Title: _____

(jointly and severally "you"):

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Franchise Disclosure Document Exhibit D
FRANCHISE DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT
MULTI-STATE ADDENDUM

The following modifications and additions are part of the Joe Homebuyer Franchise Disclosure Document ("FDD") and Franchise Agreement ("FA") as required by relevant state laws.

California

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT 14 DAYS PRIOR TO THE EXECUTION OF AGREEMENT.

Our website address is www.dfpi.ca.gov.

FDD COVER PAGE

REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE COMMISSIONER.

FDD Item 17, FA Sections 5, 6, 7 and 9

(12) California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

(13) The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et. seq.).

(14) The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

(4) The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

(5) You must sign a general release if you renew or transfer your franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

(6) The Franchise Agreement requires mediation in Utah County, Utah, with the costs shared by the parties equally, and requires binding arbitration in Utah County, Utah with the costs being borne by the party that does not prevail. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

(7) The Franchise Agreement requires application of the laws of the State of Utah. This provision may not be enforceable under California law.

(8) Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form and containing such information as the Commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

(9) No person or franchise broker identified in Item 2 is subject to any currently effective order of any national securities association or national securities exchange.

(10) Beginning in the 6th full month after you open for business, you will pay us a minimum monthly fee of \$400 even if your business does not generate any income.

FDD Item 3

California 10 CCR Section 310.114.1(c)(3) requires disclosure regarding whether the franchisor, any person or franchise broker in Item 2 of the FDD is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in that association or exchange.

FDD Item 6

The highest interest rate allowed by law in California for late payments is 10% annually.

FDD Item 12

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

For franchisees operating outlets located in California, the California Franchise Investment Law and the California Franchise Relations Act will apply regardless of the choice of law or dispute resolution venue stated elsewhere. Any language in the Franchise Agreement or any amendment thereto or any agreement to the contrary is superseded by this condition.

The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. A contract that restrains a former franchisee from engaging in a lawful trade or business is to that extent void under California Business and Professions Code Section 16600.

Franchisees and spouses must sign a personal guaranty, making you and your spouse individually liable for your financial obligations under the agreement if you are married. The guaranty will place your and your spouse's marital and personal assets at risk, perhaps including your house, if your franchise fails.

FA Section 9.14

The Representations and Acknowledgment section is deleted completely from the Franchise Agreement.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the

franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Georgia

DISCLOSURES REQUIRED BY GEORGIA LAW

The State of Georgia has not reviewed and does not approve, recommend, endorse, or sponsor any business opportunity. The information contained in this disclosure has not been verified by the state. If you have any questions about this investment, see an attorney before you sign a contract or agreement.

Hawaii

Paragraph 4110.01, Section 482E-6(3): Upon termination or refusal to renew the franchise the franchisee will be compensated for the fair market value, at the time of the termination or expiration of the franchise, of the franchisee's inventory, supplies, equipment and furnishings purchased from the franchisor or a supplier designated by the franchisor; provided that personalized materials which have no value to the franchisor need not be compensated for. If the franchisor refuses to renew a franchise for the purpose of converting the franchisee's business to one owned and operated by the franchisor, the franchisor, in addition to their remedies provided in this paragraph, will compensate the franchisee for the loss of goodwill. The franchisor may deduct from such compensation reasonable costs incurred in removing, transporting and disposing of the franchisee's inventory, supplies, equipment, and furnishings pursuant to this requirement, and may offset from such compensation any moneys due the franchisor.

Idaho

FDD Item 17, FA Section 9

Any condition in a franchise agreement executed by a resident of Idaho or a business entity organized under the laws of Idaho is void to the extent it purports to waive venue or jurisdiction of the Idaho court system. Venue and jurisdiction will be in Idaho if the franchisee is an Idaho resident or a business entity organized under the laws of Idaho.

Illinois

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction or venue in a forum outside the State of Illinois is void. However, a franchise agreement may provide for arbitration in a venue outside of Illinois.

Your rights upon Termination and Non-Renewal of an agreement are set forth in Section 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act, **or any other law of Illinois** is void.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FDD Items 5 and 6; FA Sections 2.1, 2.2, 2.3, and 2.4

The Initial Franchise Fee is deferred until franchisor has satisfied its pre-opening obligations to franchisee and the franchisee has commenced business operations. The Illinois Attorney General's Office imposed this deferral requirement due to Franchisor's financial condition.

Indiana

FDD Item 17; FA Section 5 and 6

In Indiana, the reference to "members of their households or members of their immediate families" under the provisions of covenants not to compete will mean any person who has access to the information, including a spouse or any other person who lives within the household.

Maryland

FDD Item 5, Franchise Agreement Section 2.1

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

FDD Items 6 and 17 and FA Sections 6, 7 and 9

According to COMAR 02.02.08.16L, the general release required as a condition of renewal, sale, assignment or transfer of the franchise will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

FDD Item 17(e) and (f) and FA Sections 6

Any provision that provides for termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

FDD Item 17(u),(v) and (x) and FA Sections 6 and 9

Section 14-216(c) (25) of the Maryland Franchise Registration and Disclosure Act requires a franchisor to file an irrevocable consent to be sued in Maryland. Notwithstanding anything to the contrary in the franchise agreement or Disclosure Document, you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Act.

FDD Items 17(u) and FA Section 9

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchises.

FDD Items 17(t) and FA Section 9.7

All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

FA Introduction

The acknowledgments beginning with the 5th paragraph and through the end of the Introduction section of the FA are deleted in their entirety:

FA Section 9.14(A),(B),(D),(E),(F),(M)

The Acknowledgments and Representation sections are deleted completely from the Franchise Agreement.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Michigan

The State of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are included in these franchise documents, the provisions are void for Michigan franchisees and cannot be enforced against Michigan franchisees. These provisions are:

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in the Michigan Franchise investment law. This will not preclude a franchisee, after entering into a Franchise Agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause will include the failure of the franchisee to comply with any lawful provision of the Franchise Agreement and to cure the failure after being given written notice and a reasonable opportunity, which in no event need be more than 30 days, to cure the failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, , fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if:
 - (i) The term of the franchise is less than 5 years, and
 - (ii) The franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise, or the franchisee does not receive at least six months' advance notice of the franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation will be conducted outside this state. This will not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause will include, but is not limited to:
 - (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

- (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
 - (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
 - (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any breach in the Franchise Agreement existing at the time of the proposed transfer.
- (h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of assets if the franchisee has breached the lawful provisions of the Franchise Agreement and has failed to cure the breach in the manner provided in subdivision (c).
- (i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer the franchisee's obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

The fact that there is a notice of this offering on file with the Attorney General does not constitute approval, recommendation or endorsement by the Attorney General. A franchisor whose most recent financial statements are unaudited and show a net worth of less than \$100,000 will, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations to provide real estate, improvements, equipment, inventory, training, or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of the escrow. Any questions regarding this notice should be directed to the Department of the Michigan Attorney General, 6520 Mercantile Way, Suite 3, Lansing, Michigan 48913; (517) 373-3800.

The name and address of the franchisor's agent in Michigan authorized to receive service of process is:

Michigan Department of Commerce
Corporation and Securities Bureau
Office of Franchise and Agent Licensing
6546 Mercantile Way
P. O. Box 30222
Lansing, Michigan 48910

Minnesota

Minnesota law prohibits requiring a franchisee to waive his or her rights to a trial or to consent to liquidated damages, termination penalties, or judgment notes; provided, that this part will not bar a voluntary arbitration of any matter if the proceeding is conducted by an independent tribunal under the rules of the American Arbitration Association. (Minn. Rules 2860.4400(J)).

