FRANCHISE DISCLOSURE DOCUMENT

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REAL PROPERTY MANAGEMENT SPV LLC

a Delaware limited liability company
1010 North University Parks Drive
Waco, Texas 76707
(254) 745-2404
Fax: (254) 745-2412
www.realpropertymgt.com

A Real Property Management franchise permits you to operate a business providing property management services, including the management of maintenance and repair services and rent collection. A Real Property Management franchise is generally granted within a metropolitan area that has a population of more than 100,000 people and more than 10,000 single family rentals. However, at our discretion, we may grant a franchise within an isolated metropolitan area that has a population of fewer than 100,000 people, and for existing franchisees, we may grant additional franchises within an area that has a population of less than 60,000.

The total investment necessary to begin the operation of a franchise ranges from $~~91,718~~91,796 – $~~266,218~~234,150. This includes $59,900 that must be paid to the Franchisor or an 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 Bradley Stevenson, 1010 North University Parks Drive, Waco, Texas 76707, 254-745-2400.

The terms of your contract will govern your franchise relationship. Do not 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.

Date of Issuance: April 1, ~~2024, as amended July 1, 2024~~2025

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 or Exhibits E & F.
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 C 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 REAL PROPERTY MANAGEMENT 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 REAL PROPERTY MANAGEMENT franchisee?	Item 20 or Exhibits E & F 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 B.

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 risk(s) be highlighted:

1. **Out-of-State Dispute Resolution**. The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Texas. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Texas than in your own state.

2. **Mandatory Minimum Payments**. You must make minimum license fee payments, regardless of your sales levels. Your inability to make the payments may result in the termination of your franchise and the loss of your investment.

3. **Spousal Liability**. Your spouse may be required to 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. **Sales Performance Requirement**. You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.

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.

THE FOLLOWING PROVISIONS APPLY ONLY TO TRANSACTIONS GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU:

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

(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 this act. This shall 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 shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such 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, equipment, fixtures, and furnishings. Personalized materials that 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 6 months advance notice of 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 be conducted outside this state. This shall 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 that 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 shall include, but is not limited to:

(i) The failure of the proposed franchisee 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 default 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 such 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 its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

(j) If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000, the franchisor shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee or subfranchisor 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 escrow.

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.

Any questions regarding the notice should be directed to:

State of Michigan
Consumer Protection Division
Attention: Franchise
G. Mennen Williams Building, First Floor
525 West Ottawa
Lansing, Michigan 48933
Telephone: 517-373-7117

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EXHIBIT A - Franchise Agreement and Schedules:

Schedule A.	Data Sheet
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Schedule C.	Personal Guarantee
Schedule D.	Acknowledgement Addendum
Schedule E.	Telephone Number and Internet Agreement
Schedule F.	Confidentiality Agreement
Schedule G.	Promissory Note and Security Agreement
Schedule H.	Brokerage Agreement

Schedule I.	Roll-In Addendum
Schedule J.	State Addendum

EXHIBIT B	Agencies/Agents for Service of Process
EXHIBIT C	Financial Statements
EXHIBIT D	Parent Guarantee
EXHIBIT E	Current Franchisees in the United States as of December 31, ~~2023~~2024
EXHIBIT F	Franchisees in the United States who Left the System in the Past 12 Months as of December 31, ~~2023~~2024
EXHIBIT G	Renewal Addendum
EXHIBIT H	General Release [sample]
EXHIBIT I	BackOffice Bookkeeping Assistance Program Service Agreement
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EXHIBIT L	Property Management Software Agreement
EXHIBIT M	Software System User & Maintenance Agreement
EXHIBIT N	Assignment and Consent Agreement
EXHIBIT O	ProTradeNet Agreement
EXHIBIT P	Acquisition Addendum
EXHIBIT Q	Digital Marketing Program Agreement
EXHIBIT R	State-Specific Addenda
EXHIBIT S	State Effective Dates

APPLICABLE STATE LAW MIGHT REQUIRE ADDITIONAL DISCLOSURES RELATED TO THE INFORMATION CONTAINED IN THIS DISCLOSURE DOCUMENT. THESE ADDITIONAL DISCLOSURES, IF ANY, APPEAR IN EXHIBIT R.

ITEM 1. THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

For ease of reference in this disclosure document, the franchisor, Real Property Management SPV LLC, is referred to as "we," "our," "us," "Franchisor," "RPM" and sometimes "Real Property Management" and the person who buys the franchise is referred to as "you", "your", or "Franchisee". The business that is operated under the Franchise Agreement is referred to as the "franchise" or the "Business" and the right to operate granted by the Franchise Agreement is sometimes referred to as the "license" or "franchise." If you are a legal entity, the provisions of the Franchise Agreement and related agreements apply to your owners.

This disclosure document outlines and summarizes some contractual obligations of both the Franchisor and the Franchisee which are found in the Franchise Agreement and other agreements. For ease of reference and understanding, these obligations may be paraphrased or described in general terms in this document.

The Franchisor and Predecessor

The Franchisor is Real Property Management SPV LLC. We are a Delaware limited liability company organized on November 13, 2020. Our principal business address is 1010 North University Parks Drive, Waco, Texas 76707. We do business under the names Property Management Business Solutions, Real Property Management and Realevate. We have not previously offered franchises in any other line of business. Our agents for service of process are listed on Exhibit B.

Our predecessor and affiliate is Property Management Business Solutions, LLC, which is a Utah limited liability company that was formed on April 21, 2004 ("Predecessor"). From 2005 until the closing of the 2021 Securitization Transaction (as defined below) in March 2021, Predecessor offered franchises for the operation of businesses providing property management services, including management of maintenance and repair services and rent collection under the Real Property Management name. Predecessor was acquired by Dwyer Franchising, LLC d/b/a Neighborly on February 26, 2018. Predecessor maintains its principal place of business at 1010 North University Parks Drive, Waco, Texas 76707. We have not had any other predecessors during the 10-year period immediately before the date of this disclosure document.

Our Business Experience

Since 2005, Predecessor and we have offered franchises for the operation of a business which provides property management services, including maintenance and repair management services and rent collection under the Real Property Management name (the "RPM Business"). The franchise or franchised business does business under our service name, Real Property Management, and may also use the abbreviated name RPM, Realevate®, as well as the additional service marks, trademarks, trade names, logos, emblems, slogans or indicia of origin which are or may be designated by us in the future (our "Marks"). The standard Real Property Management franchise we offer is a franchise purchased within a metropolitan area that has a population of more than 100,000 people, and more than 10,000 single family rentals, but at our discretion, we may grant a franchise within an isolated metropolitan area that has a population of fewer than 100,000 people and for existing franchisees we may grant additional franchises within an area that has a population of fewer than 60,000 people. The franchise typically requires between 500 to 1,000 square feet of space and is typically located in an office building or shared office complex. The franchise operates using our standards and business methods, called our "System" or the "Real Property Management System," which includes operating systems, marketing systems, business techniques, and methods, processes, policies, and procedures for providing real property management services that include, but are not limited to, tenant screening and placement, leasing, rent and fee collection, maintenance, evictions, accounting, and

marketing and advertising, for single and multi-family residential properties, commercial properties, Real Estate Owned (REO) properties, vacation rentals and common interest communities; and, items of trade dress and sales, leadership and management training for the development and operation of REAL PROPERTY MANAGEMENT Businesses, including all training materials; all as the same may exist today or as the same may change from time to time, as specified in the Operating Manual or as otherwise reasonably directed by us from time to time. As of December 31, ~~2023~~2024, there were a total of ~~423~~447 REAL PROPERTY MANAGEMENT franchises in operation in the U.S.

We do not operate businesses of the type being franchised. We are not involved in any other business activities.

Our Parents and Affiliates

We are a direct, wholly-owned subsidiary of Neighborly Assetco LLC ("Parent"). The name and principal business address of each of our direct or indirect parents that exercise control over the policies and direction of the System (as defined below) are as follows:

Name of Company	**Principal Business Address**	**Ownership or Control of Company**
Nest Holdings LP ("Nest Holdings")	2800 Sand Hill Road, Suite 200 Menlo Park, CA 94025	Controlled by investment funds affiliated with Kohlberg Kravis Roberts & Co. L.P.
Nest Holdings Inc. ("Nest Holdco")	2800 Sand Hill Road, Suite 200 Menlo Park, CA 94025	Wholly owned by Nest Holdings
Nest Topco Guarantor Inc. ("Nest Guarantor")	2800 Sand Hill Road, Suite 200 Menlo Park, CA 94025	Wholly owned by Nest Holdco
Nest Topco Borrower Inc. ("Nest Topco Borrower")	2800 Sand Hill Road, Suite 200 Menlo Park, CA 94025	Wholly owned by Nest Guarantor
Nest Bidco Inc. ("Nest Bidco")	2800 Sand Hill Road, Suite 200 Menlo Park, CA 94025	Wholly owned by Nest Topco Borrower
Balcones Holdco, Inc. ("Balcones Holdco")	2800 Sand Hill Road, Suite 200 Menlo Park, CA 94025	Wholly owned by Nest Bidco
TDG Intermediate, LLC ("Intermediate")	2800 Sand Hill Road, Suite 200 Menlo Park, CA 94025	Wholly owned by Balcones Holdco
Neighborly Company ("Manager")	1010 North University Parks Drive Waco, Texas 76707	Wholly owned by Intermediate
~~Dwyer Acquisition Parent, Inc. ("DAP")~~	~~1010 North University Parks Drive Waco, Texas 76707~~	~~Wholly owned by Manager~~
TDG Holding Company ("TDGHC")	1010 North University Parks Drive Waco, Texas 76707	Wholly owned by ~~DAP~~Manager
The Dwyer Group, Inc. ("TDG")	1010 North University Parks Drive Waco, Texas 76707	Wholly owned by TDGHC

Name of Company	Principal Business Address	Ownership or Control of Company
The Dwyer Group LLC ("Dwyer")	1010 North University Parks Drive Waco, Texas 76707	Wholly owned by TDG
Dwyer Franchising LLC d/b/a Neighborly ("Neighborly")	1010 North University Parks Drive Waco, Texas 76707	Wholly owned by Dwyer
Neighborly SPV Guarantor LLC ("SPV Guarantor")	1010 North University Parks Drive Waco, Texas 76707	Wholly owned by Neighborly
Neighborly Issuer LLC ("Issuer")	1010 North University Parks Drive Waco, Texas 76707	Wholly owned by SPV Guarantor
Neighborly Assetco LLC	1010 North University Parks Drive Waco, Texas 76707	Wholly owned by Issuer

On August 31, 2021, Nest Bidco, a Delaware corporation, purchased from TDG Investment Holdings, LP all of the issued and outstanding shares of common stock of Balcones Holdco under the terms of a Stock Purchase Agreement dated June 30, 2021 by and among Nest Bidco, Balcones Holdco, and TDG Investment Holdings, LP ("KKR Acquisition"). Upon the closing of the KKR Acquisition, Nest Bidco became our indirect parent company. Nest Bidco is controlled by investment funds affiliated with Kohlberg Kravis Roberts & Co. L.P., which is a leading global investment firm ("KKR").

We currently have no affiliates required to be included in this item except as provided below.

The following affiliates are wholly-owned direct subsidiaries of Parent and they offer franchises in the U.S. under separate franchise disclosure documents.

Since 1992, Aire Serv SPV LLC, a Delaware limited liability company ("Aire Serv"), and its predecessor (Aire Serv LLC) have offered franchises which provide installation, maintenance and repair of residential and commercial heating, ventilating and air-conditioning equipment under the name AIRE SERV®. ~~At various times since 1992, Aire Serv's predecessor had also offered regional or area franchises which solicited prospective franchisees in selected areas and/or provided services to its franchisees in selected areas. There are currently no Aire Serv franchisees with regional or area franchise rights, and Aire Serv's predecessor has not offered or sold any regional or area franchises since at least 2012.~~ Aire Serv maintains its principal place of business at 1010 North University Parks Drive, Waco, Texas 76707. As of December 31, ~~2023~~2024, there were a total of ~~197~~208 Aire Serv franchises in operation in the U.S. Aire Serv has never conducted business or offered franchises of the type described in this disclosure document.

Since April 2011, Dryer Vent Wizard SPV LLC, a Delaware limited liability company ("DVW") and its predecessor (Dryer Vent Wizard International LLC) have been offering franchises for the operation of businesses providing installation and repair of, and cleaning products and services for: dryer vents, bathroom vents, kitchen vents, appliances, exhaust vents, air movement systems and washing machine filters and hoses to enhance the performance and safety of clothes dryers and other household appliances to residential and commercial customers, under the Dryer Vent Wizard® name. DVW maintains its principal business address at 1010 North University Parks Drive, Waco, Texas 76707. As of December 31,

~~2023~~2024, there were a total of ~~147~~165 Dryer Vent Wizard franchises in operation in the U.S. DVW has never conducted business or offered franchises of the type described in this disclosure document.

Since September 2007, Five Star Painting SPV LLC, a Delaware limited liability company ("Five Star Painting"), and its predecessors (Five Star Painting, LLC and Five Star Painting, Inc.) have offered franchises which perform and provide residential and commercial painting services and other related products and services under the name Five Star Painting®. Five Star Painting maintains its principal place of business at 1010 North University Parks Drive, Waco, Texas 76707. As of December 31, ~~2023~~2024, there were a total of ~~234~~245 Five Star Painting franchises in operation in the U.S. Five Star Painting has never conducted business or offered franchises of the type described in this disclosure document. On March 25, 2016, ProTect Painters International, LLC ("ProTect Painters"), a Michigan limited liability company, merged with and into Five Star Painting's predecessor, with Five Star Painting's predecessor being the surviving entity in the merger (the "Merger"). As a result of the Merger, Five Star Painting's predecessor offered, and now Five Star Painting offers, franchises under both, the Five Star Painting marks and the ProTect Painters marks. As of December 31, ~~2023~~2024, there were two ProTect Painters franchises in the U.S.

Since March 2004, Glass Doctor SPV LLC, a Delaware limited liability company ("Glass Doctor"), and its predecessor (Synergistic International, LLC) have offered franchises that repair and replace auto and/or flat glass under the name GLASS DOCTOR®. From 1977 to March 2004, Glass Doctor's predecessors offered similar franchises. Glass Doctor maintains its principal place of business at 1010 North University Parks Drive, Waco, Texas 76707. As of December 31, ~~2023~~2024, there were a total of ~~165~~171 Glass Doctor franchises in operation in the U.S. Glass Doctor has never conducted business or offered franchises of the type described in this disclosure document.

Since April 2010, The Grounds Guys SPV LLC, a Delaware limited liability company ("Grounds Guys"), and its predecessor (The Grounds Guys LLC) have offered franchises which perform and provide commercial, residential and municipal property maintenance, landscaping and hardscaping services, snow and ice maintenance services, trash and debris removal, arboriculture services, lawn renovation, turf care services and other related products and services under the name The Grounds Guys®. Grounds Guys maintains its principal place of business at 1010 North University Parks Drive, Waco, Texas 76707. As of December 31, ~~2023~~2024, there were a total of ~~225~~228 The Grounds Guys franchises in operation in the U.S. Grounds Guys has never conducted business or offered franchises of the type described in this disclosure document.

Since 1979, HouseMaster SPV LLC, a Delaware limited liability company ("HMS"), and its predecessors (HM Services, LLC) have been offering franchises for the operation of a building inspection and related services business under the HouseMaster™ trademark. HMS maintains its principal business address at 1010 North University Parks Drive, Waco, Texas 76707. As of December 31, ~~2023~~2024, there were a total of ~~242~~235 HouseMaster franchises in operation in the U.S. HMS has never conducted business or offered franchises of the type described in this disclosure document.

Since 2005, Junk King SPV LLC, a Delaware limited liability company ("JUK") and its predecessors (Junk King Industries, LLC, Junk King Franchise Systems, Inc., and Junk King, LLC) have been offering franchises for the operation of businesses providing junk removal, dumpster and recycling services and related services under the Junk King® name. JUK maintains its principal business address at 1010 N. University Parks Drive, Waco, Texas 76707. As of December 31, ~~2023~~2024, there were a total of ~~169~~172 Junk King franchises ~~and three affiliate-owned businesses~~ in operation in the U.S. Through an agreement with The Dwyer Group Canada, Inc., JUK offers franchises for the same type of business in

Canada under the trademark Junk Works, as described below. JUK has never conducted business or offered franchises of the type described in this disclosure document.

Since January 2023, Lawn Pride SPV LLC, a Delaware limited liability company ("LAP") has been offering franchises for the operation of a business that provides lawn care and maintenance services through the application of fertilizer and other products, perimeter pest control services, and performance of related services including fungus control and prevention, grub treatments, aeration, mole control, and tree and shrub feeding and insect control (but specifically excluding mosquito or other flying pest, tick and flea control services), to both residential and commercial customers under the Lawn Pride trademark. LAP maintains its principal business address at 1010 North University Parks Drive, Waco, Texas 76707. As of December 31, ~~2023~~2024, there were ~~five~~35 Lawn Pride franchised outlets and one affiliate-operated Lawn Pride business in operation in the U.S. LAP has never conducted business or offered franchises of the type described in this disclosure document.

Since May 1984, Molly Maid SPV LLC, a Delaware limited liability company ("Molly Maid"), and its predecessors (Molly Maid LLC and Molly Maid, Inc.) have offered franchises for the operation of businesses that offer professional residential housekeeping services as well as a carpet cleaning program under the name Molly Maid®. Molly Maid maintains its principal place of business at 1010 North University Parks Drive, Waco, Texas 76707. As of December 31, ~~2023~~2024, there were a total of ~~464~~448 Molly Maid franchises in operation in the United States and Puerto Rico. Molly Maid has never conducted business or offered franchises of the type described in this disclosure document.

Since 2012, Mosquito Joe SPV LLC, a Delaware limited liability company ("MoJo"), and its predecessor (Mosquito Joe Franchising, LLC) have been offering franchises for the operation of businesses providing services and equipment to both residential and commercial customers to control undesirable outdoor insects, such as mosquitoes, ticks and fleas, under the Mosquito Joe® name. MoJo maintains its principal business address at 4490 Holland Office Park, Suite 100, Virginia Beach, VA 23452. As of December 31, ~~2023~~2024, there were a total of ~~416~~415 Mosquito Joe franchises in operation and 2 affiliate operated units in the U.S. MoJo has never conducted business or offered franchises of the type described in this disclosure document.

Since August 1996, Mr. Appliance SPV LLC, a Delaware limited liability company ("Appliance") and its predecessor (Mr. Appliance LLC) have offered franchises which perform and provide service and repair on all major appliances for residential and commercial customers under the name MR. APPLIANCE®. Appliance maintains its principal place of business at 1010 North University Parks Drive, Waco, Texas 76707. As of December 31, ~~2023~~2024, there were a total of ~~325~~310 Mr. Appliance franchises in operation in the U.S. Appliance has never conducted business or offered franchises of the type described in this disclosure document.

Since 1994, Mr. Electric SPV LLC, a Delaware limited liability company ("Electric"), and its predecessor (Mr. Electric LLC) have offered franchises which perform electrical services and repairs under the name MR. ELECTRIC®. ~~At various times since 1995, Electric's predecessor had also offered regional or area franchises which solicited prospective Mr. Electric franchisees and/or provided services to Mr. Electric franchisees in selected areas. There have been no Mr. Electric franchisees with regional or area franchise rights since 2014 and Electric's predecessor has not offered or sold any regional or area franchises for at least the last decade.~~ Electric maintains its principal place of business at 1010 North University Parks Drive, Waco, Texas 76707. As of December 31, ~~2023~~2024, there were a total of ~~189~~211 Mr. Electric franchises in operation in the U.S. Electric has never conducted business or offered franchises of the type described in this disclosure document.

Since January 2000, Mr. Handyman SPV LLC, a Delaware limited liability company ("Mr. Handyman"), and its predecessor (Mr. Handyman International, L.L.C.) have offered franchises for the operation of companies dedicated to performing business and residential maintenance and repair services under the name Mr. Handyman®. Mr. Handyman maintains its principal business address at 1010 North University Parks Drive, Waco, Texas 76707. As of December 31, ~~2023~~2024, there were a total of ~~329~~347 Mr. Handyman franchises in the U.S. Mr. Handyman has never conducted business or offered franchises of the type described in this disclosure document.

Since 1993, Mr. Rooter SPV LLC, a Delaware limited liability company ("Rooter"), and its predecessor (Mr. Rooter LLC) have offered franchises which provide plumbing and plumbing repair services; sewer, drain and pipe cleaning services; septic tank pumping; water heater replacement; TV pipe inspection; line and leak detection; hydronics; excavation and replacement of sewer lines and other related services and products in homes and commercial buildings under the names MR. ROOTER® and AMERICA'S TROUBLE SHOOTER®. ~~At various times since 1990, predecessors of Rooter also offered area franchises which solicited prospective Mr. Rooter franchisees and/or provided services to Mr. Rooter franchisees in selected areas. There are currently no Mr. Rooter franchisees with regional or area franchise rights, and Rooter no longer offers any regional or area franchises.~~ Rooter maintains its principal place of business at 1010 North University Parks Drive, Waco, TX 76707. As of December 31, ~~2023~~2024, there were a total of ~~215~~229 Mr. Rooter franchises and three affiliate-operated locations in operation in the U.S. Rooter has never conducted business or offered franchises of the type described in this disclosure document. As of December 31, ~~2023~~2024, Rooter also had 4 franchised locations in the UK (through a master franchise relationship).

Since February 2005, Precision Door Service SPV LLC, a Delaware limited liability company ("PDS") and its predecessor (Precision Holdings of Brevard, Inc.) have been offering franchises for the operation of a business that provides garage door repair and service under the Precision Garage Door Service ™ trademark. PDS maintains its principal business address at 2395 Washington Avenue, Suite 5, Titusville, Florida 32780. As of December 31, ~~2023~~2024, there were a total of ~~118~~132 Precision Garage Door Service™ franchised outlets in operation in the U.S. PDS has never conducted business or offered franchises of the type described in this disclosure document.

Since 1981, Rainbow International SPV LLC, a Delaware limited liability company ("Rainbow International"), and its predecessor (Rainbow International LLC) have offered franchises which provide carpet cleaning, dyeing, repair, reinstallation and related services; upholstery, drapery and ceiling cleaning and related services; and deodorization services under the names RAINBOW RESTORATION®, RAINBOW INTERNATIONAL®, RAINBOW INTERNATIONAL CARPET CARE & RESTORATION SPECIALIST®, RAINBOW INTERNATIONAL RESTORATION & CLEANING® and RAINBOW INTERNATIONAL RESTORATION®. In 1997, Rainbow International's predecessor added an option to perform air duct cleaning services. In 2000, Rainbow International's predecessor added water, smoke and disaster restoration services. In 2001, Rainbow International's predecessor added an option to perform mold remediation services. ~~At various times since 1993, Rainbow International's predecessor had also offered regional or area franchises which solicited prospective Rainbow International franchisees and/or provided services to Rainbow International franchisees in selected areas. There are currently no Rainbow International franchisees with regional or area franchise rights, and Rainbow International's predecessor has not offered or sold any regional or area franchises since at least 2012.~~ Rainbow International maintains its principal place of business at 1010 North University Parks Drive, Waco, Texas 76707. As of December 31, ~~2023~~2024, there were a total of ~~313~~330 Rainbow Restoration franchises in operation in the U.S. In addition, Rainbow International offers Rainbow Restoration franchises in the UK (through a master franchise relationship), with ~~50~~48 franchises in operation in the UK as of December 31, ~~2023~~2024. Rainbow

International has never conducted business or offered franchises of the type described in this disclosure document.

Since May 2008, ShelfGenie SPV LLC, a Delaware limited liability company ("ShelfGenie"), and its predecessor (ShelfGenie Franchise Systems, LLC) have been offering franchises for the operation of a business that designs and installs customized solutions for new and existing cabinets, pantries and other structures under the ShelfGenie™ trademark. ShelfGenie maintains its principal business address at 1010 North University Parks Drive, Waco, Texas 76707. As of December 31, ~~2023~~2024, there were a total of ~~255~~261 ShelfGenie franchised outlets and ~~16~~20 affiliate-operated outlets in operation in the U.S. ShelfGenie has never conducted business or offered franchises of the type described in this disclosure document.

Since 1998, Window Genie SPV LLC, a Delaware limited liability company ("Window Genie"), and its predecessor (FOR Franchising, LLC) have offered franchises for the operation of a residential and commercial window cleaning, window tinting and pressure washing business operated under the Window Genie® name. Window Genie maintains its principal business address at 1010 North University Parks Drive, Waco, Texas 76707. As of December 31, ~~2023~~2024, there were a total of ~~106~~103 Window Genie franchises in operation in the U.S. Window Genie has never conducted business or offered franchises of the type described in this disclosure document.

The following portfolio company of KKR offers franchises in the U.S.:

~~Modern Market Franchising, LLC ("MMF"). MMF~~Qdoba Restaurant Corporation ("Qdoba"). Qdoba is a franchisor ~~that offers franchises for premium fast casual~~of Mexican restaurants under the name "~~Modern Market Eatery~~Qdoba" and related trademarks with a menu consisting of ~~freshly prepared sandwiches, salads, plated dishes, soups, pizzas, and beverages. MMF's~~Mexican-inspired food. Qdoba's principal place of business is ~~1600 Champa Street, Suite 340, Denver, Colorado 80202. MMF~~350 Camino De La Reina, Suite 400, San Diego CA 92108. Qdoba became a KKR-affiliated franchise program in ~~February 2019. MMF~~August 2022. Qdoba has been franchising since ~~2020~~1998, and~~,~~ as of December ~~31~~22, ~~2023~~2024, there were ~~31 Modern Market~~784 Qdoba restaurants (~~7~~616 franchised/licensed and ~~24~~168 company-owned). ~~MMF~~Qdoba has not offered franchises in any other line of business.

To the extent the affiliates named above offer franchises, they do so using separate franchise disclosure documents. We will make any of those disclosure documents available to you upon request.

The following affiliates are direct or indirect wholly-owned subsidiaries of Neighborly and they offer franchises outside the U.S.:

The Dwyer Group Canada, Inc. ("TDGC"), a wholly owned subsidiary of Neighborly since January 1998, was incorporated in the Province of Ontario, Canada on January 21, 1998. TDGC has the right to offer and sell Aire Serv, Dryer Vent Wizard, Five Star Painting, Glass Doctor, HouseMaster, Junk Works, Mr. Appliance, Mr. Electric, Mr. Handyman, Mr. Rooter, Rainbow Restoration, ShelfGenie and The Grounds Guys franchises in Canada under 3-party agreements between TDGC, the applicable affiliate-franchisor, and the franchisee. TDGC, in cooperation with such affiliate-franchisor, provides support and supervision and, at times, assistance or guidance, to Canadian franchisees operating under our or the affiliate's trademarks and systems. TDGC maintains its principal place of business at 1010 North University Parks Drive, Waco, Texas 76707. As of December 31, ~~2023~~2024, TDGC had 13 Mr. Handyman franchises, 24 Mr. Rooter franchises, ~~18~~15 Rainbow Restoration franchises, ~~12~~10 Glass Doctor franchises, ~~12~~13 Mr. Appliance franchises, 8 Mr. Electric franchises, ~~10~~5 Aire Serv franchises, ~~6~~5 Dryer Vent Wizard franchises, ~~14~~15 Five Star Painting franchises, ~~28~~26 The Grounds Guys franchises, ~~24~~18 HouseMaster franchises, ~~18~~20

ShelfGenie franchises and ~~5~~6 Junk Works franchises in operation in Canada. TDGC does not operate a business of the type being franchised and does not offer franchises in any other line of business.

~~Real Property Management Canada, LLC, f/k/a Real Property Management Canada, Inc. ("RPMC"), was incorporated on September 5, 2008 and is located at 1010 North University Parks Drive, Waco, Texas 76707. RPMC was formed to be the franchisor of Real Property Management businesses in Canada, and it is currently operating in that capacity. RPMC has offered and sold one Real Property Management master franchise in Canada under the name Real Canadian Property Management Limited Partnership, with 38 sub-franchises in operation in Canada as of December 31, 2023. RPMC does not offer franchises in any other line of business.~~

Dwyer (UK Franchising) Limited ("Dwyer UK"), a wholly-owned subsidiary of Neighborly since March 9, 2012, was incorporated in England and Wales on March 9, 2012. Dwyer UK has the right to offer and sell Aire Serv and Mr. Electric franchises in the United Kingdom using agreements between Dwyer UK and the franchisee. Dwyer UK, in cooperation with Aire Serv and Electric, provides support and supervision and, at times, assistance or guidance, to franchisees operating under those trademarks and systems in the United Kingdom. Dwyer UK maintains its principal place of business in Five Mile House, 128 Hanbury Rd., Stroke Prior, Bromsgrove, Worcester EG B60 4JZ, United Kingdom. As of December 31, ~~2023~~2024, Dwyer UK had ~~3~~2 Mr. Electric franchises and 2 Aire Serv franchises. Dwyer UK has the right to offer franchises in the United Kingdom for the same type of business as Aire Serv and Electric offer in the U.S. under separate franchise disclosure documents.

In October 2015, a wholly-owned subsidiary of Neighborly, Drain Doctor Holdings Limited (f/k/a Dwyer DD UK Limited), a private limited company registered in England and Wales, acquired ownership of Rooter's UK master licensee that had been offering Mr. Rooter franchises in the U.K. under the name Drain Doctor® ~~and had 67~~. There were 66 Drain Doctor® franchises in the UK as of December 31, ~~2023~~2024.

Rainbow International Systemzentrale Deutschland GmbH ("Rainbow Germany"), a wholly-owned subsidiary of Neighborly since September 18, 2014, was incorporated in Germany on September 18, 2014. Rainbow Germany has the right to offer and sell Rainbow Restoration franchises in Germany using agreements between Rainbow Germany and the franchisee. Rainbow Germany, in cooperation with Rainbow International, provides support and supervision and, at times, assistance or guidance, to franchisees operating under the Rainbow Restoration marks and system in Germany. Rainbow Germany maintains its principal place of business at Flözstraße 18, 73433 Aalen, Germany. As of December 31, ~~2023~~2024, Rainbow Germany had ~~36~~39 Rainbow Restoration franchises in Germany. Rainbow Germany has the right to offer franchises in Germany for the same type of business as Rainbow International offers in the U.S. under a separate franchise disclosure document.

Locatec Ortungstechnik GmbH ("Locatec") is a wholly-owned subsidiary of Neighborly since April 27, 2016. Locatec has the right to offer and sell Locatec franchises in Austria and Germany using agreements between Locatec and the franchisee. Locatec, in cooperation with our affiliates, provides support and supervision and, at times, assistance or guidance to franchisees operating under Locatec trademarks and systems in Germany and Austria. Locatec maintains its principal place of business at Flözstraße 18, 73433 Aalen, Germany. Locatec franchisees offer non-destructive detection of all types of leaks in pipe systems (indoor and outdoor including pipes for gas, water, sewage, and district heat) and flat roofs as well as emergency repair services. As of December 31, ~~2023~~2024, Locatec had ~~44~~50 franchises in Germany and 4 in Austria.

Bright and Beautiful UK Limited ("Bright and Beautiful") is a wholly owned subsidiary of Neighborly since April 13, 2017. Bright and Beautiful has the right to offer and sell Bright and Beautiful franchises in the United Kingdom using agreements between Bright and Beautiful and the franchisee. Bright and Beautiful provides support and supervision and, at times, assistance or guidance to franchisees operating under Bright and Beautiful trademarks and systems in the United Kingdom. Bright and Beautiful franchisees offer domestic cleaning services. As of December 31, ~~2023~~2024, Bright and Beautiful had ~~85~~86 franchises in the United Kingdom.

Countrywide Garden Maintenance Services Limited ("Countrywide") is a wholly owned subsidiary of Neighborly since May 2, 2017. Countrywide has the right to offer and sell Countrywide franchises in the United Kingdom using agreements between Countrywide and the franchisee. Countrywide provides support and supervision and, at times, assistance or guidance to franchisees operating under Countrywide trademarks and systems in the United Kingdom. Countrywide franchisees offer commercial grass cutting, landscape maintenance, grounds maintenance and winter gritting services. As of December 31, ~~2023~~2024, Countrywide had ~~45~~43 franchises in the United Kingdom.

Dream Doors Holdings Limited ("Dream Doors") is a wholly owned subsidiary of Neighborly since February 26, 2019. Dream Doors has the right to offer and sell Dream Doors franchises in the United Kingdom using agreements between Dream Doors and the franchisee. Dream Doors provides support and supervision and, at times, assistance or guidance to franchisees operating under Dream Doors trademarks and systems in the United Kingdom. Dream Doors franchisees offer fully-fitted kitchen makeovers, replacement doors and countertops and the installation of new appliances. As of December 31, ~~2023~~2024, Dream Doors had ~~95~~91 franchises in the United Kingdom.

GreenSleeves Lawn Care Limited (UK) ("GreenSleeves") is a wholly owned subsidiary of Neighborly since October 28, 2022. GreenSleeves has the right to offer and sell GreenSleeves franchises in the United Kingdom using agreements between GreenSleeves and the franchisee. GreenSleeves provides support and supervision and, at times, assistance or guidance to franchisees operating under GreenSleeves trademarks and systems in the United Kingdom. GreenSleeves franchisees offer lawn care services including fertilizer treatments, moss treatments and debris removal in the United Kingdom. As of December 31, ~~2023~~2024, GreenSleeves had ~~96~~99 franchised and ~~8~~11 corporate locations in the United Kingdom.

The following affiliates provide services to Real Property Management franchisees:

ZorWare SPV LLC, a Delaware limited liability company and a wholly-owned subsidiary of Neighborly ("ZorWare"), provides software to us and our affiliates and provides technical support to franchisees and collects fees from franchisees for certain software programs. ZorWare maintains its principal place of business at 1010 North University Parks Drive, Waco, Texas 76707. ZorWare does not own or operate any franchises nor has it offered franchises in any line of business.