Minnesota law provides franchisees with certain termination and non-renewal rights. Minn. Stat. Sec. 80C.14, Subd. 3, 4 and 5 require, except in certain specified cases, that a franchisee be given **90** days' notice of termination (with **60** days to cure) and **100** days' notice for non-renewal of the Franchise Agreement.

Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibits us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

FDD Item 13; FA Section 5

Minnesota Statutes Section 80C.20, Subdivision 1(g) allows the Minnesota Commissioner of the Department of Commerce to issue a cease and dismiss order or issue an order denying, suspending or revoking any registration, amendment or exception on finding any of the following . . . that the method of sale or proposed method of sale of franchises or the operation of the business of the franchisor or any term or condition of the franchise agreement or any practice of the franchisor is or would be unfair or inequitable to franchisees. Pursuant to this section, the Commissioner requires all franchisors registering in the state of Minnesota to state that the franchisor will protect the franchisee's right to use the trademarks, service marks, trade names, logo types or other commercial symbols or indemnify the franchisee from any loss, cost or expenses arising out of any claim, suit or demand regarding the use of the name. We intend to comply with the Minnesota statute and to protect the franchisee's rights and indemnify the franchisee for any losses to the full extent required by relevant state law.

FDD Item 17, FA Sections 6, 7 and 9

Minnesota Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release. The general release provisions in the Franchise Agreement are void and unenforceable in the state of Minnesota.

FA Section 9

Pursuant to Minnesota Statutes Section 80C.21, this section will not in any way abrogate or reduce any rights of the franchisee as provided for in Minnesota Statutes, Chapter 80C, including, but not limited to, the right to submit matters to the jurisdiction of the courts in Minnesota.

Item 19 of the Franchise Disclosure Document is amended as follows:

Other than the preceding financial performance representation, Joe Homebuyer Franchising, LLC does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Mark Stubler at 10122 S. Redwood Rd., Ste B, South Jordan UT 84095 and (833) 397-2560, the Federal Trade Commission, and the appropriate state regulatory agencies.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

New York

1. FDD Cover Page. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT E OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. FDD Item 3 The following is to be added to the end of Item 3:

With the exception of what is stated above, the following applies to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

- A. No such party has an administrative, criminal, or civil action pending against that person alleging: a felony; violation of a franchise, antitrust, or securities law; fraud; embezzlement; fraudulent conversion; misappropriation of property; unfair or deceptive practices; or comparable civil or misdemeanor allegations.
- B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchises and the size, nature or financial condition of the franchise system or its business operations.
- C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or been held liable in a civil action alleging: violation of a franchise, antitrust, or securities law; fraud; embezzlement; fraudulent conversion; misappropriation of property; unfair or deceptive practices; or comparable allegations.
- D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under any federal, state, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law, resulting from a concluded or pending action or proceeding

brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling these person from membership in these associations or exchanges; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. FDD Item 17. The following is added to the end of the “Summary” sections of Item 17(c), titled “**Requirements for franchisee to renew or extend**,” and Item 17(m), entitled “**Conditions for franchisor approval of transfer**”:

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provision of General Business Law 687(4) and 687(5) be satisfied.

4. The following language replaces the “Summary” sections of Item 17(d), titled “**Termination by franchisee**”:

You may terminate the Franchise Agreement on any grounds available by law.

5. The following is added to the end of the “Summary” sections of Item 17(v), titled “**Choice of Forum**”, and Item 17(w), titled “**Choice of Law**”:

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by the Article 33 of the General Business Law of the State of New York.

6. Franchise Questionnaires and Acknowledgements--No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

7. Receipts--Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

North Dakota

FDD Item 9

Under North Dakota law, no modification or change the franchisor makes to the Operations Manual or Joe Homebuyer System may materially affect the franchisee's status, rights, or obligations under the Franchise Agreement.

FDD Item 17(c), FA Section 6.1

The Commissioner has determined that requiring franchisees to sign a general release upon renewal of the franchise agreement to be unfair, unjust, and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment law. The general release provision in Section 6.1 of this Agreement is void and unenforceable in the state of North Dakota.

FA Sections 5 and 6

The Commissioner has held that covenants restricting competition contrary to Section 9-08-06 of the North Dakota Century Code are unfair, unjust, or inequitable within the intent of the North Dakota Franchise Investment Law (Section 51-19-09). Thus, covenants not to compete are considered unenforceable in the State of North Dakota.

FA Section 6

Pursuant to Section 51-19-09 of the North Dakota Franchise Investment Law, a requirement that franchisees consent to liquidated damages or termination penalties in the event of termination of the franchise agreement is considered void and unenforceable.

FA Section 9.6

Apart from civil liability as set forth in section 51-19-12 N.D.D.C, which is limited to violations of the North Dakota Franchise Investment Law (registration and fraud) the liability of the franchisor to a franchisee is based largely on contract law. Despite the fact that those provisions are not contained in the franchise investment law, those provisions contain substantive rights intended to be afforded to North Dakota residents, and is unfair to franchise investors to require them to waive their rights under North Dakota Law.

The North Dakota Franchise Investment Law (Section 51-19-09) requires that this Agreement will be governed by the laws of North Dakota, which laws will prevail.

FA Section 9.9

Pursuant to the North Dakota Franchise Investment Law (Section 51-19-09), an arbitration or mediation locations which are remote from the site of the franchisee's business are unfair, unjust, or inequitable. Therefore, the site of arbitration or mediation must be agreeable to all parties.

Pursuant to the North Dakota Franchise Investment law (section 51-19-09), requiring franchisees to consent to the jurisdiction of courts outside of North Dakota is unfair, unjust, or inequitable. Thus, all issues or disagreements relating to this Agreement will be arbitrated, tried, heard and decided within the jurisdiction of courts in the state of North Dakota.

Sections of the Franchise Agreement stipulating that the franchisee shall pay all costs and expenses incurred by Franchisor in enforcing the agreement may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law.

FDD and FA

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming

reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Rhode Island

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that “A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.” The Disclosure Document and Franchise Agreement are amended accordingly to the extent required by law.

South Dakota

FDD Item 17; FA Section 6

Under South Dakota law, termination provisions covering breach of the Franchise Agreement, failure to meet performance and quality standards and failure to make royalty payments contained in the Disclosure Document and franchise agreement must afford a franchisee **30 days'** written notice with an opportunity to cure the breach prior to termination.

FA Section 9

The law regarding franchise registration, employment, covenants not to compete, and other matters of local concern will be governed by the laws of the State of South Dakota; but as to contractual and all other matters, this Agreement and all provisions of this instrument will be and remain subject to the application, construction, enforcement, and interpretation under the governing law of the State of Utah.

Covenants not to compete upon termination of the franchise agreement are generally unenforceable in the State of South Dakota. Pursuant to SDCL 37-5A-86, any acknowledgement provision, disclaimer, or integration clause or a provision having a similar effect in a franchise agreement does not negate or act to remove from judicial review any statement, misrepresentation or action that would violate this chapter or a rule or order under this chapter. In the event that either party will make demand for arbitration, such arbitration will be conducted in a mutually agreed-upon site in accordance with Section 11 of the Commercial Arbitration Rules of the American Arbitration Association.

Any provision in a franchise agreement which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue in a forum outside of South Dakota is void with respect to any cause of action which is otherwise enforceable in South Dakota.

Virginia

FDD State Cover Pages Risk Factors

Estimated Initial Investment. The franchisee will be required to make an estimated initial investment ranging from \$131,200 to \$444,500. This amount exceeds the franchisor's stockholder's equity as of December 31, 2024, which is (\$550,777)S.

FDD Item 5 and FA Section 2.1

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

FDD Item 9

In Virginia, notice of approval or disapproval of a proposed supplier will be issued by us within **45** days after the franchisee has delivered all required materials.