ProTradeNet SPV LLC, a Delaware limited liability company and a wholly-owned subsidiary of Neighborly ("ProTradeNet"), negotiates, and sometimes enters into contracts with some of the vendors, suppliers and others who do business or propose to do business with our and our affiliates' franchisees with the goal of obtaining better terms and conditions on which franchisees purchase goods and services for their businesses. ProTradeNet maintains its principal place of business at 1010 North University Parks Drive, Waco, Texas 76707. ProTradeNet does not own or operate any franchises nor has it offered franchises in any line of business.

Neighborly Service Solutions SPV LLC, a Delaware limited liability company and a wholly-owned subsidiary of Neighborly ("Neighborly Service Solutions") was formed in June 2021 to, among other things, negotiate, and sometimes enter into, contracts with some National Accounts. Neighborly Service Solutions also offers certain marketing and other services. Neighborly Service Solutions maintains its principal place of business at 1010 North University Parks Drive, Waco, Texas 76707. Neighborly Service Solutions does not own or operate any franchises nor has it offered franchises in any line of business.

BackOffice SPV LLC ("BackOffice"), a Delaware limited liability company and a wholly-owned subsidiary of Neighborly, has been providing certain temporary bookkeeping assistance and training services to Real Property Management franchisees. BackOffice is located at 1010 North University Parks Drive, Waco, Texas 76707. BackOffice has not offered any franchises in any line of business. BackOffice does not and has not previously conducted business of the type operated by our franchisees.

Except as noted above, none of our affiliates have offered franchises in the same line of business as offered in this disclosure document or in any other line of business, nor have they conducted any other business.

2021 Securitization Transaction

Under a securitization financing transaction that closed in March 2021 (the "2021 Securitization Transaction"), certain of Neighborly's subsidiaries were restructured. As part of the 2021 Securitization Transaction, all existing U.S. franchise agreements and related agreements for Real Property Management franchised businesses were transferred to us, and we became the franchisor of all existing and future franchise and related agreements. Ownership and control of the U.S. trademarks and certain intellectual property relating to the operation of Real Property Management businesses in the U.S. were also transferred to us.

At the time of the closing of the 2021 Securitization Transaction, Manager entered into a management agreement with us to provide the required support and services to Real Property Management franchisees under their franchise agreements. Manager also acts as our franchise sales agent. We will pay management fees to Manager for these services. However, as the franchisor, we will be responsible and accountable to you to make sure that all services we promise to perform under your Franchise Agreement or other agreement you sign with us are performed in compliance with the applicable agreement, regardless of who performs these services on our behalf.

General Description of the Market and Competition

You will target your services to property owners needing third party property management services. You may have to compete with other businesses including franchised operations, national chains, and independently owned companies offering similar services or products to customers. You may also encounter competition from other Real Property Management franchises. Changes in local and national economic conditions and population density affect this industry and are generally difficult to predict. You will face other normal business risks that could have an adverse effect on your business, including pricing policies of competitors, changes to laws or regulations, changes in supply and demand, new technologies and competition from internet -based organizations that provide information and some related products or services. Our ability to fulfill our obligations under our Franchise Agreement depends in part on our present and future financial condition. Litigation risks also exist, including future litigation that may not be predicted.

The franchised businesses operate under our Marks for use in accordance with the System within a specified geographical area (the "Territory"). You may, if we approve, convert an existing business offering similar services to a Business or add additional territory to a Business under the terms stated in the Franchise Agreement and related agreements.

The standard form of franchise agreement we are now offering is included in this disclosure document as Exhibit A (the "Franchise Agreement"). When we update our disclosure document, the form of franchise agreement and other agreements may change, fees and other obligations may increase, and the terms and conditions on which you may obtain a franchise may be less favorable as compared with a previous disclosure document.

Uniformity of franchise agreements among our franchisees may not always be possible or practical. We and our predecessors have offered in the past and we may offer in the future, franchise agreements to other franchisees on terms materially different from those included in this disclosure document. We also may materially vary the franchise agreement terms, conditions, and obligations (including those relating to fees, territories, training and other items) offered to other franchisees and except as may be required by applicable law we have no obligation to disclose these variations to you or to grant the same or similar variation to you.

Some of our affiliates may provide some services that overlap with the services to be provided by your Business. Aire Serv franchisees provide installation, maintenance and repair of residential and commercial heating, ventilating and air-conditioning equipment. Mr. Rooter franchisees provide plumbing and plumbing repair services; sewer, drain and pipe cleaning services; septic tank pumping; water heater replacement; TV pipe inspection; line and leak detection; hydronics; excavation and replacement of sewer lines and other related services and products in homes and commercial buildings. Rainbow International franchisees provide carpet cleaning, dyeing, repair, reinstallation and related services; upholstery, drapery and ceiling cleaning and related services; and deodorization services. Mr. Electric franchisees provide electrical services and repairs. Mr. Appliance franchisees provide service and repair on all major appliances for residential and commercial customers. Glass Doctor franchisees repair and replace auto and flat glass. The Grounds Guys franchisees provide summer and winter commercial, residential and municipal property maintenance and landscaping services and other related products and services. Five Star Painting franchisees provide residential and commercial painting services and other related products and services. Mr. Handyman franchisees provide residential and commercial maintenance, repair and improvement services. The franchisees of our affiliate, DVW, perform installation and repair of, and provide cleaning products and services for, dryer vents, bathroom vents, kitchen vents, appliances, exhaust vents, air movement systems, and washing machine filters and hoses to enhance the performance and safety of clothes dryers and other household appliances. You may compete with one or more of our affiliates' franchisees for the above services in your Territory when you open for business or sometime in the future as each of our affiliates' systems expand.

Industry Specific Regulations

Most states and local jurisdictions have enacted laws, rules, regulations and ordinances which may apply to the operation of your franchise, including those that require a permit, certificate or other license, including but not limited to real estate brokerage licensing. You should also familiarize yourself with federal, state, and local laws of a more general nature, which may affect the operation of your Business. You must comply with employment, health and safety, workers' compensation, insurance, licensing and similar laws and regulations. The laws in your state or municipality may be more or less stringent. You must investigate and comply with all applicable laws and regulations. You alone are responsible for complying with all applicable laws and regulations despite any advice or information that we may give you.

ITEM 2. BUSINESS EXPERIENCE

President: Jeffrey Pepperney

Mr. Pepperney has been our President since March 2021 in Dallas, Texas. From September 2019 until March 2021, he was the President of Predecessor in Salt Lake City, Utah. ~~From May 2018 to September 2019, Mr. Pepperney was President of Sears Home & Business Franchise in Columbus Ohio.~~

Vice President of Operations: Timothy Sedgwick

Mr. Sedgwick has been our Vice President of Operations since March 2021 in Dallas, Texas. From July 2020 to March 2021, he was the Vice President of Operations of Predecessor in Salt Lake City, Utah. From May 2012 until July 2020, he was Predecessor's Director of National Accounts in Salt Lake City, Utah.

~~Treasurer and Chief Financial Officer for Neighborly and Manager: Jon Shell~~

~~Mr. Shell has been our Treasurer as of July 8, 2024, in Waco, Texas. As of July 8, 2024, he has also been the CFO for a number of our parent companies and affiliates, including Manager and Neighborly. From September 2023 until July 7, 2024, he was the Interim CEO and President for Neighborly and Manager, as well as for a number of our other parent companies and affiliates. From March 2021 until September 2023, he was our Treasurer in Waco, Texas. From February 2018 until March 2021, he was the Treasurer for Predecessor. He was also the Chief Financial Officer of Neighborly from September 2015 until September 2023 and of Manager from October 2015 until September 2023, and until September 2023 he was also the VP and CFO for a number of our parent companies and affiliates.~~

~~Vice President of Marketing: Kent Frogley~~

~~Mr. Frogley has been our Vice President of Marketing since March 2021 in Salt Lake City, Utah. From February 2018 to March 2021, he was Predecessor's Vice President of Marketing in Salt Lake City, Utah. He has also been a Partner at Taylor Fife Kent in Salt Lake City, Utah since October 2009.~~

~~The following individuals are included here because they are either officer of Manager or they have management responsibility relating to the sale or operation of franchises offered by this disclosure document:~~

Chief Executive Officer for Neighborly and Manager: Michael Anthony Davis

Mr. Davis has been ~~the~~our Chief Executive Officer ~~of Neighborly, as of July 8,~~since November 2024. ~~As of~~ Since July ~~8,~~ 2024, he has also been the Chief Executive Officer of a number of our affiliates and parent companies, including Neighborly, Manager ~~and of~~, The Dwyer Group LLC, The Dwyer Group, Inc., TDG Intermediate, LLC, Balcones Holdco, Inc., Nest Bidco Inc., Nest Topco Borrower Inc., Nest Topco Guarantor Inc., and Nest Holdings Inc.~~, as well as the Chief Executive Officer of a number of our other parent companies and affiliates.~~ From July 2022 until July ~~5,~~ 2024, he was the CEO of Mathnasium Center Licensing, LLC in Los Angeles, CA. From April 2021 till July 2022, he was self-employed as a consultant in Los Angeles, CA. From May 2017 until April 2021, he was the CEO of Valpak Direct Marketing Systems, LLC in St. Petersburg, FL.

~~Group President of Neighborly: Joshua P. Sevick~~
Senior VP of Finance: Heather Robertson

~~Josh Sevick has been the Group President of Neighborly for the "Enhance/Specialty" group of the Neighborly brands, which group includes the Real Property Management brand, since April 2023. From March 2021 until March 2023, Mr. Sevick was the president of our affiliate, The Grounds Guys SPV LLC, and from July 2019 until March 2021, president of Grounds Guy's predecessor, The Groups Guys LLC. From June 2014 until July 2019, he was the President and then the CEO of MMI CPR, LLC d/b/a Cell Phone Repair in Cleveland, Ohio.~~

Ms. Robertson has been our Senior VP of Finance, and the Senior VP of Finance for a number of our affiliates and parent companies since November 2024. Ms. Robertson has been our Interim Treasurer from September 2023 until July 2024. Also from September 2023 until July 2024, she was the interim Chief Financial Officer of Neighborly and Manager and certain of our other parents and affiliates. From March 2022 until September 2023, she was the Senior VP of Finance of Neighborly, and from January 2018 until March 2022, she was the VP of Finance for Neighborly.

Chief Marketing Officer: Stacy Lynn Bourgeois

Ms. Bourgeois has been our Chief Marketing Officer as well as the Chief Marketing Officer of Neighborly and a number of our other affiliates since December 2024. From May 2023 till November 2024, she was the Head of Product, Quality and Ops for Renewed with Amazon in Seattle, WA. From February 2021 until April 2023, she was the U.S. Head of Musical Instruments with Amazon in Seattle, WA. From October 2019 until January 2021, she was the U.S. Head of Marketing for PCs with Amazon in Seattle, WA.

Secretary of Manager and Franchisor, and EVP, General Counsel and Secretary of Neighborly: Grayson Brown

Mr. Brown has been the Secretary of Manager since May 2018. He has also been the Executive Vice President, General Counsel and Secretary of Neighborly and The Dwyer Group Inc. since May 2018. Previously, he was Vice President and General Counsel of Neighborly from August 2015 until May 2018. He has been our Secretary since March 2021 and previously he was the Secretary of Predecessor from May 2018 until March 2021. He is also the Secretary of our affiliates listed in Item 1 that offer franchises in the U.S. under separate franchise disclosure documents.

Vice President of Marketing: Kent Frogley

Mr. Frogley has been our Vice President of Marketing since March 2021 in Salt Lake City, Utah. From February 2018 to March 2021, he was Predecessor's Vice President of Marketing in Salt Lake City, Utah. He has also been a Partner at Taylor Fife Kent in Salt Lake City, Utah since October 2009.

The following individuals are included here because they are either officer of Manager or they have management responsibility relating to the sale or operation of franchises offered by this disclosure document:

Chief ~~Strategy & Marketing~~Growth Officer for Neighborly: ~~Roger Chacko~~Reese Edward Neumann

Mr. ~~Chacko~~Neumann has been the Chief ~~Strategy & Marketing~~Growth Officer ~~for~~of Neighborly since ~~March 2021. From August 2019 until February 2021, Mr. Chacko was a principal with Olympic Property Group in Plymouth, MN. From May 2017 until July 2019, he was the Chief Commercial Officer and then a consultant with Planet Fitness in Hampton, NH.~~ January 2025. From September 2024 till January

2025, he was a consultant for Purposed Brands in Plano, TX. From September 2015 until June 2024, he was the VP Strategy, CFO of Yum Brands in Plano, TX.

Chief Development Officer for Neighborly: Bradley Stevenson

Mr. Stevenson has been Chief Development Officer for Neighborly since October 2019. ~~From November 2013 to October 2019, Mr. Stevenson was Vice President of Sales - Grocery of MillerCoors LLC in Chicago, Illinois.~~

Group Vice President of Franchise Development for Neighborly: Brian Wieters

Mr. Wieters has been the Group Vice President of Franchise Development for Neighborly since February 2022 in Waco, TX. From March 2018 until February 2022, he was the Executive VP of Enviro-Master Services in Charlotte, NC.

Senior VP Franchise Support Services for Neighborly: David Luke Stanton

Mr. Stanton has been the Senior VP, Franchise Support Services of Neighborly since December 2024. From January 2018 until December 2024, he was the President of our affiliates ProTradeNet and NS Neighborly Service Solutions SPV LLC and their predecessors.

Except as otherwise stated above, the location of each of the positions described above was 1010 North University Parks Drive, Waco, Texas 76707.

ITEM 3. LITIGATION

John Gitlin, Marika Barber, and Surf and Sea Properties, Inc. v. Property Management Business Solutions, LLC, in the Superior Court of San Diego County, California, Case No. 37-2016-0000023515. On July 11, 2016, the plaintiffs, Real Property Management franchisees, filed a complaint against Predecessor alleging breach of contract, breach of implied covenant of good faith, fraud, violation of FTC franchise rules, violation of California franchise laws, negligent misrepresentation, and declaratory relief. Plaintiffs claim unspecified damages based on their assertion that Predecessor had prior knowledge of competing use of its marks in San Diego, California before selling the San Diego franchises to plaintiffs. Predecessor denied plaintiffs' claims. On September 1, 2016, Predecessor moved to compel arbitration before the American Arbitration Association in Utah, per the terms of the parties' franchise agreements. The California court granted Predecessor's motion on January 6, 2017, and stayed the lawsuit. The dispute was settled on April 3, 2017. Pursuant to the settlement agreement, the parties agreed to terminate the two franchises owned by plaintiffs in San Diego County, California, and Predecessor agreed to forgive all amounts owed by plaintiffs to Predecessor under the franchise agreements for such franchises. Additionally, pursuant to the settlement agreement, Predecessor agreed to purchase, and plaintiffs agreed to sell, plaintiffs' franchise in Salt Lake City, Utah. Predecessor purchased plaintiffs' franchise in Salt Lake City, Utah in October 2017 for an aggregate purchase price of $786,542.03. The case was dismissed with prejudice on October 8, 2017.

Jose Garcia v. Federal National Mortgage Association, Flagstar Bank, OI P. Huang, Consolidated Property Management, Corelogic, Inc., La Maison Properties, Hernandez Building & Preservation, Property Management Business Solutions, LLC, and Does 9-30, Case No. RG14709418 in the Superior Court for the State of California, Alameda County. On January 9, 2014, Plaintiff Jose Garcia, a tenant of property owned by certain of the defendants, filed an action against Fannie Mae, Judy Xiao individually, and Flagstar Bank. Garcia later amended his complaint to name several other property management entities

and other related entities, including Predecessor. Garcia sought general, special, exemplary, and other damages for claims of breach of the implied warranty of habitability, violations of California housing codes and ordinances, breach of quiet enjoyment, nuisance, premises liability, retaliation, negligence, and unfair business practices, among others. Garcia alleged that his property had fallen into disrepair, defendants failed to maintain the property, and that, based on his complaints about the property's condition, certain defendants retaliated against him by bringing an eviction action. Predecessor denied all of the allegations in the complaint and vigorously defended against all claims, including by filing a cross-complaint. On September 29, 2017, the parties settled this dispute with Predecessor agreeing to pay Garcia $13,000. The action was fully dismissed, with prejudice, on January 29, 2018.

~~Oliver McDonald, Jr., v. Federal National Mortgage Association, Inc., Real Property Management Experts, Federal National Mortgage Association, Real Property Management Peninsula, Property Management Business Solutions, LLC, and Does 4-30, Case No. RG13681092 in the Superior Court for the State of California, Alameda County. On May 28, 2013, Plaintiff Oliver McDonald, a tenant of property owned by certain of the defendants, filed an action against Fannie Mae and several property management and related entities, including Predecessor. McDonald sought general, special, exemplary, and other damages for claims of breach of the implied warranty of habitability, disability discrimination, statutory elder abuse, violations of California housing codes and ordinances, breach of quiet enjoyment, nuisance, premises liability, retaliation, negligence, constructive eviction, retaliatory eviction, and unfair business practices, among others. McDonald alleged that his property had fallen into disrepair, defendants failed to maintain the property, and that, based on his complaints about the property's condition, certain defendants retaliated against him by bringing an eviction action. Predecessor denied all of the allegations in the complaint and vigorously defended against all claims. On July 3, 2014, the parties settled this dispute with Predecessor agreeing to pay McDonald $20,000. The action was dismissed, with prejudice, on August 8, 2014.~~

Nya Bechard v. Federal National Mortgage Association, Inc., Real Property Management Experts, S &I Ventures, Inc., and Does 1-30 / Federal National Mortgage Association v. Property Management Business Solutions, Inc., aka Real Property Management and Does 1-50, Case No. RG14750411 in the Superior Court for the State of California, Alameda County. On December 5, 2014, Plaintiff Nya Bechard, a tenant of property owned by certain of the defendants, filed an action against Fannie Mae and several property management and related entities. Bechard later amended her complaint to add Predecessor as a defendant, and Fannie Mae cross-complained against Predecessor for express indemnity, comparative indemnity, total equitable indemnity, and contribution. Bechard sought general, special, exemplary, and other damages for claims of breach of the implied warranty of habitability, breach of contract, violations of California housing codes and ordinances, breach of quiet enjoyment, nuisance, premises liability, retaliation, negligence, constructive eviction, retaliatory eviction, and unfair business practices, among others. Bechard alleged that her property had fallen into disrepair, defendants failed to maintain the property, and that, based on his complaints about the property's condition, certain defendants retaliated against her by bringing an eviction action. Predecessor denied all of the allegations in the complaint and vigorously defended against all claims. On September 29, 2016, Bechard and Fannie Mae settled the complaint pursuant to a settlement agreement and the complaint as to Fannie Mae was dismissed with prejudice on June 16, 2017. On October 17, 2017, Fannie Mae and Predecessor settled the cross-complaint with Predecessor agreeing to pay Fannie Mae $75,000, and the cross complaint was dismissed, with prejudice, on November 20, 2017.

Administrative Orders involving Affiliates and not involving the Franchisor:

The Commissioner of Business Oversight of the State of California v. FOR Franchising LLC d/b/a Window Genie and Richard Nonelle. On November 14, 2017, FOR Franchising LLC ("FOR"), a predecessor to our affiliate Window Genie that offered Window Genie franchises until March 2021, and

Richard Nonelle, then-president of FOR, entered into a Consent Order with the Commissioner of Business Oversight of the State of California (the "Consent Order"). The Commissioner alleged that FOR and Mr. Nonelle had violated Section 31156 of the California Franchise Investment Law by failing to submit to the Commissioner copies of two advertisements offering a Window Genie franchise before such documents were provided to California residents in 2013. In an effort to resolve the matter in the most economical manner, and without admitting any liability or wrongdoing, FOR and Mr. Nonelle entered into the Consent Order and agreed, in full, final and complete resolution of the matter, that (a) FOR and Mr. Nonelle would desist and refrain from violations of section 31156 of the California Franchise Investment Law; (b) FOR would pay an administrative penalty in the total amount of $5,000 (which amount FOR paid) and (c) within 90 days of the date of the Consent Order, Mr. Nonelle and all persons employed by FOR who assist in preparing franchise registrations or who assist in franchise selling would attend remedial education of eight hours of franchise law training courses per person (which requirement has been completed).

State of Kansas v. Molly Maid, Inc. (18th Judicial District, Sedgwick County, Kansas, Case No. 10CV4719). On November 29, 2010, Molly Maid, Inc. ("MMI"), a predecessor to our affiliate Molly Maid, entered into a Journal Entry of Consent Judgment and Permanent Injunction (the "Consent Judgment"). The District Attorney for the Eighteenth Judicial District alleged that MMI had violated the Kansas Consumer Protection Act ("KCPA") as a result of one Molly Maid franchisee being unable to document that background checks were performed on certain of its employees and the sale of gift certificates after the franchise was terminated. MMI vigorously denied any violation of the KCPA, however in an effort to resolve the matter in the most economical manner, and without admitting any liability or wrongdoing, MMI entered into the Consent Judgment and agreed to pay a civil penalty of $25,000 and to reimburse the District Attorneys' office $25,175 for its costs associated with the investigation, and to be enjoined from engaging in any act or practice, as alleged to have violated the KCPA. The Consent Judgment was marked satisfied on April 29, 2011 and MMI is in full compliance with the Consent Judgment.

Litigation by Us Against Franchisees in the Last Fiscal Year

During fiscal year 2024, we initiated one lawsuit against franchisees as follows:

Suit to Enforce Covenant Not-To-Compete:

Real Property Management SPV LLC v. Aaron Truitt, Case No. 2:24-cv-00184-CMR, filed on March 15, 2024 in the United States District Court for the District of Utah, Central Division.

Other than these actions, no litigation is required to be disclosed in this Item.

ITEM 4. BANKRUPTCY

Bankruptcy proceedings involving portfolio companyies controlled by KKR (at the time of the bankruptcy proceeding) and not involving the Franchisor:

In re. The Collected Group LLC. The Collected Group LLC, a Delaware limited liability company (a fashion brand owner), located at 4775 Eucalyptus Avenue, Chino, California, filed a prepackaged Chapter 11 Plan of Reorganization in the United States Bankruptcy Court for the District of Delaware on April 5, 2021 (Case No.: 21-10663). The company emerged from bankruptcy on May 2625, 2021 after completing a restructuring.

In re. Envision Healthcare Corporation. Envision Healthcare Corporation, a healthcare provider headquartered at 20 Burton Hills Blvd, Suite 500, Nashville, Tennessee, filed a Chapter 11 reorganization

in the United States Bankruptcy Court for the Southern District of Texas on May 15, 2023 (Case No.: 23-90341). The company emerged from bankruptcy on November 3, 2023, after completing a restructuring.

In re. Genesis Care Pty Limited. Genesis Care Pty Limited, a healthcare provider, headquartered at Building 1 The Mill, 41-43 Bourke Road, Sydney, New South Wales, Australia, filed Chapter 11 reorganization in the United States Bankruptcy Court for the Southern District of Texas on June 1, 2023 (Case No.: 23-90614). The company emerged from bankruptcy on February 16, 2024, after completing a restructuring.

In re. IPI Legacy Liquidation Co. IPI Legacy Liquidation Co. (f/k/a Impel Pharmaceuticals Inc.), a commercial-stage pharmaceutical company, headquartered at 201 Elliott Avenue West, Suite 260, Seattle, Washington, filed a Chapter 11 reorganization in the United States Bankruptcy Court for the Northern District of Texas on December 19, 2023 (Case No.: 23-80016). The company emerged from bankruptcy on April 5, 2024, after completing a restructuring.

Café Coffee Day, an operator of a retail chain of cafes in India, headquartered at #23/2, Vittal Mallya Road, Bangalore, Karnataka 560001, India, filed an insolvency resolution in the Bangaluru Bench of the National Company Law Tribunal on August 8, 2024 (Company Petition (IB) No. 152/BB/2023). As of February 27, 2025, the Chennai bench of the National Company Law Appellate Tribunal passed the order, allowing the appeal of Coffee Day Enterprises, and set aside the National Company Law Tribunal's (NCLT) August 2024 insolvency order against the company. The initial petition for insolvency was filed on January 18, 2021 by creditors of Café Coffee Day.

Other than the above-listed proceedings, no other bankruptcy proceeding is required to be disclosed in this Item.

ITEM 5. INITIAL FEES

Initial Franchise Fee

The initial franchise fee is $59,900 for a standard Real Property Management franchise (the "Minimum Initial Franchise Fee"), which is generally granted within a centralized metropolitan area that has a population that exceeds 100,000 people and more than 10,000 single family rentals. We reserve the right to grant franchises to new and current franchisees within an isolated metropolitan area that has a population of less than 100,000.

You must pay the initial franchise fee in full when you sign the Franchise Agreement. The initial franchise fee is fully earned upon receipt and is non-refundable. Although we do not typically finance, financing for the initial franchise fee may be available in limited circumstances as noted in Item 10.

Only the VetFran discount, if you qualify for it, may bring the initial franchise fee you must pay to an amount below $59,900.

In the year ended December 31, ~~2023~~2024, the average initial franchise fee paid by Real Property Management franchisees was approximately $~~53,168~~53,381, and the initial franchise fee paid ranged from $~~10,000~~29,950 to $59,900 based on the population in the territory purchased and available discounts. The lower amount in the range was paid by existing franchisees purchasing an additional territory.

Discount Programs

Our discount programs are as follows:

VetFran Discount

We are a member of the International Franchise Association ("IFA") and participate in the IFA's VetFran Program. If you are a United States honorably discharged veteran (as such term is defined by us in our sole discretion) who meets our qualifications for purchasing a franchise, we will discount the Minimum Initial Franchise Fee ($59,900) by fifteen percent (15%). In determining who is a "veteran," we may be guided, in whole or in part, by any definitions we find appropriate, including definitions used by the federal government of the United States in determining who is eligible for federal benefits intended for veterans.

Roll-In Discount

If you have an existing business with 20 or more properties under management, that business is similar to the franchise, and you agree to merge it with the Business under the terms of the Roll-In Addendum, we will discount the initial franchise fee up to a maximum discount of 50% as follows (the Roll-In Discount"):

Range of Properties being Rolled-In	Percent Discount on Initial Franchise Fee
20-50	20%
51-100	30%
101-150	40%
150+	50%

Multi-Unit Franchisee Discount

If you ~~have been a~~are a qualified existing Real Property Management franchisee ~~for at least 2 years and meet all other then-current requirements to expand set by Franchisor, and you purchase additional territory from us under a new franchise agreement, own a controlling interest in your existing territory ownership structure, and will own a controlling interest in the new territory ownership structure, and the transaction is not subject to an arrangement with a broker~~buying an additional franchise or if you are a qualified new franchisee buying multiple Real Property Management franchises at the same time, you will receive a 50% discount off the Minimum Initial Franchise Fee on your second (or subsequent) franchise; provided that you own a controlling ownership interest in each applicable franchise and the transaction is not subject to an arrangement with a broker.

If you have been a Real Property Management franchisee for at least two years, you meet our established requirements, and you are approved by us, you may also purchase a franchise for a specific area with population of 60,000 or less located within a short distance (no more than a 2 hour drive) from your existing franchise location. The franchise fee for such franchises ranges from $5,000 and $10,000, depending on the population of the city in which the franchise is to be located, provided that to receive the

reduced franchise fee, the transaction cannot be subject to an arrangement with a broker. Specifically, the initial franchise fee will be $10,000 for populations of 40,000 to ~~60,0000~~60,000, $7,500 for populations of 20,000 to 40,000 and $5,000 for populations of less than 20,000 people. Current franchisees that wish to operate an additional franchise in these smaller population areas must be in good standing, have at least 80 units under management and have an established infrastructure.

Additional Concept Discount

If you have been a franchisee of one of our affiliates (see Item 1) for at least 2 years and you purchase a franchise from us, you will receive a 10% discount on the initial franchise fee (the "Additional Concept Discount").

ITEM 6. OTHER FEES

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
License Fee[1, 2,3]	The greater of (i) 7% of Non-Maintenance Gross Sales *plus* 3% of Maintenance Revenues or (ii) the Minimum License Fee described below~~, except for "roll-in" sales~~ The Minimum License Fee will be $0 per month for months 1-4; $250 per month for months 5-12; $500 per months for months 13-24; and $1,000 thereafter until the end of the term of the franchise agreement. In the event a franchisee signs mid-month, the month in which they signed and the following month will be treated as month 1.	15th day of each month	See notes.
MAP ~~Fee[1,2,3,6]~~Fee[1,2,3]	2% of Non-Maintenance Gross Sales	15th day of each month	Marketing, Advertising and Promotion Fund fee. See notes.
Local Marketing Groups[1,2,3,4]	Not to exceed 5% of Non-Maintenance Gross Sales for the previous calendar year. As of the issuance date of this Franchise Disclosure Document, we may require that a portion of your LMG contribution (currently, 2% of Non-Maintenance Gross Sales) be paid for use towards the Neighborly marketing and brand awareness initiatives.	Determined by LMG members	We may designate local advertising markets and advertising cooperatives and/or local marketing groups for such markets ("LMGs"), and if designated, you must participate in and contribute to the LMG's advertising and marketing programs in your market. Your contribution to the LMG will count towards any required Minimum Local Marketing Spending but any required Minimum Local Marketing Spending will not represent a

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
			limit on your LMG contributions. (see Item 11).
Minimum Local Marketing Spending[1,2,3,4]	The greater of: (a) $32,000 per calendar year or (b) 5% of your Non-Maintenance Gross Sales for the previous calendar year Monthly fees for the Digital Marketing Program are a minimum of $349.00 per office.	Annually	You must spend this amount annually on approved local marketing and advertising of your Business in addition to any MAP Fees you must pay to us. Amounts paid to an LMG, the Digital Marketing Program, and certain other amounts of local advertising spending will count towards the Minimum Local Marketing Spending, as more particularly described in the Operating Manual.
System Technology Monthly Fees[1,5]	Currently $106 Additional Office Licenses can be purchased for: • ~~$4.00~~4.50 fee per month for each Microsoft Exchange email account • ~~$10.00~~10.50 fee per month for each Office 365 E1 email account • ~~$23.00~~24.00 fee per month for each Office 365 E3 email account	Paid monthly (currently on the 15th of each month) via ACH.	You must use the System Technology that we from time to time specify. Currently, this fee will provide you access to: Review and Reputation Management Platform, RPM-Intranet, RPM online learning courses, Royalty Submission Tool ("RST"), one Microsoft Office365 exchange email account and one Microsoft Office Exchange E3 email account (2 email accounts total) (the "System Technology"). You must sign the agreement attached as Exhibit M before you may use the System Technology. ~~These fees may increase in the future, but not more than by 20% annually, in addition to increases due to additional or different software being added to the System Technology and direct price increases from third-party vendors.~~ As of the date of this Disclosure Document, we don't anticipate these fees to increase by more than 30% annually in addition to any direct price increases from third-party vendors. We reserve the right to suspend your access to any or all software

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
			within the System Technology if you fail to timely pay these fees.
Late Fees (on System Technology fees)	$25 per month or the maximum amount allowed under law, whichever is less.	As incurred.	If you fail to pay the System Technology fees within 30 days of the invoice date you will be required to pay this late fee.
~~Property Management Software[1,5]~~	~~One-time account setup fee of $400.~~ ~~Monthly fees for the approved Property Management Software (currently AppFolio) are determined based on the number of property units managed, currently with a monthly minimum of $258 which includes the first 200 units.~~ ~~• $1.29 per unit after the initial 200~~ ~~• New RPM franchisees will receive a $50 monthly credit for the first 12 months of operation or until they reach 200 units under management, whichever occurs first.~~	~~Monthly, when you are billed~~	~~You must use the Property Management Software (currently AppFolio) and sign the agreement attached as Exhibit L. These fees are currently paid by franchisees directly to the third-party vendor.~~ ~~The monthly fees may change in the future. We may change the Property Management Software from time to time.~~
Task Management and Lead Management Software[1,5]	Our then-current monthly fee. Currently, $100 for the management of up to 110 property units; additional charge of $.90 per unit applies after the initial 110 property units.	Paid monthly (currently on the 15th of each month) via ACH	You must use our Task Management and Lead Management software, currently LeadSimple. You must sign the agreement attached as Exhibit M before you may use the Task Management and Lead Management software. ~~These fees may change in the future.~~ (See also Items 8 and 11). We reserve the right to suspend your access to the Task Management and Lead Management Software, currently LeadSimple, if you fail to timely pay these fees. As of the date of this Disclosure Document, we don't anticipate this fee to increase by more than 30% annually in addition to any direct price increases from third-party vendors.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Monthly BackOffice Bookkeeping Assistance Fee[1,6]	Currently $17.00 per property unit under management, $400.00 minimum. Hourly rate (currently $75/hour) applies to certain additional work, including data entry error corrections upon the parties' entering into the Bookkeeping Assistance Program Service Agreement.	Monthly, when you are billed, beginning the month after your Franchise Agreement is signed.	You must pay your BackOffice Bookkeeping Assistance Fee directly to our Affiliate, BackOffice. <br~~This fee may adjust to the market rates at BackOffice's discretion.~~ A catch-up fee may also apply (see note 6) As of the date of this Disclosure Document, we don't anticipate this fee to increase by more than 30% annually in addition to any direct price increases from third-party vendors.
Monthly HelpDesk Plus Fee[1,6]	Currently $400 per month	Monthly, when you are billed, beginning the month that you are no longer required to participate in the Monthly BackOffice Bookkeeping Assistance program.	You must pay your Monthly HelpDesk Plus Fee directly to our Affiliate, BackOffice. ~~The fee amount may change upon 30 days' notice.~~ ~~See note 6. The monthly fees may change in the future.~~As of the date of this Disclosure Document, we don't anticipate this fee to increase by more than 30% annually in addition to any direct price increases from third-party vendors. See note 6.
Quarterly Bank Review Fee[1, 6]	$350 for the first quarter; $250 for every quarter thereafter	Quarterly, when you are billed, beginning the month that you are no longer required to participate in the Monthly HelpDesk Plus program and sign up for the Quarterly Bank Review service.	You may choose to participate in our Quarterly Bank Review. If you choose to participate, you must pay your Quarterly Bank Review Fee directly to our Affiliate, BackOffice. See note 6. As of the date of this Disclosure Document, we don't anticipate this fee to increase by more than 30% annually in addition to any direct price increases from third-party vendors.
Fine for Marketing Outside of Territory[1]	$~~500.00~~500 per violation	When you are billed	Payable per violation if you market, solicit customers, perform services or sell products related to the Business outside of your Territory without our prior written consent.
Annual Convention/	Currently $1,000	When you are billed, which may be via	We charge you a per-person registration fee to attend the