FDD and FA

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Washington Addendum to the Franchise Disclosure Document, Franchise Agreement, and Related Agreements

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. Conflict of Laws. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. Franchisee Bill of Rights. RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. Site of Arbitration, Mediation, and/or Litigation. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. General Release. A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. Statute of Limitations and Waiver of Jury Trial. Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. Transfer Fees. Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. Termination by Franchisee. The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. Certain Buy-Back Provisions. Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. Fair and Reasonable Pricing. Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. Waiver of Exemplary & Punitive Damages. RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. Franchisor's Business Judgement. Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. Indemnification. Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. Attorneys' Fees. If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. Noncompetition Covenants. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. Nonsolicitation Agreements. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

16. Questionnaires and Acknowledgments. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

17. Prohibitions on Communicating with Regulators. Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. Advisory Regarding Franchise Brokers. Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

FA Section 9.14(A),(B),(D),(E),(F),(M)

The Acknowledgments and Representation sections are deleted completely from the Franchise Agreement. The undersigned parties do hereby acknowledge receipt of this Addendum.

Wisconsin

FDD Item 17

The applicable laws of Wisconsin may require notice periods greater than those set forth above for termination, cancellation, non-renewal, or the like, and may limit the reasons or causes for termination, cancellation, non-renewal, or the like. To the extent any provisions of the Franchise Agreement provide for periods of notice or for termination, cancellation, non-renewal, or the like other than in accordance with the applicable law, such provisions will not be effective, to the extent such are not in accordance with applicable law, and the franchisor will comply with the applicable law.

The Wisconsin Fair Dealership Law (Wisconsin Statutes, 1983-84, Title XIV-A, Chapter 135) supersedes any provision of a Franchise Agreement inconsistent with the law.

It is agreed that the applicable foregoing state law addendum for the state of _____, if any, supersedes any inconsistent portion of the Franchise Agreement (to which this addendum is attached) of this same date, and of the Franchise Disclosure Document. All terms of the Franchise Agreement, including these State Law Addendum provisions for the relevant state, have been agreed to at the time the Franchise Agreement was signed, to the extent that they are valid requirements of an applicable, effective, and enforceable state law. However, this addendum will have effect only if the Franchise Agreement or our relationship with you satisfies all of the jurisdictional requirements of the relevant state's franchise laws, without considering this addendum.

DATED this _____.

("we/us" and "Franchisor"): **JOE HOMEBUYER FRANCHISING, LLC**

By: _____
Name: _____
Title: _____
Date: _____

(jointly and severally "you" and "Franchisee"):

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

Franchise Disclosure Document Exhibit E

The Following Table Reflects Our Agents for Service of Process and the Relevant State Franchise Authorities:

NAMES AND ADDRESSES OF STATE REGULATORY AUTHORITIES AND REGISTERED AGENTS IN STATES		
STATE	REGISTERED AGENTS	REGULATORY AUTHORITIES
CALIFORNIA	California Commissioner of Financial Protection & Innovation:	Commissioner Department of Financial Protection & Innovation
	Los Angeles: 320 West 4th Street, Suite 750 Los Angeles, CA 90013-2344 (213) 576-7505	320 West 4th Street, Suite 750 Los Angeles, CA 90013-1105 (213) 576-7505
	Sacramento: 1515 K Street, Suite 200 Sacramento, CA 95814-4052 (916) 445-7205	
	San Diego: 1350 Front Street San Diego, CA 92101-3697 (619) 525-4233	
	San Francisco: One Sansome Street, Suite 600 San Francisco, CA 94104	
CONNECTICUT	The Banking Commissioner Department of Banking Securities and Business Investment Division 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8299	The Department of Banking Securities and Business Investment Division 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8299
FLORIDA	[Not Applicable]	Senior Consumer Complaint Analyst Department of Agriculture and Consumer Services Division of Consumer Services Mayo Building, Second Floor Tallahassee, Florida 32399-0800 (850) 922-2770

STATE	REGISTERED AGENTS	REGULATORY AUTHORITIES
HAWAII	Commissioner of Securities of the Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, HI 96813-2921 (808) 586-2722	Commissioner of Securities of the Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, HI 96813-2921 (808) 586-2722
ILLINOIS	Illinois Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465	Illinois Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465
INDIANA	Secretary of State Administrative Offices of the Secretary of State 201 State House Indianapolis, IN 46204 (317) 232-6681	Securities Commissioner Securities Division Room E-111 302 West Washington Street Indianapolis, IN 46204 (317) 232-6681
IOWA	[Not Applicable]	Director of Regulated Industries Unit Iowa Securities Bureau 340 East Maple Des Moines, Iowa 50319-0066 (515) 281-4441
MARYLAND	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360
MICHIGAN	Michigan Department of Commerce, Corporations and Securities Bureau 525 W. Ottawa 670 Law Building Lansing, MI 48913 (517) 373-7117	Franchise Administrator Consumer Protection Division Antitrust and Franchise Unit Michigan Department of Attorney General 670 Law Building Lansing, MI 48913 (517) 373-7117
MINNESOTA	Minnesota Commissioner of Commerce 85 7 th Place East, Suite 280 St. Paul, MN 55101 (651) 539-1600	Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, MN 55101 (651) 539-1600

STATE	REGISTERED AGENTS	REGULATORY AUTHORITIES
NEBRASKA	[Not Applicable]	Staff Attorney Department of Banking and Finance 1200 N Street Suite 311 P.O. Box 95006 Lincoln, Nebraska 68509 (402) 471-3445
NEW YORK	Secretary of State 99 Washington Street Albany, NY 12231	NYS Department of Law Investor Protection Bureau 28 Liberty St. 21st Fl New York, NY 10005 (212) 416-8222
NORTH DAKOTA	North Dakota Securities Commissioner Fifth Floor 500 East Boulevard Bismarck, ND 58505	Franchise Examiner Office of Securities Commissioner 600 East Boulevard, 5th Floor Bismarck, ND 58505 (701) 328-4712
OREGON	Director of Oregon Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, OR 97310 (503) 378-4387	Department of Consumer and Franchise Services Division of Finance and Corporate Securities Labor and Industries Building Salem, OR 97310 (503) 378-4387
RHODE ISLAND	Director of Rhode Island Department of Franchise Regulation Division of Securities Suite 232 Providence, RI 02903 (401) 222-3048	Associate Director and Superintendent of Securities Division of Securities 233 Richmond Street, Suite 232 Providence, RI 02903-4232 (401) 222-3048
SOUTH DAKOTA	Director of South Dakota Division of Securities 124 S. Euclid Ave. Pierre, SD 57501 (605) 773-3563	Franchise Administrator Division of Securities 124 S. Euclid Ave. Pierre, SD 57501-5070 (605) 773-3563
TEXAS	[Not Applicable]	Secretary of State Statutory Document Section P.O. Box 12887 Austin, TX 78711 (512) 475-1769

STATE	REGISTERED AGENTS	REGULATORY AUTHORITIES
UTAH	[Not Applicable]	Division of Consumer Protection Utah Department of Commerce 160 East Three Hundred South P.O. Box 45804 Salt Lake City, Utah 84145-0804 (801) 530-6601
VIRGINIA	Clerk of the State Corporation Commission 1300 E. Main Street, 1 st Floor Richmond, VA 23219 (804) 371-9733	Chief Examiner/Investigator State Corporation Commission Division of Securities and Retail Franchising 1300 E. Main Street, 9 th Floor Richmond, VA 23219 (804) 371-9051
WASHINGTON	Washington Dept. of Financial Institutions Securities Division 150 Israel Rd SW Tumwater, WA 98501 (360) 902-8760	Administrator Washington Dept. of Financial Institutions Securities Division PO Box 41200 Olympia, WA 98504-1200 (360) 902-8760
WISCONSIN	Wisconsin Commissioner of Securities P.O. Box 1768 345 W. Washington Avenue, 4 th Floor Madison, WI 53703 (608) 261-9555	Franchise Administrator Securities and Franchise Registration Wisconsin Securities Commission 345 W. Washington Avenue, 4 th Floor Madison, WI 53703 (608) 261-9555
FEDERAL TRADE COMMISSION		Franchise Rule Coordinator Division of Marketing Practices Bureau of Consumer Protection Pennsylvania Avenue at 6th Street, NW Washington, D.C. 20580 (202) 326-3128