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Reunion Fees[1]		automatic bank draft, or within 30 days after the Annual Convention via automatic bank draft.	Annual Convention/Reunion. You must attend the Annual Convention/Reunion each year (see Item 11). We will charge you $~~1,000~~2,000 if you fail to attend or participate. The fees may increase in the future, but as of the date of this Disclosure Document, we don't anticipate the fees to increase by more than 30% annually.
Transfer Fee[1]	$10,000	Before transfer	You must pay us this fee when you sell your Business, but we may discount or waive the transfer fee if the transfer is to a legal entity you control or to a member of your immediate family (See Section 10.C of the Franchise Agreement).
Late Fees[1] (Franchise Agreement)	$10 per day	On demand	Applies to overdue fees from the due date until all sums are paid.
Dishonored Check or ACH Draft[1]	$~~25~~50	On demand	You must pay us for each check returned or ACH draft refused by your financial institution for insufficient funds in your account.
Interest[1]	12% on unpaid balances	On demand	Payable on all overdue amounts. The twelve percent (12%) charge is calculated as a per annum rate but may be collected on demand, including weekly or monthly through automatic bank draft.
~~Failure to Maintain Insurance[1]~~	~~Our actual costs for insurance premiums and a reasonable fee for expenses we incur~~	~~On demand~~	~~If you fail to maintain the required insurance coverage on your franchise, we may acquire and pay for the insurance coverage and charge you.~~
Audit[1]	Cost of audit plus expenses, plus any amount owed as shown by the audit, plus interest and late fees	When you are billed	Payable if we make a finding of an understatement of Non-Maintenance Gross Sales or Maintenance Revenues of 2% or more or if you fail to provide requested information within 30 days of our initial request. The fees may increase in the future, but as of the date of this Disclosure Document, we don't

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
			anticipate these fees to increase by more than 30% annually.
Audit Noncompliance Fee	$500 per document (up to $2,500 per audit) that you fail to timely make available to us in connection with an audit; And/or: cost of audit, if audit is rescheduled due to your failure to cooperate with the audit	On demand	Payable if you fail to timely make available to us requested documents in connection with an audit. In addition, if we must reschedule an audit due to your lack of cooperation, you will be required to pay for the cost of the audit.
Renewal Fee[1,7]	$3,000	On renewal	See Item 17 for terms and conditions for renewal.
Amendment Fee[1]	$300	When you are billed	You must pay us a processing fee for modifications to our franchise agreement that are made at your request. When you request an amendment to your franchise agreement or related agreements, if we approve such amendment, 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.
~~Unapproved Suppliers[1]~~	~~Our actual out-of-pocket costs of inspection or testing~~	~~On demand~~	~~See Item 8.~~
Supplemental Training[1]	Currently, $250 per day, plus your costs and expenses in attending	Time of training	If you request or are required to repeat training in addition to the initial training program (see Item 11), we reserve the right to charge you a training fee, plus you must pay your costs and expenses in connection with such training. As of the date of this Disclosure Document we may conduct our training programs remotely/ virtually and so you may not incur any travel expenses if your training is done virtually. As of the date of this Disclosure Document, we don't anticipate this fee to increase by more than 30% annually.
Ongoing Training[1]	Currently $600 - $1,500 (depending on location of training and number of days of training)	Time of program	You may also be required to attend two or more ongoing training sessions per year, if offered, which will not exceed 4

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
			days. We may charge you a tuition fee and you must pay for your travel expenses related to such training. The range of the costs described herein is the current estimate of the tuition fee ~~and travel expenses.~~ As of the date of this Disclosure Document, we may conduct our training programs remotely /virtually and so you may not incur any travel expenses if your training is done virtually. As of the date of this Disclosure Document, we don't anticipate this fee to increase by more than 30% annually.
Indemnification and attorneys' fees and costs[1]	Varies according to loss	On demand	If we must engage an attorney to enforce our rights under the Franchise Agreement and we prevail, or if we are sued because of something you do or fail to do, you must indemnify us and/or reimburse us for all costs, including reasonable attorneys' fees (which may include outside counsel fees and in-house legal costs charged at rates comparable to outside attorneys), interest, court costs and expenses expended or incurred in enforcing our rights.
Tax Reimbursement[1]	Varies according to tax	When you are billed	You must pay us or to taxing authorities (as applicable) an amount equal to any sales tax, use tax, gross receipts tax, documentary stamp tax or similar tax (other than income tax), fees or charges imposed on us due to any required payments you make to us. You must pay us such additional amounts as necessary so that we receive all payments from you in full as if no such tax applied.
~~Paradox ATS Fee~~	~~The then-current annual fee.~~ ~~The fee for 2024 is $650.~~	~~In 2024, when you're billed;~~	~~We make this optional third-party web-based applicant tracking system (ATS) available to you, subject to your agreement to Paradox Inc.'s terms of use.~~

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
	~~The annual fee for 2025 will be between $500 and $650.~~	~~January 2025 and annually thereafter~~	~~We may increase the fee annually to reflect price increases from the vendor, Paradox, Inc., but the fee will not increase more than 5% over prior year.~~ ~~You may opt out of the Paradox ATS at any time.~~

NOTES

1. **Fee Payment Information**. All fees are non-refundable and, except as otherwise provided, all fees are uniformly imposed. All fees are imposed by us and are payable to us, except (i) the fees for BackOffice Bookkeeping Assistance, HelpDesk Plus Program, and Quarterly Bank Review, which are imposed by us, collected by our designee (currently our affiliate BackOffice) and may be passed through to the service provider, (ii) the fees for our System Technology, which are imposed by us, collected by our designee (currently our affiliate ZorWare) and may be passed through to the service provider, (iii) the fees for the ~~Property Management Software, which franchisees pay directly to the third-party vendor, (iv) the fees for the~~ Task Management and Lead Management software, currently LeadSimple, which are imposed and collected by our designee (currently, our affiliate ZorWare) but may be passed through to the third-party service provider; and (~~v~~iv) any local or regional LMG fees, which are imposed by us, and may be payable to us or the LMG. You may be required to pay by automatic bank draft all current and future fees specified in this Item 6. In particular, you should be aware that all monthly fees due to us are currently calculated via the Royalty Submission Tool ("RST") and are paid by automatic bank draft, and you should plan accordingly. See Item 11 for information about electronic reporting of Non-Maintenance Gross Sales and Maintenance Revenues and payment of fees by automatic bank draft. Some banks or other financial institutions may charge a fee for electronic transfers.

2. **License Fees and MAP Fees**. From and after you execute your Franchise Agreement, you begin to report Gross Sales and Maintenance Revenues and pay us a monthly license fee (the "License Fee") based on the previous month's Non-Maintenance Gross Sales and Maintenance Revenues, equal to the applicable license fee described in the table above~~, except that if you execute the Roll-In Addendum (attached as Schedule I to the Franchise Agreement) and roll into the Franchised Business an existing business, we may, for the initial term of the Franchise Agreement, waive your obligation to pay License Fees with respect to Non-Maintenance Gross Sales and Maintenance Revenue associated with specific customers of the existing business identified in the Roll-In Addendum,~~. In addition, you must pay the marketing, advertising and promotion fee (the "MAP Fee") equal to the applicable MAP fee described in table above.

3. **Standard Fees; Non-Maintenance Gross Sales and Maintenance Revenues.** All fees expressed in percentages are calculated by multiplying the percentage stated by the total monthly Non-Maintenance Gross Sales or Maintenance Revenues, as the case may be, unless otherwise indicated.

Non-Maintenance Gross Sales include the total revenues and receipts from whatever source (whether in the form of cash, credit, agreement to pay, barter, trade or other consideration) that arise, directly or indirectly, from the operation of or in connection with your Business whether under any of the Marks or otherwise, including, without limitation, all proceeds from any business interruption insurance, minus Maintenance Revenues. Non-Maintenance Gross Sales exclude sales taxes collected from customers and paid to the

appropriate taxing authority and any other bona fide refunds, rebates or discounts that we authorize in writing.

Maintenance Revenues include all gross revenue derived from repairs and maintenance services to real property or equipment, such as, but not limited to, painting, lawn care, preventative maintenance, cleaning, plumbing, and general repairs to real property or equipment, whether such gross revenue is generated by (i) Franchisee; (ii) any business entity that controls, is controlled by, or is under common control with Franchisee; or (iii) any person or family member of any person with an ownership interest in Franchisee. Pass-through expenses, such as costs of outside vendors, may not be deducted from Maintenance Revenues without prior approval from us, and must be accounted for through your trust account. Maintenance Revenues exclude sales taxes collected from customers and paid to the appropriate taxing authority and any other bona fide refunds, rebates or discounts that we authorize in writing.

4. **Minimum Local Marketing Spending; Local Marketing Groups/Advertising Cooperatives**. You must spend an amount annually on approved local marketing and advertising of your Business (the "Minimum Local Marketing Spending") equal to the greater of: (a) $32,000 per calendar year or (b) 5% of your Non-Maintenance Gross Sales for the previous calendar year. The amount you spend on Minimum Local Marketing Spending will be in addition to any MAP Fees you must pay to us. Amounts paid to an LMG, certain other amounts of local advertising spending, and amounts paid to the Digital Marketing Program will count towards the Minimum Local Marketing Spending, as may be more particularly described in the Operating Manual. The Digital Marketing Program will be required for purposes of training for a minimum period of 12 months of operation. After 12 months, you can request to no longer use the Digital Marketing Program. The fees for the Digital Marketing Program are the minimum amount per month, and are typically non-refundable. The amount charged by Digital Marketing Program may be adjusted to reflect market fluctuations. The Digital Marketing Program Participation Agreement is attached as Exhibit Q to this disclosure document. If you fail to make the required expenditures, we have the right to collect the deficiency and spend it as provided below in this paragraph. We reserve the right to require you to use one or more designated vendors in connection with your local marketing and promotional activities. In addition, we reserve the right to collect (on a monthly or quarterly basis, as we may from time to time designate) the Minimum Local Marketing Spending and in return provide to you local promotional, marketing and advertising materials and related services to promote the Business in the Territory. Should your franchise agreement terminate prior to our providing such local promotional, marketing and advertising materials and related services in the Territory, we reserve the right to contribute the Minimum Local Marketing Amounts collected to the MAP Fund.

If advertising cooperatives are set up, franchisor-owned outlets will not have controlling voting power, although as franchisor, we will set the contribution rates and franchisor-owned outlets will contribute at the same rate. If local marketing groups are set up, the franchisor will set the contribution rates and franchisor-owned outlets will contribute at the same rate; the members will have no votes but they will advise the franchisor on the local marketing group's strategies and initiatives. There currently are no cooperatives.

5. **System Technology and Other Software.** We require you to use our System Technology, which currently includes Review and Reputation Management Platform, RPM-Intranet, RPM online learning courses, RST, management feed platforms, one Microsoft Office365 exchange only email account and one Microsoft Office365 Exchange E3 email account, and required accounting, reporting and other software we from time to time specify. You must also use our Task Management and Lead Management Software (currently LeadSimple). ~~You must also use the Property Management Software (currently AppFolio) provided by our designated source.~~ The monthly fees are described in the table above. All System Technology fees and the Task Management and Lead Management Software fees are currently paid to our affiliate ZorWare.

You must also use the Property Management Software (currently AppFolio) provided by our designated vendor. Property Management Software fees are imposed by, and paid directly to, the third-party vendor~~.~~ (currently, a one-time account setup fee of $400 and monthly fees based on number of property units managed, with a minimum of $258/month (which includes the first 200 units); $1.29 per additional unit after 200; new franchisees receive a $50 monthly credit for the first 12 months of operation or until they reach 200 units under management).

We may at any time substitute or add a different required software for operations, accounting and reporting and office/other business functions for the franchised business, any such software may be provided by us, a third party or a combination of providers, and you will be required to pay to us or the third-party provider fees for such software and sign related software license agreements. ~~Enrollment and monthly fees for required software may change in the future. Currently, you must pay these fees by automatic bank draft (ACH) and we determine the upgrade fee each year for our System Technology. With respect to required software provided by a third party (currently AppFolio), that third-party provider will determine payment methods and future fee increases.~~

6. **BackOffice Bookkeeping Assistance Program and Catch-up Fee; HelpDesk Plus, and Quarterly Bank Review.** The BackOffice Bookkeeping Assistance Program will be provided to you for purposes of training for a minimum period of 12 months of operation. After 12 months and once you have at least 100 units under management, you can request to no longer use BackOffice Bookkeeping Assistance Program and if you meet our criteria, and if, in our sole discretion we determine that you are ready and able to maintain the books of the franchise without further assistance, you may transition to HelpDesk Plus program for a minimum of six months. This fee is the minimum amount per month and is typically non-refundable. The amount charged by BackOffice may be adjusted to reflect market fluctuations. The BackOffice Bookkeeping Assistance Program Service Agreement is attached as Exhibit I to this disclosure document.

The Catch-up fee applies based on the net increase of units managed per month, as all fees are prepaid for the coming month. By way of example, if you have 40 units on the 15th of March, you will pay all fees due for the month of April on that date, based on 40 units. If, on April 15th, you have 50 units, then on that date you will pay for the services rendered for those additional 10 units, as well as pay all fees due for the month of May, based on 50 units.

After completing the BackOffice Bookkeeping Assistance Program, you must utilize the BackOffice HelpDesk Plus Program for a period of at least 6 months. After completing the BackOffice HelpDesk Plus Program, you may participate in the BackOffice Quarterly Bank Review Program, pursuant to which BackOffice will provide quarterly bank account review and related services.

7. **Renewal.** If you are signing a franchise agreement as part of a renewal and (i) have executed a renewal franchise agreement at least 7 calendar days prior to the expiration of your existing franchise agreement ("Original Franchise Agreement"), and (ii) the license fee under your Original Franchise Agreement is less than our current standard license fee at the time of renewal by more than 0.25% (for example, if the current standard license fee is 7% and the license fee under the Original Franchise Agreement was less than 6.75%), your License Fee under your renewal franchise agreement will initially be the same as under your Original Franchise Agreement and then will gradually increase over time until it equals our standard license fee at the time of renewal, as follows:

Renewal Term	License Fee under Renewal Agreement
If you are renewing your franchise for the first renewal term:	For the first 12 months of the renewal term, your License Fee will equal the license fee under the Original Franchise Agreement, and thereafter your License Fee under the renewal franchise agreement will increase annually by 0.25% until such time as the License Fee equals our standard license fee rate at the time of renewal, which standard license fee will then apply for the remainder of the renewal term.
If you are renewing your franchise for a second or subsequent renewal term:	For the first 24 months of the renewal term, your License Fee will equal the license fee under the Original Franchise Agreement, and thereafter your License Fee under the renewal franchise agreement will increase annually by 0.25% until such time as the License Fee equals our standard license fee at the time of renewal, which standard license fee will then apply for the remainder of the renewal term.

For avoidance of doubt, notwithstanding the foregoing, if you are signing a Franchise Agreement for an initial term, you will only have the right to one renewal term, subject to satisfying conditions to renewal described in the Franchise Agreement.