Exhibit F
List of Current and Former Franchisees

Franchisees as of December 31, 2025

<u>Territory</u>	<u>State</u>	<u>Name</u>	<u>Business Address</u>	<u>Phone</u>
Montgomery	AL	Jason Fogarty Veteran Homes, LLC	212 W. Troy St., Suite B Dothan, AL 36303	334-810-0548
Arizona	AZ	Brent Daniels	2800 N 24th St Phoenix AZ 85008	480-216-0534
Arizona	AZ	Grant Tayrien	20412 E Colt Dr Queen Creek, AZ 85142	480-907-8988
Bakersfield	CA	Kenneth Asis, Pia Asis	11926 Eberie St., Cerritos, CA 90703.	(562) 668-1747
Los Angeles	CA	Leland McKendell and Tina McKendell	19003 Elaine Ave Artesia, CA 90701	714-876-8316
Riverside	CA	Leland McKendell and Tina McKendell	19003 Elaine Ave Artesia, CA 90701	714-876-8316
Sacramento	CA	Mitch Craighead	2536 Du Bois Dr Roseville, CA 95661	415-713-7172
Denver	CO	Amy McCracken, Mitchell Craighead, Joshua Christensen, JHB Denver, LLC	11882 County Road 110 Kiowa, CO 80117	303-478-7895
Fort Collins	CO	JC Coulter	4605 S County Road 3F, Fort Collins, CO 80528	970-567-9191
Fairfield County	CT	Jason Kegel Zebcon, LLC	2389 Main Street, Suite 100 Glastonbury, CT 06033	917-488-9405
Brevard	FL	JR Brigner		321-508-2953
Orlando	FL	JR Brigner		321-508-2953
Tampa	FL	JR Brigner		321-508-2953
Tampa	FL	Deborah Crigger Black Fuzzy Dog, LLC	625 E. Twiggs Street, Suite 110 Tampa, FL 33602	276-620-6537
Tampa	FL	Richard J. Dorazil	6121 Cezanne Ave, Lutz FL 33558	704.909.8733
W Palm Beach	FL	Devin Hager	213 w 1350 n Centerville, UT 84014	801-493-9131

<u>Territory</u>	<u>State</u>	<u>Name</u>	<u>Business Address</u>	<u>Phone</u>
Boise	ID	Will Tierney	7680 Appaloosa Ln Emmett Id, 83617	253-797-0016
NW Illinois-SE Iowa	IL/IA	Tony Schadel Schadel REI, Inc.	1660 320 th St. Sherrard, IL 61281	563-320-0467
Indianapolis	IN	Steven M. Pfister	16 Hampshire Ct. Noblesville, IN 46062.	(317) 201-0120
Louisville	KY	Michael Gorius	922 W Mission Lane Phoenix, AZ 85021	(508) 298-8233
Worcester, Essex, and Middlesex	MA	Tim Newcombe	492 Centre St Sullivan NH 03445	(603) 847-9063
Massachusetts and Connecticut	MA	Justin and Amy Simmons	354 N. Road, Hampden, MA 01036	413-896-6967
Detroit	MI	Stephea Scheurer-Melnyk	1161 Sugden Lake rd. White Lake MI. 48386	248-909-8711
Grand Rapids	MI	Mark Sweeney	2599 Riveredge Drive Grand Rapids, MI 49546	6163048875
Kansas City	MO	Brandon Long and Kelly Hummel	707 Whitlock Ave NW, Marietta, GA 30064	770-501-7864 270-922-7118
Montana	MT	Jardon L. Norton JLN Property Solutions, LLC; Tristan Mistkawi (Operator)	151 Calle de San Francisco Ste. 200, San Juan, PR 00901	503-559-7424
Manchester	NH	Tim Newcombe	492 Centre St Sullivan NH 03445	(603) 847-9063
Buffalo	NY	Joseph Schriever	P.O. Box of 17 Ellicott Rd., Unit 234, West Falls, NY 14170	716-713-3325
Burlington	NC	Bill Sandford and Shawn Rowell	1603 S. Church St., Suite C, Burlington, NC 27215	3365804282
Charlotte	NC	Tony Ciafre	6737 Alexandria Lane, Charlotte, NC 28270	4125768888
Charlotte	NC	Jaron L. Norton JLN Property Solutions, LLC; Chavis Clemons (Operator)	151 Calle de San Francisco Ste. 200, San Juan, PR 00901	704.629.8405
Greensboro	NC	Esian and Monique Henderson	717 Green Valley Rd., Ste 200, Greensboro, NC 27408	816-372-6018
Greensboro	NC	Greg Berney	4614 Baylor St Greensboro, NC 27455	203-804-8554
Raleigh-Durham	NC	Kira Staggers	4328 Coldwater Springs Dr., Raleigh, NC 27616	(336) 253-0781

<u>Territory</u>	<u>State</u>	<u>Name</u>	<u>Business Address</u>	<u>Phone</u>
Raleigh-Durham	NC	William K. Davidson	106 Hab Tower Pl, Cary, NC 27513	(919) 414-9632
Tulsa	OK	Jaron L. Norton JLN Property Solutions, LLC; Mark Gabryel (Operator)	151 Calle de San Francisco Ste. 200, San Juan, PR 00901	918.944.9037
Dallas	TX	Daryle L. Johnson	3409 Hickory Bend Trail McKinney, TX 75071	214-335-4424
Dallas	TX	Nick and Priya Patel	14200 Midway Rd., Suite 155, Dallas, TX 75244	214-770-0052
Ft. Worth- Abilene	TX	Brett Stewart Flops to Pros, LLC	318 Cedar Street, Abilene, TX 79601	
San Antonio	TX	Bryan Boyer/ Greg Rutherford	1113 Elkins Rd Tuscola, Tx 79562	903-571-3509/ 210-842-9660
West Texas	TX	Bryan Boyer/ Greg Rutherford	1113 Elkins Rd Tuscola, Tx 79562	903-571-3509/ 210-842-9660
Utah	UT	Matt Johnson	PO Box 247 679 North 500 East Centerville, UT 84014	801-915-0822
Utah	UT	Jen Eardley	1932 N 225 W Harrisville, UT 84414	801-842-2520
Utah	UT	Joe Darger	13512 S 7530 W Rear Herriman, Ut 84096	801-440-1692
Richmond	VA	Terry Sweat	12611 Second Branch Road Chesterfield, VA 23838	804-505-5825
Virginia Beach/Norfolk	VA	Alexis Terry	1216 Brahms Dr., Virginia Beach, VA 23454	757-286-6985
Beckley/Bluefield	WV	Gregory Betkijian Rise Up Real Estate, LLC	164 Timber Lane Cool Ridge, WV 25825	681-220-3854

Franchisees that opened but not currently active as of December 31, 2025

<u>Territory</u>	<u>State</u>	<u>Name</u>	<u>Business Address</u>	<u>Phone</u>
Riverside/San Bernardino	CA	Patty Gonzalez	504 N. Almansor Alhambra CA 91801	626.232.0081
Riverside & San Bernardino	CA	Michael Ballard and Wendy Porter	18275 Grove Place Fontana CA 92336	(909) 838-4316
Denver	CO	Alonso Prado	4687 Rabbit Mountain Road Broomfield, CO 80020	720-416-2164

<u>Territory</u>	<u>State</u>	<u>Name</u>	<u>Business Address</u>	<u>Phone</u>
		Goodsolutions, Inc.		
Denver	CO	Jeffrey Scott	5910 University Blvd, Ste C18 Littleton, CO 80121	303-747-5949
Orlando	FL	Jardon L. Norton JLN Property Solutions, LLC	151 Calle de San Francisco Ste. 200, San Juan, PR 00901	863.224.0872
Tampa	FL	Grigoriy Polyakov	14448 Tanglewood Dr. N. Largo, FL 33774	(360) 771-4167
Walton Beach	FL	Jardon L. Norton JLN Property Solutions, LLC	151 Calle de San Francisco Ste. 200, San Juan, PR 00901	480.544.8191
Atlanta	GA	Shannon Thompson	1011 San Lacinto Ln., Lawrenceville, GA 30043	6784161396
Savannah	GA	Todd Simms	663 William Hilton Parkway, Unit 4302 Hilton Head. SC 29982	706-429-6018
Idaho	ID	Paul Clark	3597 E Monarch Sky Lane Ste. 240 Meridian, ID 83646	616-206-5100
Chicago	IL	Peter Osmanski	1748 Ariana Dr Bartlett, IL 60103	630-841-5420
Indianapolis	IN	Everett Blackmon	8302 Balmoral ln Avon, In. 46123	317.440.1499
Boston	MA	Jardon L. Norton JLN Property Solutions, LLC	151 Calle de San Francisco Ste. 200, San Juan, PR 00901	774-462-8639
Greensboro	NC	Jaron L. Norton JLN Property Solutions, LLC	151 Calle de San Francisco Ste. 200, San Juan, PR 00901	336.978.9575
Lower Hudson Valley	NY	Kurt Lewis	8 Glen Avenue, Monroe, NY 10950	3474086137
Knoxville	TN	Jardon L. Norton JLN Property Solutions, LLC	151 Calle de San Francisco Ste. 200, San Juan, PR 00901	865.410.9907
Dallas	TX	Cade Thueson	16625 Spence Park Lane Prosper, TX 75708	214-973-3967
Dallas	TX	Mark Stubler	10122 S Redwood Rd Ste B, South Jordan, UT 84095	801-971-1979
Richmond	VA	David Turner	14810 Brick Road Carson, VA 23830	703-969-8411
Richmond-Petersburg	VA	Jardon L. Norton JLN Property Solutions, LLC	151 Calle de San Francisco Ste. 200, San Juan, PR 00901	804-494-4070
Seattle	WA	Karlyn Ansley	5616 138 th St NW Gig Harbor, WA 98332	206-617-0272

Former Franchisees as of December 31, 2025

<u>Territory</u>	<u>State</u>	<u>Name</u>	<u>Business Address</u>	<u>Phone</u>
San Francisco (Terminated)	CA	Kent Ng	4271 N 1st St SPC 153, San Jose, CA 95134	408-676-7797
San Jose (Terminated)	CA	Kent Ng	4271 N 1st St SPC 153, San Jose, CA 95134	408-676-7797
Boynton Beach (Terminated)	FL	Val Antoine and Jenisse Heredia	1121 S Military Trail Apt. 2322, Boynton Beach, FL 33436	(631) 948-9007
Ft Lauderdale (Terminated)	FL	Daryl Wright	6821 SW 43rd Court, Davie, FL 33314	(954) 410-3881
W Palm Beach (Terminated)	FL	Daryl Wright	6821 SW 43rd Court Davie, FL 33314	(954) 410-3881
Chicago (Terminated)	IL	Toya Mitchell	19219 Center Ave., Homewood, IL 60430.	(773) 485-1006
Louisville (Terminated)	KY	Mary Conrad	803 Gleneagle Court, Louisville KY 40223	502-889-7300
Baton Rouge (Terminated)	LA	Dustin Guessfeld	32833 Briar Oak Dr., Walker LA 70785	225-603-5599
Columbia Jefferson City (Terminated)	MO	Christopher J.D. Smith	5010 Kristos Court, Columbia, MO 65202	573-660-1281
Kansas City (Terminated)	MO	Gabe Monroy	25209 E Blue Mills Rd, Independence, MO 64058	816-896-3930
Central New Jersey (Terminated)	NJ	Katerina Yager	3319 Brinley Rd., Wall Township, NJ 07719	731-673-4187
Raleigh- Durham (Terminated)	NC	Kamil Sarna	2160 Royal Berry Ct. Cary, NC 27511	614-456-9319
Columbus (Terminated)	OH	James Ryan Moore	1491 Polaris Parkway, Suite 384, Columbus, OH 43420	(614) 333-9956
Austin (Terminated)	TX	Roy L. Wade and Agave Blue ATX Rentals, LLC	120 River Valley Drive, Georgetown, TX 78626	512-934-4282
Corpus Christi (Terminated)	TX	William Bryan Ewing, JR. & Michelle Ewing & Circle E Partnership LTD	1901 Caribbean Dr Corpus Christi TX 78418	361.813.6525
Dallas (Terminated)	TX	Tiep Truong Advanced Nth Solutions, LLC	3406 White Oak Drive Richardson, TX 75082	972-754-9828
Houston (Terminated)	TX	Justin Tran	11905 Maybrook Ct. Pearland, TX 77584	832-392-9292

<u>Territory</u>	<u>State</u>	<u>Name</u>	<u>Business Address</u>	<u>Phone</u>
Washington DC (Terminated*)	DC	David Garrison	93 Brook Crest Lane, Stafford, VA 22554	540-274-6658

* Franchisee signed and was terminated in the same year.

** Inactive franchise was terminated.

Exhibit G
Form of General Release

The Franchise Agreement provides that the franchisee must sign a General Release in a form satisfactory to the franchisor in certain circumstances, such as upon transfer or renewal of the franchise. Following is a form of General Release that is subject to change.

FORM OF GENERAL RELEASE

This General Release Agreement ("Agreement") is made this _____. It is among JOE HOMEBUYER FRANCHISING, LLC, a Utah limited liability company ("Franchisor"), _____ and _____ (jointly and severally "Franchisee") and _____ and _____ (jointly and severally "Transferee").

RECITALS

On or about ____ day of _____, 20____, Franchisor and Franchisee entered into a Joe HomeBuyer® franchise agreement (the "Franchise Agreement[s]") for the operation of a Joe HomeBuyer® franchise at the following location: _____.

[NOTE: Describe the circumstances relating to the release, such as circumstances related to transfer or renewal of the franchise and relevant agreement dates.]

Now, therefore, in consideration of the mutual covenants set forth below, the parties agree as follows:

1. Renewal of Franchise Agreement. The parties covenant and agree:

A. The Franchise Agreement, including all appurtenant addenda, certificates, exhibits, options, and obligations of the parties is terminated. The provisions of the Franchise Agreement concerning your obligations upon termination and renewal will continue in full force and effect. The parties agree that this Agreement fully and completely expresses the present understanding between the parties.

B. Contemporaneously with execution of this Agreement, you agree to execute our current franchise agreement forms. These forms may vary materially from the Franchise Agreement. Fees will be set at the currently prevailing rates and terms. The Franchise must remain at the location designated in the Franchise Agreement unless we otherwise approve in writing.

C. You will reimburse us for the following reasonable out-of-pocket costs we incur concerning the renewal:_____.

D. If applicable, you will refurbish, remodel, and replace the Franchise fixtures and equipment to conform to the current Operations Manual and Method of Operation. This includes:_____.

E. You or your designated manager will attend and successfully complete the following retraining programs at your expense, including travel, meals, lodging, and our current training fee of \$_____.