ITEM 7. ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount (Low)	Amount (High)	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee[1]	$59,900	$59,900	Lump Sum	Upon signing Franchise Agreement	Us
Marketing	$8,000	$~~8,000~~32,000	As Arranged	As Incurred	3rd Parties
Real Estate/Rent[2]	$2,250	$~~6,000~~9,000	As Arranged	Before Beginning Operations	3rd Parties
Vehicle[3]	$3,000	$5,000	As Arranged	Before Beginning Operations	3rd Parties
Insurance[4]	$6,250	$7,250	As Arranged	Before Beginning Operations	Us and 3rd Parties
Equipment and Supplies[5]	$2,500	$5,000	As Arranged	Before Beginning Operations	3rd Parties
Training, Travel, Lodging and Food[6]	$1,000	$~~1,500~~3,000	As Arranged	During Training	Us and 3rd Parties
Property Management Software[7]	$1,028	$~~1,028~~3,500	As Arranged	Before Beginning Operations	3rd Parties
System Technology Fee	$~~240~~318	$~~240~~1,300	ACH	Upon commencement of operations and every month thereafter	Us

Type of Expenditure	Amount (Low)	Amount (High)	Method of Payment	When Due	To Whom Payment Is To Be Made
Task Management and Lead Management Software	$300	$~~300~~1,200	ACH	Upon commencement of operations and every month thereafter	Us
Licenses, Permits, Subscriptions[8]	$750	$2,000	As Arranged	Before Beginning Operations	3rd Parties
Legal & Accounting[9]	$1,500	$5,000	As Arranged	As Incurred	3rd Parties
Additional Funds[10] (first 12 months)	$5,000	$~~175,000~~100,000	As Arranged	As Necessary	Employees, Utilities, Lessor & Suppliers
TOTAL	$~~91,718~~91,796	$~~266,218~~234,150			

NOTES

(1) If you are approved as a new franchisee, your Minimum Initial Franchise Fee will be $59,900. You may qualify for a discount on the initial franchise fee. You must pay the initial franchise fee in full when you sign the Franchise Agreement. Although we do not typically finance, we may agree to finance a portion of the initial franchise fee, depending on your credit-worthiness, the collateral that you have available and our then-current financing policies. Monthly payments depend on the amount financed. The initial franchise fee is not refundable. See Item 5 for more information about the initial franchise fee (including applicable discounts) and see Item 12 for more information about Territory.

(2) You must lease or otherwise provide a suitable facility for the operation of the Business. Typically, the facility will range in size from 500 to 1,000 square feet of space. It is difficult to estimate lease acquisition costs because of the wide variation in these costs between various locations. Lease costs will vary based upon square footage, cost per square foot and required maintenance costs. The low estimate is based on an assumption of leasing a facility of 500 square feet. The high estimate is based on an assumption of leasing a facility of 1,000 square feet. The estimated range of costs in this category only includes your costs to enter into a lease agreement for the facility and pay the rent for the first three months, and these costs vary significantly by geographic area.

(3) If you choose to wrap or logo your vehicles, such wraps or logos must meet our specifications as described in the Operating Manual. The Marks must then be professionally applied as we specify before the vehicles are put into service. We do not sell or lease vehicles. An existing vehicle can be converted according to our specifications for use in the franchised business or you may choose to acquire a vehicle that meets our specifications. The estimated low cost reflects the cost of having the Marks applied to an existing vehicle that meets our standards. The estimated high cost reflects the purchase of a vehicle meeting our standards plus having the marks applied.

(4) You must purchase and maintain the types and amounts of insurance described in Item 8. If you do not, we may purchase it for you and bill you for our costs. Factors that may affect your cost of insurance include the size and location of the franchised business, the value of the leasehold improvements, the number of employees and other factors. The amounts you pay for insurance are typically non-refundable.

You should inquire about the cancellation and refund policy of the insurance carrier or agent at or before the time of purchase.

(5) If you already own an existing business similar to the franchise, you may own much of the necessary equipment, supplies and inventory to begin the operation of your franchise. The low estimate shown here assumes that you already own an existing business similar to the franchise. The high estimate shown here assumes you do not own an existing business, and includes office equipment, inventory and signage needed to equip your franchise in accordance with our standards. Both estimates include printed material (business cards, stationery, brochures, marketing materials, signage, etc.)

(6) The cost of initial training is included in the Minimum Initial Franchise Fee, but you are responsible for transportation and expenses for meals and lodging while attending the training. The total cost will vary depending on the number of people attending, how far you travel, and the type of accommodations you choose. As of the date of this Disclosure Document we may conduct our training programs remotely/virtually and so you may not incur any travel expenses if your training is done virtually.

(7) You must purchase and use the approved Property Management Software (currently, AppFolio) as outlined in Item 8 and Item 11. This software must be utilized for all properties managed, except, in those limited instances, where the software is not in compliance with local or state laws in your area. The current Property Management Software Agreement is attached as Exhibit L to this disclosure document.

(8) State and local government agencies typically charge fees for construction permits and operating licenses, including real estate and brokerage license fees. Your actual costs depend on the requirements of state and local government agencies. You are expected to join the local Chamber of Commerce and other local business networking organizations.

(9) You will need to employ an attorney, an accountant and other consultants to assist you in establishing your Business. Additionally, we strongly recommend that you hire a real estate attorney with experience in property management to review all forms or documents that are provided to you for use in your Business to ensure that they meet the specific legal requirement in your jurisdiction. These fees may vary from location to location depending upon the prevailing rates of local attorneys, accountants and consultants.

(10) We recommend that you have additional funds available during the start-up phase of your franchise. These amounts are our estimates of the amount needed to cover your expenses for 12 months from the date you open for business. In computing this estimate, we relied on information provided to us by our franchisees as well as on our and our predecessors' industry knowledge and ~~19 years~~decades of experience in managing and developing this franchise system. We recommend you have funds available for a longer period and 12 months should be viewed as the minimum time you should plan for. In addition, the actual amount you may need will vary depending on the size of your Territory and your knowledge of the business. Your actual costs will vary according to your management skills, experience and business acumen; local economic conditions; the local market for the real property management services; the size and condition of your facility; the prevailing wage rate in your market; competition; the rate of growth of your franchise, whether you extend credit terms to customers and the time of year you start your business. We recommend that you obtain independent estimates from third party suppliers of the costs which would apply to your establishment and operation of a franchise or discuss the economic experience of opening and operating a franchise with our current and past franchisees. This estimate does not take into account your personal living expenses, your salary, your debt, ongoing working capital requirements, accounts receivable financing or other costs. Not included in this estimate is the cost of attending the Annual

Convention/Reunion. In some cases, you will be required to attend the Annual Convention/Reunion within the start-up phase of your Business (See Item 6 for an estimate related to attending the Reunion).

If you are, with our approval, converting an existing business offering similar services to a Business or adding additional territory to a Business or purchasing a particularly large territory, the costs stated above may vary. For example, if you already own a business that you are converting to a Business, you may already own some of the office equipment, furniture, and supplies you will need so your costs may be less than if you were beginning a new business. Also, if your territory is large or you are adding a large territory, your costs may be more than the typical costs described above.

Renewal and Purchase of Operating Franchises

If you are renewing your franchise or if you are purchasing an operating Business (as opposed to a territory that has not yet been developed), the above costs will not apply except to the extent they apply in your ongoing Business. You will pay a Renewal Fee of $3,000 instead of an initial franchise fee when you renew the franchise. Also, instead of an Initial Franchise Fee, we charge a transfer fee ~~of~~in an amount equal to $10,000 in the case of a resale/transfer (purchase of an existing Business). If you choose to have a legal review of your renewal franchise documents, the cost item above titled "Professional Fees" would apply but we estimate the amount to be approximately $4,000 for renewal since your Business has already been formed. The $5,000 estimated in the case of review of a franchise agreement and formation of a legal entity to be the franchisee, if needed, would apply in the case of a resale/transfer. This estimate does not include the cost of preparing and negotiating the purchase agreement with the owner of the franchised business you are purchasing, if applicable, and you must make your own estimate of those costs. If you are acquiring an operating franchise, you will pay to the selling franchisee a purchase price for the business, which purchase price you will negotiate with the selling franchisee.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must maintain the highest standards of quality and workmanship in order to provide the highest quality of service to your customers. You must use in the operation of your Business, and in the offer and sale of the services and products we approve, only those techniques, procedures, and supplies we specify in writing. You must offer all, and only such, products and services as we approve from time to time. We may change any of our requirements periodically. We will notify you of any changes to the standards or the Operating Manual.

Approved Supplies and Suppliers

We may furnish you from time to time lists of approved supplies and approved suppliers. We reserve the right to require that you only use approved products, inventory, supplies, uniforms, tools, equipment, signs, telephone and internet equipment and service, advertising materials, and other items (the "approved supplies") in the Business as described in the approved supplies and approved suppliers' lists, as we may amend from time to time. We also may develop and research new products or services as we determine necessary. We reserve the right to designate a primary or single source of supply for certain products and supplies, and we or our affiliates may be that single source. You must pay the then-current price in effect for any purchases from us or our affiliates. You may not contract with an alternative supplier for any products and/or services for which we have designated a supplier.

You may purchase from other suppliers if you follow our supplier approval procedures, as described in the Operating Manual, and obtain our prior written approval. You must give us at least thirty (30) business days' prior written notice if you wish to purchase from a source other than our approved

suppliers. We may require an audit or review of the products from such other supplier to ensure such products meet our standards before our approval is given. You must pay upon demand our (or the third party's) actual costs of the testing and any related costs/expenses (regardless of whether we grant an approval). We will usually notify you of our decision within 10 days after we receive the test results. Additional or different procedures may be required for approval of services, software or other special items, as described in the Manuals. We reserve the right to revoke our approval at any time upon the supplier's failure to meet our then-current criteria.

You must utilize the BackOffice Bookkeeping Assistance Program for at least a period of 12 months from the date you begin operation of your Business, for all properties managed and until you have at least 100 properties under management, whichever is later. Currently the only approved supplier for the Bookkeeping Assistance Program is our affiliate, BackOffice. The BackOffice Bookkeeping Assistance Program Service Agreement is attached to the disclosure document as Exhibit I.

After completing the BackOffice Bookkeeping Assistance Program, you must utilize the BackOffice HelpDesk Plus Program for a period of at least 6 months. After completing the BackOffice HelpDesk Plus Program, you may participate in the BackOffice Quarterly Bank Review Program. Currently, the only approved supplier for the BackOffice HelpDesk Plus Program and BackOffice Quarterly Bank Review Program is our affiliate, BackOffice. The BackOffice HelpDesk Plus Service Agreement is attached to the disclosure document as Exhibit J and the Quarterly Bank Review Service Agreement is attached to this disclosure document as Exhibit K.

You must utilize the approved Property Management Software (currently, AppFolio) for all of your bookkeeping and accounting for all properties you manage, and pay a monthly fee directly to the vendor. The software must be purchased from our approved supplier. The Property Management Software Agreement is attached to this disclosure document as Exhibit L.

You must license the Task Management and Lead Management Software (currently, LeadSimple), and pay our designee (currently our affiliate ZorWare) a license for such technology which fee may be passed through to the third-party service provider.

You must license the System Technology (which currently includes Review and Reputation Management Platform, RPM-Intranet, RPM online learning courses, Royalty Submission Tool ("RST"), one Microsoft Office365 exchange only email account and one Microsoft Office Exchange E3 email account (2 email accounts total)) from our designated vendor(s) (currently us) and pay our designee (currently our affiliate ZorWare) a license fee for such System Technology. We may update our System Technology from time to time and require you to use different and/or additional proprietary and/or other software and you will be required to purchase/enter into software agreements/licenses for such software as we (or the third-party supplier) specify and you will be required to pay to us or the third-party supplier fees for such software. In order to use the System Technology, you must execute the Software System User & Maintenance Agreement attached to this disclosure document as Exhibit M.

You must utilize our Digital Marketing Program for at least a period of 12 months from the date you begin the operation of your Business. The Digital Marketing Program will be provided to you for purposes of training for a minimum period of 12 months of operation or until you have 100 properties under management, whichever is later. After 12 months, or when you have 100 properties under management, whichever is later, you can request to no longer use the Digital Marketing Program. The fees for the Digital Marketing Program are the minimum amount per month and are typically non-refundable. The amount charged by Digital Marketing Program may be adjusted to reflect market fluctuations. After 12 months you

will pay us a monthly fee to administer the program. The Digital Marketing Program Participation Agreement is attached to this disclosure document as Exhibit Q.

Other than with respect to the BackOffice Bookkeeping Assistance Program, the BackOffice HelpDesk Plus Program, the BackOffice Quarterly Bank Review Program, the System Technology, the Digital Marketing Program and the Task Management and Lead Management Software, collectively ("Required Programs"), neither we nor our affiliates are currently an approved supplier for any products or services, but we and our affiliates may be approved suppliers for other/additional products and services in the future.

We believe the fees for the Required Programs are equal to or lower than the prevailing market price you would obtain if you engaged a third party on your own to provide comparable services of a comparable quality on a consistent basis. This does not mean that we offer the lowest price; however, based on our experience, vendors that provide lower pricing for a single franchisee or a small group of franchisees and/or for a limited time do not promote the same level of uniformity in long-term system-wide product quality and service that we, as the franchisor, or our affiliates are able to provide. The fees for the Required Programs include a mark-up to offset our (or our affiliate's, as applicable) costs of administering and managing the services related to the Required Programs; such mark-up exceeds our (or our affiliate's, as applicable) direct costs of services related to the Required Programs, and we or our affiliate (as applicable) may derive a profit from the fees for the Required Programs.

We may also require that other products, supplies, equipment, inventory or services you use in connection with the operation of your Business meet our then-current specifications (as we may from time to time modify).

Vehicles

You must have at least one vehicle for use in the operation of your Business. If needed, ~~Y~~you may buy any vehicle that meets our specifications. You are not required to buy your vehicles from any specified dealer, but you will receive the discount or Rebate only if your purchase qualifies under the specific program in place and only at the times specified in the program. Any applicable vehicle Rebates are applied at the time of purchase by the vehicle dealer, typically as a discount off of the vehicle purchase price. Any available program details and documentation are available from ProTradeNet and must be used when ordering the vehicle to receive the full benefit. If you choose to wrap or logo your vehicle, you must have the Marks professionally applied as we specify before the vehicle is put into service. We do not sell or lease vehicles. An existing vehicle can be converted for use in the Business or you may choose to acquire a vehicle that meets our specifications.

Marketing Materials

All advertising and promotional materials, signs and other items we designate must bear the Marks (see Item 13) in the form, color, location and manner we specify. Your advertising and promotion must meet our standards as described in the Operating Manual or otherwise by us in writing. You may prepare and use your own advertising or promotional materials provided that we have approved them in writing prior to use.

Telephone Numbers and Electronic Identities

The telephone numbers and electronic identities you use in connection with the Business must be owned and controlled by us or an approved supplier. We require you to "port" or transfer to an approved

call routing and tracking supplier all phone numbers associated with the Business or published in any print or online directory, advertisement, marketing or promotion associated with the Marks and/or the Business.

Purchasing Arrangements and Rebates

We do not provide you with any material benefits based on your purchase of particular products or services, or your use of designated or approved sources. Our affiliate, ProTradeNet, negotiates and enters into purchase arrangements, which may include discounted pricing, special terms, rebates or other incentives with suppliers for the benefit of our franchisees. We may also negotiate or enter into these types of arrangements directly. ProTradeNet has and may enter into relationships with other buying groups, which may include competitors, for the purpose of improving negotiating strength and purchase volume for the entire group. We or an affiliate (including ProTradeNet) may make available to you the opportunity to participate from time to time in certain discounts, rebates, or other benefits in connection with approved suppliers (collectively, "Rebates"), if you meet certain conditions, such as supplier terms and conditions and attendance at annual meetings. All Rebates not returned to franchisees may be retained by us or our affiliate (including ProTradeNet) and used to cover administrative costs or to promote our system and brands. Although neither we nor ProTradeNet have any contractual obligation to pay you Rebates, in most instances, but subject to change and vendor relationships, ProTradeNet will retain 25% of all Rebates, pay 25% of all Rebates to us and pay 50% of all Rebates to you, the franchisee, based on qualifying purchases. The Rebates received by ProTradeNet from suppliers are generally a percentage of each supplier's annual billings to franchisees with respect to certain products or services provided by the supplier to the franchisees. In ~~2023~~2024, these Rebates ranged from 1% to ~~35~~25% of the suppliers' annual billings to franchisees. Some suppliers may also pay additional fees for advertising, which fees range from $500 to $35,000; for marketing, which fees range from .5% to 1% of total qualified purchases by franchisees from the supplier; and for sponsorships, and tradeshow space, which fees range from $500 to $175,000, for the purpose of promoting their product or service to franchisees. All of these amounts and percentages, including the percentages of Rebates retained by ProTradeNet and paid to us and to you and all additional fees, may change in the future at our sole discretion. Rebates are typically paid on net sales for qualified purchases and ProTradeNet may or may not from time to time include purchases made by the MAP Fund in our rebate program. If MAP Fund purchases are included as qualified purchases, ProTradeNet will allocate 100% of the rebates from those purchases to the MAP Fund. The agreement you are required to sign with ProTradeNet to participate is included as Exhibit P hereto, and additional terms and conditions, which may change from time to time, are included on the ProTradeNet website, www.protradenet.com. While you are required to enter into the ProTradeNet Agreement, you are not required to purchase any items under the ProTradeNet Program except as otherwise stated in this disclosure document or required by your Franchise Agreement, our Operating Manual or our policies and procedures. However, certain benefits, Rebates and special pricing will be available to you only if you participate on the terms required by ProTradeNet or each individual supplier.

We may derive revenue as a result of your required purchases. Amounts listed below are based on cash received and cash disbursed. Some Rebates may be received and the portion of any that are disbursed may be held until the next national meeting before being disbursed. Not all suppliers provide Rebates. A complete listing of suppliers providing Rebates and their rates is available from ProTradeNet.