2. Franchise Transfer. The Parties covenant and agree:

A. The Franchise Agreement between Franchisor and Franchisee, including all appurtenant addenda, certificates, exhibits, options, and obligations of the parties are terminated, as between them. The provisions of the Franchise Agreement concerning the obligations of Franchisee upon termination and transfer will

continue in full force and effect. The parties agree that this Agreement fully and completely expresses the present understanding between the parties.

B. Transferee agrees to fully assume and to be bound by the terms, covenants and conditions of the Franchise Agreements as if Transferee had been named as the original franchisee in the Franchise Agreement. Transferee will execute all documents Franchisor or Franchisee may reasonably require to complete the transfer and assumption of the Franchise Agreements, including but not limited to execution of a new franchise contract in the form currently being used by Franchisor. The new franchise contract may contain economic and general terms which are materially different from those contained in the Franchise Agreement.

C. Franchisor enters into this Agreement, in part, in reliance upon the individual or collective character, skill, attitude, business ability and financial capacity of Transferee.

D. All obligations of Franchisee in connection with the Franchise Agreement and the franchise are assumed by the Transferee. Franchisee will remain bound by its covenants in the Franchise Agreements that neither it nor its owners, officers, partners, or other persons enumerated in the Franchise Agreement will disclose confidential information nor compete with Franchisor or Franchisor's franchisees.

E. [All now ascertained or liquidated debts in connection with the franchise have been paid by Franchisee.] [Franchisee owes \$--- in current obligations and will owe additional funds for franchise fees through the closing of this transfer transaction. Franchisee will pay all sums due to Franchisor within 10 days of the relevant invoice or due date. All other now ascertained or liquidated debts in connection with the franchises have been paid by Franchisee.]

F. Franchisee is not in default in any way under the Franchise Agreement or any other agreement between it and Franchisor.

G. Transferee will pay for and complete to Franchisor's exclusive satisfaction the training programs now required of new franchisees. [Transferee has completed to Franchisor's satisfaction the training programs now required of new franchisees.] [Transferee has demonstrated to Franchisor's satisfaction sufficient ability to successfully operate the franchise]. Franchisee or Transferee have submitted to Franchisor, upon execution of this Agreement, a Transfer Fee in the amount of \$-----. Franchisor acknowledges receipt of this Fee in consideration for Franchisor's legal, accounting, credit check, training and investigation expenses incurred as a result of this transfer. [In addition, Franchisee has paid to Franchisor, contemporaneous with execution of this Agreement, a ___ percent commission on the gross transfer price (excluding the price of real property), in the amount of \$__. Franchisor acknowledges receipt of this amount in consideration for having obtained Transferee for Franchisee.

H. Transferee has met the standards established by Franchisor for quality of character, financial capacity and experience required of a new or renewing Joe HomeBuyer® franchisee. Franchisee and Transferee have provided to Franchisor such information as Franchisor reasonably requested to evidence that Transferee meets these standards.

I. Franchisee and Transferee agree to subordinate to Transferee's obligations to Franchisor (including, without limitation, the payment of all franchise fees) any obligations of Transferee to Franchisee.

K. Transferee will assume possession and control of the equipment, furnishings, signs, supplies, materials, advance paid deposits and other personal property and fixtures, except as follows:

L. Franchisee will properly operate the franchise and will continue the employment of all current employees until Transferee assumes control of the businesses and [relocates] the Franchise.

M. Franchisee will maintain sufficient materials and sufficient supplies on hand to provide for normal business operations through the second day after Transferee assumes control of the businesses and the Franchise, except as follows:

_____.

N. Transferee agrees to place orders with product suppliers to maintain the materials and supply levels following the closing of this transaction.

O. Franchisee and Transferee have entered into this Agreement for the transfer of Franchisee's rights under the Franchise Agreements after their own independent investigation. The transfer of the franchise rights and the amount of consideration for them have been determined by them independently. Franchisee and Transferee acknowledge that they have not relied upon any representation, warranty, promise or other consideration from or by Franchisor in entering into this Agreement or in evaluating the advisability of the transfer or the value of the franchises, any of the franchise rights or the franchise locations.

P. Transferee will refurbish and remodel the Franchise to the current Operations Manual and Method of Operation within 90 days of transfer. This includes:

_____.

[NOTE: The following Section 2 is for franchise transfers but not for franchise renewals:]

3. Franchisee to Cease Using Trade Names, Service Marks, and Logos. Upon completion of the transfer, Franchisee will immediately cease using Franchisor's trade names, trademarks, service marks, logos, and other marks, symbols or materials indicating that Franchisee is or was related to Franchisor in any way, except as otherwise provided in writing. Franchisee acknowledges that all such names, service marks, logos, and symbols are the exclusive property of Franchisor and that Franchisee has been allowed to use them, only in conjunction with the franchise relationship as outlined in this Agreement. Franchisee will remain jointly and severally bound to comply with the covenants in the Franchise Agreement which expressly or by reasonable implication are intended to apply to Franchisee after termination of the Franchise Agreement, including any applicable non-disclosure requirements. Franchisee will:

A. deliver to Transferee or Franchisor all copies of the Operations Manuals, training materials, and any other franchise-related materials in Franchisee's custody, control or possession (or destroy such materials if requested by Franchisor);

B. take action as required to transfer to Transferee all registrations relating to the use of all assumed names;

C. notify the telephone company and all listing agencies of the transfer of Franchisee's rights to use the franchise names and logos and classified and directory listings of the franchise;

D. cease use of the franchise trademarks, service marks, trade names, copyrights, and other intellectual or intangible property;

E. refrain from doing business in any way that might tend to give the public the impression that Franchisee still is or was a franchisee in the franchise system;

8. Communication of Confidential Information. Neither Franchisee nor its owners, officers, directors, or other persons enumerated in the Franchise Agreements will communicate or divulge to any person or entity the contents of this Agreement, the contents of the Franchise Agreement, the substance of the Joe HomeBuyer® franchise operations manuals, or any other

nonpublic information related to the operation of the Joe HomeBuyer® franchise system. Franchisee represents and warrants that neither it nor any listed individual has communicated or divulged any such information to anyone prior to the date of this Agreement. Franchisee will continue to comply with all the confidentiality requirements of the Franchise Agreements.

[Nothing contained in this Agreement will preclude Franchisor or Franchisee from disclosing the fact of this Agreement or the amount paid by Transferee to Franchisor or to Franchisee.]

8. Release.

8. General. In consideration of the covenants and understandings set forth in this Agreement, Franchisee does release and discharge Franchisor and its current and former owners, partners, directors, officers, members, employees and agents ("Released Parties") from any and all claims, demands, actions or causes of action of every name, nature, kind and description whatsoever, whether in tort, in contract or under statute, arising directly or indirectly out of the offer of, negotiation of, execution of, performance of, nonperformance, or breach of the Franchise Agreement and any related agreements between the parties and out of any other action or relationship between the parties, or any of the Released Parties, arising prior to the date of this Agreement (except provisions in the Franchise Agreement concerning Franchisee's obligations upon termination).

It is expressly understood and agreed that this release is intended to cover and does cover not only all known losses and damages but any further losses and damages not now known or anticipated but which may later develop or be discovered, including all the effects and consequences thereof.

Franchisee represents that this release has been read and that it is fully understood and voluntarily accepted. The purpose of this release is to make a full, final and complete settlement of all claims against Franchisor, known or unknown, arising directly or indirectly out of the Franchise Agreement and the relationship between the parties through the date of this Agreement, including, but not limited to, economic loss.

[In consideration of the covenants and understandings set forth in this Agreement, Transferee does release and discharge Franchisor and its current and former owners, partners, directors, officers, members, employees and agents from any and all claims, demands, actions or causes of action of every name, nature, kind and description whatsoever, whether in tort, in contract or under statute, arising directly or indirectly out of the offer of, negotiation of, execution of, performance of, nonperformance, or breach of Transferee's existing franchise or license agreement(s) with us and any related agreements between the parties and out of any other action or relationship between the parties arising prior to the date of this Agreement.

Transferee represents that this release has been read and that it is fully understood and voluntarily accepted. The purpose of this release is to make a full, final and complete settlement of all claims against Franchisor, known or unknown, arising directly or indirectly out of Transferee's existing franchise or license agreement(s) with us and the relationship between the parties through the date of this Agreement, including, but not limited to, economic loss.

The General Release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

B. Waiver of Statute. This release is intended to waive, release and discharge all claims against Franchisor, other than those expressly reserved herein, with the express waiver of any statute, legal doctrine or other similar limitation upon the effect of general releases. In particular, the parties waive the benefit of any applicable statutory provision such as by illustration, California Civil Code Section 1542, which states:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

The parties, with the advice of legal counsel, waive the benefit of both statute and any other legal doctrine or principle of similar effect in any jurisdiction.

8. Indemnification. Franchisee, for themselves and their heirs, successors, representatives, assigns, subsidiaries, divisions, and agents and each of them, agree to indemnify and hold harmless Franchisor and its affiliates, subsidiaries, divisions, successors, assigns, officers, directors, employees and agents and each of them against any liabilities, losses, damages, deficiencies, claims, costs, expenses, actions, suits, proceedings, investigations, demands, assessments, judgments, and costs of any nature resulting, directly or indirectly, from the operation of the franchise by Franchisee or Franchisee's agents or employees.

7. Miscellaneous Provisions.

- A. Entire Agreement. This writing is the entire agreement between the parties and may not be modified or amended except by written agreement signed by the parties.
- B. Joint and Several Liability. If Franchisee consists of more than one individual or entity, then their liability under this Agreement will be joint and several.
- C. Waiver. No waiver of any covenant or breach of this Agreement will be a waiver of any subsequent breach of the same or any other covenant or authorize the subsequent breach of any covenant or condition.
- D. Time of Essence. Time is of the essence of this Agreement.
- E. Injunctive Relief. In addition to other remedies available at law or in equity, any party may seek and obtain in any court of competent jurisdiction specific performance and injunctive relief to restrain a violation by the other party of any covenant contained in this Agreement.
- F. Dispute Resolution. If a dispute arises, before taking any other legal action, the parties agree to participate in at least four hours of mediation in Davidson County, Tennessee in accordance with the mediation procedures of American Arbitration Association or of any similar organization that specializes in the mediation of commercial business disputes. The party demanding mediation must provide written notice to the other party of the demand for mediation. If the other party does not respond to the mediation demand within 30 days of written notice, or indicates a refusal to participate in mediation, then the party providing notice may proceed with other forms of dispute resolution. The parties agree to equally share the costs of mediation. Injunctive relief and or claims of specific performance sought pursuant to or authorized by this Agreement, are not subject to, nor can be avoided by, the mediation terms of this Agreement, and may be brought in any court of competent jurisdiction.
- G. Costs and Attorneys' Fees. The prevailing party in any suit or action to enforce this Agreement will be entitled to recover its arbitration and court costs and reasonable legal fees to be set by the court, including costs and legal fees on appeal.
- H. Governing Law. This Agreement is accepted in the State of Tennessee and will be governed by the laws of Tennessee, which laws will prevail, except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051, et seq.) and except in those states whose franchise laws require exclusive application of those laws. This choice of laws will not include and does not extend the scope of application of the Tennessee franchise or business opportunity laws (if any). Any portion of this Agreement that requires enforcement in any other state, and is enforceable under the laws of that state but not of Tennessee, will be construed and enforced according to the laws of that state. All issues or disagreements relating to this Agreement, will be tried, heard, and decided in Davidson County, Tennessee.

- I. Successors and Assigns. This Agreement will benefit and bind the respective heirs, executors, administrators, successors, and assigns of the parties.
- J. Legal Representation. The parties acknowledge they have been represented by counsel and have been advised of the significance and ramifications of executing this Agreement.
- K. Counterparts. This Agreement may be executed simultaneously in counterparts, each of which will be deemed an original, but all of which, together, will constitute one and the same instrument.
- 8. Effective Date. The effective date of this Agreement shall be the date the last party signs.

(Signatures on following page)

IN WITNESS WHEREOF, the parties have executed this Agreement.

“Franchisor”: JOE HOMEBUYER FRANCHISING, LLC

By (Signature): _____

Printed Name: _____

Title: _____

"Franchisee":

By: _____
_____, an individual

By: _____
_____, an individual

[ENTITY NAME]

By (Signature): _____

Printed Name: _____

Title: _____

Instructions for signatures (above) for “Franchisee” and “Transferee”: If you are a corporation, limited liability company or other business entity, then this Agreement should be signed by a company officer or owner authorized to sign on behalf of the company. Additionally, this Agreement must be signed by all officers and owners of the company as individuals.

Exhibit H
Confirmation of Additional Terms and Representations Addendum

JOE HOMEBUYER FRANCHISING, LLC
A Utah limited liability company
10122 S. Redwood Rd., Ste B
South Jordan UT 84095

Do not sign this Representations Addendum if you are a resident of California/ Maryland/ Washington or the business is to be operated in California/ Maryland/ Washington

Joe Homebuyer Franchising, LLC ("Franchisor" and "we/us"), through the use of this Addendum, desires to verify certain information about the sales process and to confirm any additional commitments or terms beyond those contained in the standard **Joe Homebuyer™** franchise agreement (the "Franchise Agreement") and contained in our current "Franchise Disclosure Document, including any oral statement, representation, promise or assurance made during the negotiations for the purchase of a **Joe Homebuyer** franchise by any director, officer, employee, agent or representative of Joe Homebuyer (each, a "Representative"). Please review each of the following questions carefully and provide honest responses to each question. For purposes of this addendum "you" includes the franchisee and all owners.

I. FRANCHISE

A. Description of Representations.

1. Describe any promises, oral or written agreements, contracts, commitments, representations, understandings, "side deals" or otherwise have been made to or with me with respect to any matter not expressly contained in the Franchise Agreement. This includes, but is not limited to, any representations or promises regarding advertising, marketing, training, site location, operational assistance or other services or write "None."

2. Describe any oral, written, visual or other claim or representation, promise, agreement, commitment, understanding, or otherwise which contradicts or is inconsistent with the Franchise Disclosure Document or Franchise Agreement that has been made to you by us or our Representatives or write "None."

3. Describe any oral, written, visual, or other claim or representation that has been made to you by any person or entity, which states or suggests any actual, average, projected or forecasted sales, gross receipts, operating costs, revenues, income, profits, expenses, cash flow, tax effects, earnings, or otherwise, that is different from or in addition to what is contained in the Franchise Disclosure Document- including Item 19 or write "None."

4. Describe any statement, promise or assurance made by us or our Representatives concerning the likelihood of success that you should or might expect to achieve from developing and operating a Joe Homebuyer™ franchise or write "None":

5. Describe any statement, promise or assurance concerning the advertising, marketing, training, support services or assistance that we will furnish you that is contrary to, or different from, the information contained in the Franchise Disclosure Document. If you believe that one of these statements, promises or assurances has been made, please describe the statement or promise in the space provided below or write "None".

6. Describe any other statement, promise or assurance concerning any other matter related to a Joe Homebuyer™ franchise that is contrary to, or different from, the information contained in the Franchise Disclosure Document. If you believe that one of these statements, promises or assurances has been made, please describe the statement, promise or assurance in the space provided below or write "None".