- In the year ended December 31, ~~2023~~2024, ProTradeNet had revenue of $ ~~203,312~~206,867, from purchases by Real Property Management franchisees. These figures were computed from ProTradeNet's internal accounting records for the year ended December 31, ~~2023~~2024.

- In the year ending December 31, ~~2023~~2024, we had revenue of $~~534,762~~515,728, or about ~~3.59~~2.85% of our total revenues of $~~14,904,264~~18,121,121, as a result of purchases by Real

Property Management franchisees from approved suppliers or under our specifications or as a result of purchases, if any, directly from us. These figures were computed from our internal accounting records for the year ended December 31, ~~2023~~2024.

- In the year ended December 31, ~~2023~~2024, ZorWare had revenue of $~~1,090,059~~1,259,988 from the required purchases or payments by Real Property Management Franchisees for initial training and maintenance and monthly support. These figures were computed from ZorWare's internal accounting records for the year ended December 31, ~~2023~~2024.

- In the year ending December 31, ~~2023~~2024, BackOffice had revenue of $~~352,942~~1,637,479.75 from purchases by Real Property Management franchisees. These figures were taken from financial statements of BackOffice's internal accounting records for the year ending December 31, ~~2023~~2024.

You must comply with all terms and conditions applicable to these programs to receive the discount or Rebate. Additional information is available by contacting us. These programs may be changed or discontinued at any time. Other than the ProTradeNet program described above, we do not currently participate in any purchasing or distribution cooperatives. We or our affiliate(s) may from time to time negotiate purchase arrangements with suppliers (including price terms to the extent permitted by law) for the items and services described in this Item 8 that you may obtain only from designated sources.

National Accounts

We may, but have no obligation to, offer a National Accounts or similar program. From time to time, we may have opportunities to enter into national service agreements with large private or quasi-governmental entities (the "National Accounts Entity") under which we would agree to refer properties owned by such entities to our franchisees or other property managers for property management services (the "National Service Agreements"). The decision as to whether we enter into any National Services Agreements is entirely at our discretion. Additionally, the terms and conditions of such National Service Agreements shall be determined exclusively by us in our sole discretion. Should we decide to enter into National Service Agreements, it will be solely within our discretion and reasonable business judgment as to how and under what terms and conditions properties referred to us under such agreements (the "National Accounts Properties") will be referred to you, if at all. We are under no obligation to refer any National Accounts Properties to you. Similarly, you are under no obligation to accept for management any National Accounts Properties. We may, in our sole discretion, refer such properties to property managers outside of the System or otherwise handle the management of such properties as we deem necessary, under the terms of the National Service Agreements.

If you do, however, wish to accept for management such National Accounts Properties, you will be required to execute a National Account Terms and Conditions Agreement with us for each National Accounts Entity for which you will manage properties (the "National Account Terms and Conditions Agreement"). You should understand that each National Account Terms and Conditions Agreement may differ depending on the specific requirements and specifications of each National Accounts Entity. If you make the decision to enter into a National Account Terms and Conditions Agreement, you will be required to strictly abide by all of its terms and requirements, which may include provisions that require the payment of management fees or other fees, including sales commissions or similar payments, the offering of special products or services at certain times or for certain prices (to the extent allowed by law) and special insurance, indemnity, quality control, and other provisions. A breach of the National Account Terms and Conditions Agreement would also be considered a breach of your Franchise Agreement. Similarly, a breach of your

Franchise Agreement would also be deemed a breach of the National Account Terms and Conditions Agreement.

Insurance

Before you begin operating your Business you must purchase, and maintain at all times during the term of your franchise agreement, at your sole cost, insurance coverage, from a responsible carrier, with an A.M. Best rating of A-VIII or better, with the coverage amounts, types and other features as we from time to time specify, using the insurance industry form(s) acceptable to us, and such other insurance coverage as required by law and any other agreement related to the Business. We reserve the right to designate a primary or single source for all or any of the insurance coverage for the Business, and we or our affiliates may be that primary or single source. Any person or entity with an insurable interest that we designate (each, an "Additional Insured") must be named an additional insured on all required liability policies. Each insurance policy must contain a waiver of subrogation in favor of the Additional Insureds. Your insurance must apply as primary and non-contributory. Currently, our minimum insurance requirements include (i) commercial general liability insurance, with minimum liability coverage of $1,000,000 per occurrence (including Products/Completed Operations and Personal Injury and Advertising Injury) and $2,000,000 in the aggregate; (ii) auto liability coverage, combined single limit in the amount we specify, no less than $1,000,000, including hired, owned, and non-owned vehicles used in connection with the Business; (iii) workers' compensation coverage regardless of whether required by state law, but with minimum coverage of $1,000,000 per claim and in the aggregate; (iv) errors & omissions insurance ("E&O") professional liability insurance with a minimum limit of $1,000,000 per claim and in the aggregate; (v) employee dishonesty crime coverage with a minimum limit of $100,000 per claim and in the aggregate (regardless of employee status); (vi) tenant discrimination legal expense and loss reimbursement, with a $1,000,000 minimum limit per claim and in the aggregate; (vii) cyber security and data privacy insurance policies of such types and with a minimum limit of $1,000,000 per claim and in the aggregate, that includes multimedia liability, security & privacy liability, privacy regulatory, privacy breach response, penalties, network asset protection, cyber extortion and cyber terrorism; and (viii) such other insurance as from time to time required by us, under applicable law and under other agreements applicable to your Business. RPM (and their officers, directors, employees, agents, affiliates and subsidiaries) must be named as additional insureds. We also require you to provide an acceptable Certificate of Insurance for the business, any vehicles used in the business and Workers Compensation within 30 days of the date of the Franchise Agreement, and at each insurance renewal or at least once per year. With respect to National Accounts, if the insurance amount required for any National Account or for National Account work in general exceeds the amount specified as the maximum amount required by us for any type of insurance, that higher amount required for the National Account work will apply. Additional insurance requirements are described in the Operating Manual.

~~You may satisfy the insurance coverage limits through an umbrella policy that meets all our requirements. If you fail to purchase or maintain required insurance, we may, but are not obliged to, obtain such insurance for you and keep the same in force and effect, and you must pay us, on demand, all premiums charged for such insurance policies together with a reasonable fee for the expenses we incur in doing so. We also have the right to terminate your Franchise Agreement for cause if you fail to comply with our insurance requirements.~~ You must deliver to us at commencement and thereafter annually or at our request a proper certificate of insurance evidencing the existence of the required insurance coverage. We also may request copies of all insurance policies. We may modify the required minimum limits and types of coverage, by written notice to you. Upon such notification, you must immediately implement the modification of the policy, and provide evidence thereof, in accordance with our request. You may satisfy the insurance coverage limits through an umbrella policy that meets all our requirements. We have the right to terminate your Franchise Agreement for cause if you fail to comply with our insurance requirements.

Accounting Software and Other Requirements

We recommend that you engage the services of a certified public accountant to assist you with the set-up of your books and records, in using the appropriate chart of accounts that we require and in producing monthly and annual compiled financial statements. If you request, we will provide you with information about companies we are aware of that offer these services to our franchisees. We require that you use ~~an appropriate~~our established chart of accounts, comply with our operating procedures and specifications, including internal audit standards, and use our required software and that your accounting must also be compatible with our required software. We may require you to provide us, within the time we specify, audited financial statements of the Business, prepared by an independent certified public accountant satisfactory to us, and/or to adopt a fiscal year consistent with ours, and to cooperate with our auditors and to comply with such additional requirements as may be reasonably necessary to enable us to meet our obligations under Generally Accepted Accounting Principles and to comply with applicable accounting standards and rules.

Cooperatives

We have no purchasing or distribution cooperatives serving our franchise System. We or our affiliate(s) may from time to time negotiate purchase arrangements with suppliers (including price terms to the extent permitted by law) for the items and services described in this Item 8 that you may obtain only from designated sources.

None of our officers currently have an ownership interest in any approved supplier.

Your purchases from us and from other approved suppliers represent approximately 80% of your total purchases in connection with the establishment of the Business and approximately 20% of your overall purchases in operating the Business.

ITEM 9. FRANCHISEE'S OBLIGATIONS

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

	OBLIGATION	SECTION IN FRANCHISE AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
a.	Site selection and acquisition/lease	2, 5(A) and Schedule A	11
b.	Pre-opening purchase/leases	5(A) – (F); 9(C)	7, 8 & 11
c.	Site development and other pre-opening requirements	5(A) – (F); 9(C)	7, 8 & 11
d.	Initial and ongoing training	6	11
e.	Opening	5(A) – (F); 9(C); 6; Schedule A	11
f.	Fees	8; 10(C); Schedule A	5, 6, 7 & 11

	OBLIGATION	SECTION IN FRANCHISE AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
g.	Compliance with standards and policies/Operating Manual	2(A), (B); 3; 5; 6; 8(H), (I); 9;	11
h.	Trademarks and proprietary information	3; 5(G), 5(J), Schedule F	13 & 14
i.	Restrictions on products/services offered	2(A); 3(A) - (C); 5(C), (D), (K), (L) and (M)	8 & 16
j.	Warranty and customer service requirements	5(N)	11
k.	Territorial development and sales quotas	2(A), (B); Schedule A	12
l.	Ongoing product/service purchases	5(A)-(F)	8 & 16
m.	Maintenance/appearance/remodeling requirements	5(A) and (B)	11
n.	Insurance	9(C)	6 & 8
o.	Advertising	7	11
p.	Indemnification	9(B)	6, 9, 13 & 14
q.	Owner's participation/management/ staffing	6	11 & 15
r.	Records and reports	8(H) and (I)	6
s.	Inspections and audits	5(H); 8(J)	6 & 11
t.	Transfer	10	17
u.	Renewal	4(B) and (C)	17
v.	Post-Termination obligations	13	17
w.	Non-competition covenants	9(D); Schedule F	17
x.	Dispute resolution	11	17
y.	Other		
	Guarantee of Franchisee Obligations (Note 1)	14(F); Schedule C	14. 15

Notes:

1. If Franchisee is a corporation or other entity, all persons having a 5% or more ownership interest must personally guarantee the obligations to be performed by the Franchisee under the Franchise Agreement.

ITEM 10. FINANCING

We have no obligation to provide you any financing, but we may agree to finance a portion of the initial franchise fee for qualified prospective franchisees under specified terms and conditions. Our decision to finance the initial franchise fee will be based, in part, on your credit-worthiness, the collateral you have available to secure the financing and our then-current financing policies. We do not provide any financing in any transaction in which brokers are involved.

We limit the amount that we will finance -- currently to an amount less than 50% of the total equity, debt and other financial support of your Business (collectively, "obligations"). You must make a written representation to us, in a form we specify, confirming the dollar amount of your obligations. The representation must remain true through the execution of your franchise agreement and we may elect not to approve a transfer, including a transfer to a corporation or other entity wholly owned by you, if you do not either maintain the same investment in your Business or pay any loans payable to us and our Affiliates in full. Subject to the obligation limit, our standard financing is up to 70% of your initial franchise fee, and we may agree, in our sole discretion, to finance up to 80% of your initial franchise fee if you meet certain requirements.

You must qualify to purchase a franchise, meet our credit standards and be otherwise eligible for financing to qualify for the following interest rates. We currently charge an interest rate based on your credit score as follows:

Credit Score	Annual Interest Rate
650 - 699	10%
700 or more	9%

If we agree to finance a portion of the initial franchise fee, you must sign a promissory note when you sign the Franchise Agreement. An example of our promissory note is attached as Schedule G to the franchise agreement. You must pay us the down payment when you sign the franchise agreement and pay the balance in monthly installments.

You must make note payments to us by automatic bank draft. Some banks and other financial institutions may charge a fee for electronic transfers. Monthly payments will begin approximately 2 months after you complete our initial training program. The length of the repayment term may be negotiable but will generally follow these guidelines:

Loan Amount	Length of Repayment Term
Less than $59,900	Up to 5 years
$59,901 - $75,000	6 years
$75,001 - $100,000	7 years
$100,001 - $150,000	8 years
Greater than $150,000	9 years

We require a security interest in the Business. You must sign a security agreement, substantially in the form included in the promissory note attached as Schedule G to the franchise agreement, granting us a security interest in all your assets, including after-acquired property, and we will file a UCC financing

statement with the appropriate governmental authority. We have the right to require additional forms of security.

You may prepay the note at any time without penalty. If you default, including if you default under the Franchise Agreement, we may declare the entire remaining amount due. If you do not pay us the entire balance and any accrued, unpaid interest, you may be responsible for the court costs and attorneys' fees we incur in collecting the debt from you. We may terminate your franchise agreement if you do not pay us.

You must waive your rights to certain notices of a collection action in our promissory note, security agreement and guaranty but there are no waivers of defense in our promissory note, security agreement or guaranty. If you are a legal entity, your shareholders, members, partners, and/or owners must personally guarantee the debt and agree to pay the entire debt and all collection costs. We have the right to require a spouse's personal guaranty.

The financing described in this Item 10 is provided by us, Real Property Management SPV LLC.

We may sell, assign or discount any promissory note or other obligation arising out of the franchise agreement to a third party. If we sell or assign your promissory note, it will not affect our obligation to provide the services to you that are described in the franchise agreement but the third party may be immune under the law to any defenses to the payment you may have against us.

We may periodically agree with third party lenders to make financing available to our qualified franchisees and we may, in our sole discretion, refer you to a third-party lender for financing. We have no control over whether financing will be offered to you by any third-party lender. The lender is not obligated to provide financing to you or to any other franchisee that the lender finds does not meet its credit requirements and loan criteria. If we refer you to a third party lender for financing, we may agree to take a short-term promissory note (in a form we provide to you) until your financing is arranged. You must use the proceeds from the lender to pay any promissory note to us.

We do not currently derive income from referrals or placement of financing with any third-party lender. However, we may require payment from you or other persons for the placement of financing in the future. If we charge for placing financing in the future, we expect to use the payments to offset our expenses in doing so.

We do not guarantee your obligations to third parties.

We may, in limited circumstances, agree to finance a portion of any renewal fee for qualified franchisees at a 12% interest rate under specified terms and conditions. Our decision to finance a renewal fee will be based, in part, on your credit-worthiness, the collateral you have available to secure the financing, and our then-current financing policies.

ITEM 11. FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEM AND TRAINING

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

As noted in Item 1, we have entered into a management agreement with Manager for the provision of support and services to Real Property Management franchisees. However, we remain responsible for all of the support and services required under the Franchise Agreement.

Pre-Opening Assistance: Before you open your Business, we or our designee will:

1. Provide you with site selection guidelines and general specifications and standards (Franchise Agreement, Section 5.A).

2. Provide you with the list of approved supplies (which will include written specifications for certain items of equipment, signs, fixtures, opening inventory and supplies in some instances and approved suppliers in other instances). We do not deliver or install any items. (Franchise Agreement, Section 5.E).

3. Provide you with either a written or an electronic copy of the Operating Manual (or electronic access to the Operating Manual) that detail the specifications and procedures incidental to the operation of the Business (Franchise Agreement, Section 5.G).

4. Provide the training programs described below (Franchise Agreement, Sections 6.B and C).

5. Provide you with opening support for your Business and any additional support we determine necessary (Franchise Agreement, Sections 6.B and C).

Ongoing Assistance. During the operation of your Business, we or our designee will:

1. Maintain the Marketing, Advertising and Promotion Fund (the "MAP Fund") (Franchise Agreement, Section 7A).

2. Provide updates to the lists of approved supplies and approved suppliers and continue to research and develop new products and services (Franchise Agreement, Section 5.E).

3. Provide consultation and guidance as we reasonably determine to be necessary (Franchise Agreement, Section 5.I).

4. Provide refresher training courses, and regional meetings and conventions/conferences as we determine necessary and require you to attend. We may charge you a fee to attend (and for your employees to attend) regional meetings or conventions/conferences that we deem necessary. In this event, you must pay all expenses for you and your employees, including training materials, travel and living expenses (Franchise Agreement, Section 6C and E). For more information on the Reunion and Annual Convention/conference, see Item 6. As of the date of this Disclosure Document, we may conduct our training programs remotely/virtually. Therefore, you may not incur travel expenses if your training is done remotely/virtually.

5. Provide ongoing communication and support and updates to the Operating Manual (Franchise Agreement, Section 5.G).

In addition, based on examples from REAL PROPERTY MANAGEMENT businesses, we may, from time to time, make suggestions to you with regard to your pricing policies. In addition, we have the right to negotiate National Account arrangements, including pricing, which will bind all REAL PROPERTY MANAGEMENT businesses providing services to such National Accounts. Although you generally have the right to establish prices for the products and services you sell, we reserve the right to establish and enforce prices, both minimum and maximum, to the extent

permitted by applicable law. We may offer preferred customer plans that offer customers discount prices under certain terms and conditions. You are not required to offer these plans to customers but, if you do elect to participate in our preferred customer plans, you must offer the discount prices set by the plans in accordance with the terms of the plan. (Franchise Agreement, Sections 5M and 5N)

We are not required to provide any other service or assistance to you during your operations.