II. YOUR PARTICIPATION

- A. You will personally participate in the management of the Joe Homebuyer™ Franchise as set forth in the Franchise Agreement. You will faithfully and fully perform all duties required of you under the Franchise Agreement.
- B. Your purchase of the Franchise is for your own account and is not made with a view to or for resale.

ACKNOWLEDGEMENT

1. Did we or our Representatives advise you to fill in and complete this form except as based upon your personal knowledge and experience? If not, please describe what you were instructed or write "None":

[remainder of page intentionally left blank]

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

PROSPECTIVE FRANCHISEE: (Individual)

Name

Signature

Date: _____

PROSPECTIVE FRANCHISEE:

(Corporation, Partnership or Limited Liability Company)

a/an _____ corporation

a/an _____ partnership

a/an _____ limited liability company

By: _____

Its: _____

Date: _____

APPROVED ON BEHALF OF
JOE HOMEBUYER FRANCHISING LLC

By: _____

Print Name: _____

Title: _____

Date: _____

Franchise Disclosure Document Exhibit I

The JOE Way

It has become normalized for businesses today to maximize revenue at any cost no matter who is adversely impacted. Real Estate Investors have had a negative reputation for unethical practices as seen during the 2008 financial crisis. We here at Joe Homebuyer are playing the real estate game at a higher level - we're setting the example that real estate investing can be profitable and ethical and we strive to be a VALUE first company, with the #1 priority being the families we serve.

Through our Mission, Core Values and Culture, Joe Homebuyer embodies an inherent Code of Conduct aka "The Joe Way" that guides our everyday decisions and actions.

Heart for Others - Understanding the needs of the families we work with and adopting a service mindset creates a heart centered approach instead of merely transactional. We genuinely care for those that place their trust in us to help them during a stressful period of their lives.

Honesty - Operating with honesty is the bedrock of our brand. We can and do make a lot of money in real estate, but we do it the right way - With Integrity. Building trust and credibility with our partners, contractors and families we work with is the forefront of our efforts. We're at the helm of the Real Estate Investing revolution in redefining ethical investing.

Hunger - There is an innate need in each of us to progress and succeed here at Joe. We are consistently refining our processes, learning new skills and reaching new heights. However, our success is never achieved at another's expense. If we fall short in this, we will humbly reconcile, learn from our mistakes, and get back into alignment.

Humble - The collaborative mindset and vulnerability that's shared amongst Joes makes us not only a family but creates a powerhouse of real estate entrepreneurs and leaders. Humility is the character trait that resonates deeply within our culture. We are receptive to new ideas and strategies, keen learners and listeners, thereby making us creatively adaptive to the volatile marketplace.

Our interactions with the families we help are intentional, not transactional. That care and presence leaves them feeling a certain way and colors their entire experience with us. They're certain they got a fair price, but much more than that – they walk away knowing that we were mindful of the details. We took the time to discover and provide what was most needed to help them transition. We're relating human to human - making them feel heard and understood through the entire experience, and that makes all the difference.

For all of us here at Joe Homebuyer, our commitment to this standard is unwavering. We will continue to hold ourselves accountable and to adhere to the moral compass that has been at the heart of this organization from day one - fully focused on our mission to ***Improving Lives by Delivering Creative Real Estate Solutions.***

As we become a household name and continue to grow together, our mission will always be to provide value to those we serve and have their best interest at heart.

Here are some examples of The JOE Way:

1. We are transparent with the seller about our intentions with the property.
 - a. Ex) We are entertaining multiple exit strategies.
 - b. Ex) If we cannot find an end buyer we will let the seller know ASAP and release them from the agreement.
2. We are responsible for protecting the best interest of the seller during the sale process.
 - a. Ex) If the highest cash buyer is acting unethically and disregards the circumstances of the seller - we will find another solution.
 - b. Ex) We only renegotiate when absolutely necessary, not for the purpose of stretching the revenue on an existing profitable assignment.
3. We treat everyone and their circumstances fairly and without discrimination.
 - a. Ex) Sellers are treated with fairness and respect no matter what circumstance you encounter.
4. We allow sellers to remain in the home and not force the sale of the property if their situation changes and it is no longer in their best interest to sell.
 - a. Ex) We DO NOT legally enforce the sale of a contracted home if the seller decides it's better for them to stay and not proceed.

As a Joe Homebuyer Franchisee, I hereby attest that the above-stated values and priorities will take precedence in all of my business proceedings.

FRANCHISEE:

Name

Signature

Date: _____

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered, or exempt from registration, as of the Effective Date stated below:

California:
Illinois:
Indiana:
Maryland:
Michigan:
Minnesota:
New York:
North Dakota:
Rhode Island:
South Dakota:
Virginia:
Washington:
Wisconsin:

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

Franchise Disclosure Document Exhibit J
RECEIPT

This franchise disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Joe Homebuyer Franchising, LLC offers you a franchise, it must provide this franchise disclosure document to you by the 14 calendar days (10 business days in Michigan) before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale.

New York requires that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before you sign a binding agreement with, or make a payment to us or an affiliate in connection with the proposed franchise sale.

If Joe Homebuyer Franchising, LLC does not deliver this franchise disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and State law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed in Exhibit D.

The name, principal business address, and telephone number of each franchise seller offering the franchise are:

Mark Stubler, Vance Courtney, 10122 S. Redwood Rd., Ste B, South Jordan UT 84095, (801)804-6677

Other:

Date of Issuance: May 8, 2026

I have received a disclosure document dated as indicated above that included the following Exhibits:

- A. Financial Statements
- B. Sample Franchise Agreement and Schedules
- C. Conditional Assignment of Phone Number
- D. State Law Addendum
- E. List of State Agents for Service of Process and State Administrators
- F. List of Current and Former Franchisees
- G. Form of General Release
- H. Confirmation of Additional Terms and Representations Addendum
- I. The JOE Way™ Code of Conduct
- J. Acknowledgments of Receipt of Franchise Disclosure Document by Prospective Franchisee

DATED: _____

(Signature)

(Full Name - Printed)

(Identify Franchisee Corporate Entity for which you are an Authorized Representative)

KEEP THIS COPY FOR YOUR RECORDS.

Franchise Disclosure Document Exhibit J

RECEIPT

This franchise disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully. If Joe Homebuyer Franchising, LLC offers you a franchise, it must provide this franchise disclosure document to you by 14 calendar days (10 business days in Michigan) before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale.

New York requires that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before you sign a binding agreement with, or make a payment to us or an affiliate in connection with the proposed franchise sale.

If Joe Homebuyer Franchising, LLC does not deliver this franchise disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and State law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed in Exhibit D.

The name, principal business address, and telephone number of each franchise seller offering the franchise are:
Mark Stubler, Vance Courtney, 10122 S. Redwood Rd., Ste B, South Jordan UT 84095, (801)804-6677
Other:

Our authorized agents for service of process are identified on Exhibit E to this Franchise Disclosure Document.

Date of Issuance: May 8, 2026

I have received a disclosure document dated as indicated above that included the following Exhibits:

- A. Financial Statements
- B. Sample Franchise Agreement and Schedules
- C. Conditional Assignment of Phone Number
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- E. List of State Agents for Service of Process and State Administrators
- F. List of Current and Former Franchisees
- G. Form of General Release
- H. Confirmation of Additional Terms and Representations Addendum
- I. The JOE Way™ Code of Conduct
- J. Acknowledgments of Receipt of Franchise Disclosure Document by Prospective Franchisee

DATED: _____

(Signature)

(Full Name - Printed)

(Identify Franchisee Corporate Entity for which you are an Authorized Representative)

PLEASE SIGN THIS COPY OF THE RECEIPT, DATE YOUR SIGNATURE, AND RETURN IT TO JOE HOMEBUYER FRANCHISING, LLC, 10122 S. Redwood Rd., Ste B, South Jordan UT 84095.