Marketing

MAP Fund and Local Advertising

We collect a MAP Fee from you for the MAP Fund equal to 2% of Non-Maintenance Gross Sales as provided in Item 6. (Franchise Agreement, Section 8.C)

We have established the MAP Fund and have designated the Manager (i.e., Neighborly Company) to administer the MAP Fund. The MAP Fund is not a trust or escrow account, and neither we nor the Manager have any fiduciary obligations with respect to the MAP Fund. If all of the MAP Fees are not spent in the fiscal year in which they accrue, the remaining amounts are retained in the MAP Fund for use in the following years. The Manager may use the MAP Fund for various purposes related to the Real Property Management franchise system, including, but not limited to, (1) broadcast, print or digital advertising; (2) the creation, development and production of advertising and promotional materials (*i.e.*, print ads, digital, radio, film and television commercials, video, digital ads, direct mail pieces, and other print advertising); (3) any marketing or related research and development; (4) advertising and marketing expenses, including product research and development and services provided by advertising agencies, public relations firms or other marketing, research or consulting firms or agencies; (5) the development, licensing and/or use of any tools and platforms in connection with marketing, advertising and promotional activities; and (6) expenses, administrative costs and overhead we or the Manager may incur in activities related to maintaining, administering, directing, and conducting the MAP Fund and its programs, including compensation to employees or any other individual or entity providing services to the MAP Fund. (Franchise Agreement, Section 7.A)

The Manager determines the use of the monies in the MAP Fund. The Manager is not required to spend any particular amount on marketing, advertising or promotion in the area in which your Business is located. The Manager and the MAP Fund may collaborate with the advertising funds of certain franchise systems affiliated with us. There can be no assurance that the MAP Fund's participation in these collaborations and joint efforts will benefit the franchised businesses using the Marks proportionately or equivalently to the benefits received by the other franchised businesses or the other franchised systems affiliated with us that also participate. The Manager oversees the advertising programs and uses the MAP Fund to create marketing materials and conduct national, regional or local advertising. We will contribute to the MAP Fund amounts equal to your required percentage for each similarly situated company-owned and affiliate-owned Real Property Management businesses. From time to time we may contribute to the MAP Fund some amounts paid to us by outside suppliers. The Manager will prepare an annual unaudited accounting of the MAP Fund and will make it available for your review upon your written request. The Manager has its own in-house marketing and advertising production capabilities, but also may use an outside national, regional, or local agency. Neither we nor the Manager will use any of the advertising funds for the solicitation of franchise sales, but any marketing materials the Manager produces may designate "Franchises Available."

We reserve the right to cause the MAP Fund to be incorporated or operated through another entity separate from us or the Manager at such time as we may deem appropriate, and any such successor entity will have all our rights and duties with respect to the MAP Fund. We or the Manager may use collection agents and institute legal proceedings at the MAP Fund's expense to collect MAP Fund contributions. We may also forgive, waive, settle, and compromise all claims by or against the MAP Fund. If we terminate the MAP Fund, we will refund to you your pro-rata portion of any amounts remaining in the MAP Fund, based on your contributions to the MAP Fund. (Franchise Agreement, 7.A)

During the fiscal year ended December 31, ~~2023~~2024, the MAP Fund contributions were primarily allocated toward the following uses:

Type of Expense	Percent of Expenses
Production	~~19~~36%
Administrative Expenses	~~7~~5%
Digital & Other Media Placement	~~62~~54%
Public Relations	~~11~~5%
Other	~~1~~0%
Total	100%

The MAP Fund is administered by us, with advisory input from an Advisory Council consisting of 12 franchisees nominated by their peers. We have the right to create, change or dissolve the Advisory Council. Other than the advisory input from the Advisory Council, we or the Manager will direct all activities that the MAP Fund finances, with sole control over the creative concepts, graphics, materials, communication media, and endorsements used and their geographic, market, and media placement and allocation.

In addition to your payments of the MAP Fee, we reserve the right to require you to spend annually the Minimum Local Marketing Spending. If you fail to make the required expenditures, we have the right to collect the deficiency and spend it as provided below in this paragraph. We reserve the right to require you to use one or more designated vendors in connection with your local marketing and promotional activities. In addition, we reserve the right to collect (on a monthly or quarterly basis, as we may from time to time designate) the Minimum Local Marketing Spending and in return provide to you local promotional, marketing and advertising materials and related services to promote the Business in the Territory. Should your franchise agreement terminate prior to our providing such local promotional, marketing and advertising materials and related services in the Territory, we reserve the right to contribute the Minimum Local Marketing Amounts collected to the MAP Fund. See Item 6 for more information. All of your local marketing and promotion (including through social media) must be in media that we approve, conducted in a dignified manner and conform to the standards and requirements that we specify, including compliance with all Mark usage and branding standards. Specifically, you must submit all advertising materials to us at least fourteen (14) days prior to use. If we do not respond within 14 days after you submit the proposed advertising materials to us, the advertising materials will be deemed unapproved. (Franchise Agreement, Section 7.B)

We reserve the right to require advertising or marketing cooperatives and/or local marketing groups ("LMG") to be formed, changed, dissolved or merged, based on specific criteria determined by us for designated marketing areas. We typically determine the local marketing areas based on a combination of

designated market area and core-based statistical area data. We have the right to establish how LMGs operate and to administer the LMGs. If an LMG is established in your market, you will be designated to be a member of the LMG. We will determine the amount of member contribution, which will be a percentage of Non-Maintenance Gross Sales and will not exceed 5% of Non-Maintenance Gross Sales. Other franchisees that will be members of the same LMG will contribute on the same basis as you. We may require that some or all of your LMG contribution be paid to us or our affiliate, and we reserve the right to use your LMG contribution on any promotional, marketing and advertising initiatives, including digital and other marketing and brand awareness programs. As of the issuance date of this Franchise Disclosure Document, we may require that a portion of your LMG contribution (currently, 2% of Non-Maintenance Gross Sales) be paid for use towards the Neighborly marketing and brand awareness initiatives, which may include service professional recruitment marketing. Your contribution to the LMG will count towards any required Minimum Local Marketing Spending but any required Minimum Local Marketing Spending will not represent a limit on your LMG contributions. Each company-owned or affiliate-owned Real Property Management business located within the LMG's market will be a member and will contribute to the LMG on the same terms as franchisees. The LMG will not be required to operate from written governing documents although we may establish written operating guidelines and rules for the LMG. The LMG will not be required to prepare annual or periodic financial statements. All promotional and advertising materials proposed to be used by the LMG must be approved by us prior to use. As of the date of this disclosure document, the LMGs we plan to establish will be local marketing groups rather than advertising cooperatives. (Franchise Agreement, Section 7.D)

Customer Surveys

We make available to you online customer surveys, which we have developed and administer. We will deliver an online survey to each of your customers who have a service relationship with you, we will compile and analyze the survey data and share the survey results with you. We own the data resulting from the surveys and may use such data subject to any limitations of applicable law, including without limitation by sharing aggregate results of such surveys with our franchise system.

Computer System

You must purchase a computer system that meets our standards and requirements (the "Computer System"). You must license business management software from us and pay license and other fees for use of same, as discussed below and in Items 5 and 6. Additionally, you may be required to license additional software from us, an affiliate, or a third party and you also may be required to pay an additional software licensing or user fee in connection with your use of such software. You will be liable for all damages and problems caused by your use of any software or the Computer System. We will have full and complete access to the information and data entered and produced by the Computer System and can use them in any way we deem appropriate. You must maintain a dedicated email account for the Business, separate from any personal or other email account. You must purchase any upgrades, enhancements or replacements to the Computer System and/or hardware and software that we may from time to time require and that may be referenced in the Operating Manual. We have no contractual obligation to maintain, repair, update, or upgrade the Computer System, except as provided in the Software System User & Maintenance Agreement (attached as Exhibit M). You must make sure that you are in compliance with all laws that are applicable to the Computer System or other technology used in the operation of your Business, including all data protection or security laws as well as payment card industry compliance. (Franchise Agreement, Section 5.E)

You must purchase and use, or update to, any hardware and software programs we designate. (Franchise Agreement, Section 5.F) Presently, you must purchase (directly from the third-party vendor)

and use the approved Property Management Software (currently AppFolio) that is specifically for Real Property Management, and you must enter into an agreement directly with the third-party vendor (the current version of which is included as Exhibit L). You will be trained on the software by us or our affiliate. This software is used for property management accounting and will record transactions relating to all income and expenses of the operation of the franchise. The cost of the ongoing maintenance will vary depending on the number of properties you manage.

You must license the System Technology (which currently includes the Review and Reputation Management Platform, RPM-Intranet, RPM online learning courses, Royalty Submission Tool ("RST"), one Microsoft Office365 exchange only email account and one Microsoft Office Exchange E3 email account (2 email accounts total) from our designated vendor(s) (currently us) and pay our designee (currently our affiliate ZorWare) a license fee for such System Technology. You must also license the Task Management and Lead Management Software (currently, LeadSimple), and pay our designee (currently our affiliate ZorWare) a license fee for the Task Management and Lead Management Software which may be passed to the vendor. In order to use the System Technology and LeadSimple, you must enter into the Software System User & Maintenance Agreement attached to this disclosure document as Exhibit M. These fees cover maintenance on the System Technology as provided in the Software System User and Maintenance Agreement (attached as Exhibit M). These fees may increase in the future, but not more than by ~~20~~30% annually, in addition to increases due to additional or different software being added to the System Technology and direct price increases from third-party vendors.

You must utilize the BackOffice Bookkeeping Assistance Program ("BackOffice Program") for at least the first 12 months of operation and until you manage at least 100 properties, whichever is later. BackOffice will train you and assist you with the operation of the Property Management Software (currently AppFolio). The cost of this program will vary depending on the number of properties you manage, and is paid directly to BackOffice. After completing the BackOffice Bookkeeping Assistance Program, you must utilize the BackOffice HelpDesk Plus Program for a period of at least 6 months. After completing the BackOffice HelpDesk Plus Program, you may participate in the BackOffice Quarterly Bank Review Program. (Franchise Agreement, Section 6.B)

You must bring a laptop computer to training with at least a Quad Core 3.0 GHz processor or the equivalent; 8 GB SSD hard drive; 1080P color monitor; and WI-FI 5 capable. For office use, we recommend a PC with a 3.0GHz or higher 10 Core processor; 16 GB RAM; minimum 120 GB SSD hard drive; high speed Internet access capability, 1080P color monitor; 2 monitors; keyboard; mouse; and a laser or ink jet printer.

You must pay for all maintenance of your Computer System, internet access, and local area networks, at your own expense. We do not require you to sign any hardware maintenance or support contracts with us or any third party suppliers. In our experience, most of the computer hardware will have a manufacturer's warranty that you can extend at additional cost. We estimate that the annual cost to maintain the Computer System is $100 - $200 for maintenance not covered under manufacturer's warranty. We do not guarantee, warranty, maintain or support any computer hardware in any manner. You should determine for yourself whether or not any third party supplier from whom you purchase any component of your Computer System is obligated to provide ongoing maintenance, repairs, upgrades or updates to any component of your Computer System, and determine the additional cost for the services.

We will make available to you an optional third-party web-based job applicant tracking system ("Paradox ATS"), which will allow you to create and manage local job postings online, track job applicants, and manage your recruiting efforts. Your use of the Paradox ATS will be subject to Paradox, Inc.'s terms of use. You will pay us or our affiliate an annual fee at the then-current rate ~~(the fee is $650 for 2024; for~~

~~2025 the annual fee will be between $500 and $650)~~, currently $750. We may increase the fee in the future but as of the date of this Disclosure Document we don't anticipate an increase of more than 30% annually in addition to ~~reflect~~ any price increases from the vendor, Paradox, Inc. ~~See also Item 6.~~ You may opt out of using Paradox at any time. Your access to this third-party applicant tracking system in no way shifts any employee or employment related responsibility from you to us. You are, and will remain, the sole employer of your employees at all times, and you are solely responsible for all employment decisions and actions related to your employees.

The approximate cost of the hardware and software ranges from $2,500 to $5,000. This cost is included in the category of "Equipment and Supplies" in the Your Estimated Initial Investment chart in Item 7.

You may periodically be required to update or upgrade computer hardware and software, whenever we believe it is necessary. We may introduce new requirements or modify our specifications and requirements for computer, bookkeeping or point of sale systems. We have the right to independently access all information you collect or compile at any time without first notifying you. There are no limits on our right to do so. (Franchise Agreement, Section 5.F)

Our computer hardware and software requirements, including the System Technology, will periodically change and you will be required to update your systems and you may incur additional or higher fees and costs in connection with any such changes or updates. There are no contractual limitations on your obligations to upgrade your Computer System and pay for those upgrades or changes. We will advise you of any required upgrades, updates or changes.

We may periodically develop other proprietary software and other systems, products and upgrades that we may require you to use. We may charge you a license fee for any new software.

Other than the Computer System requirements described above, you do not have to buy or use an electronic cash register.

Internet Service Provider

You must have a primary and we recommend a secondary or "back-up" source of internet access. Your primary internet access must be high speed business class internet service with a minimum of 1 megabit per second (Mbps) of available band width per named System Technology user. We may modify these requirements in the future. You may use any independent Internet service providers ("ISP") of your choice as long as each allows you to perform all necessary functions. (Franchise Agreement, Section 5.E)

System Website, Intranet and Electronic Communications and Data

We own the domain name www.realpropertymgt.com and use it as our primary website for information about franchised businesses. We may provide a domain name for your Business. You must provide information to us promoting your Business to post on the website. You may not separately register any domain name or any social media account containing any of the Marks, establish a website or social media account for the Business, or allow any existing website of yours to re-direct to our domain name without our prior written consent. We reserve the right to pre-approve, establish rules, procedures, and policies relating to any website or social media account you create for the operation of your Business. Our system standards will apply to website advertising. At our option, we may, in the future, establish one or more additional websites to advertise, market, promote and operate Real Property Management businesses and the franchise opportunity, and provide you certain additional website-related services such as a listing

for your location, or a web page, and we may charge you a fee for such services. (Franchise Agreement, Section 5.K)

We make no warranties and disclaim any express or implied warranty relating to any software, data, Intranet, website or other related items provided or recommended by us. If we provide you with any software or require the use of any software, Intranet, website or other related items we will not be liable for any costs or expenses, including any special, indirect, or other damages (including lost profits), even if we have been advised of the possibility of damages and even if the software did not function properly or had design problems that may have contributed to any loss.

You must comply with all policies and procedures as described in our Operating Manual, and execute any required agreements for use of our Intranet or any electronic communication, or data storage/retrieval system, website or software, as we periodically require, including policies that require you to identify yourself in all electronic communications as an independently owned business. We may periodically modify these rules and policies at our discretion. We are not obligated to provide you with an internet or intranet email account or system but we do currently use an on-line system for the communication of information and Internet/electronic mail access. We may discontinue the current system of communication and Internet/electronic mail at any time and you may be required to maintain an account we designate with a provider of our selection and pay the required fees. See Item 6. We are not obligated to monitor or create/maintain any backup of email and information/data related to email. There are no contractual limitations on our right to access information and data on the electronic communication and Internet/electronic mail systems. You agree you have no right of privacy with respect to such communications and data and we may access these email communications and data. Any access to, monitoring or copies of, data related to electronic communications and emails will be solely for our benefit.

We may use all data provided by you to us for any and all purposes for which we may solely determine, including financial information and assessments or similar data, and may share and disclose the data to/with our affiliates, their franchisees and our franchisees, and all prospective franchisees, without restriction and without compensation, subject to compliance with applicable laws. We will disclose such financial information and data to any other third party only after your name has been omitted unless you consent or as required by judicial process or a governmental investigation, in each case subject to compliance with applicable laws. (Franchise Agreement, Section 5.E).

Site Selection

You select the site for the Business with site selection guidelines we provide. You must verify to us that your site complies with our site selection guidelines. We do not select your site. We will approve your site so long as it meets our site selection guidelines. The factors we consider in approving your site are whether the site is located within your Territory and whether it meets zoning requirements. We will evaluate the site and notify you of our approval or disapproval of your proposed site within a reasonable time (usually 30 days) after we receive all requested information regarding your proposed site (together with evidence of its compliance with our site selection guidelines) to us for approval. There are no consequences if you and we can't agree upon the location, except that the franchised business cannot be operational. We do not generally own the premises for a franchised business and lease them to a franchisee. You must sign your lease and begin operating your Business within 4 months from the date you sign a Franchise Agreement, although you may not commence operations of your Business until you successfully complete our training program and have otherwise complied with your pre-opening obligations. We reserve the right to require you to return and attend the training for new franchisees in Waco or Dallas, Texas at your expense if you fail to open your franchise on time. (Franchise Agreement, Section 5.A)

The Operating Manual

We will loan you or grant you access electronically to a copy of our Operating Manual, which contains mandatory and suggested specifications, standards and procedures. You must adopt and use as your continuing operational routine the required standards, service style, procedures, techniques, and management systems described in our Operating Manual or other written materials relating to the Business. The Operating Manual will contain both mandatory standards and recommended standards. You must treat the Operating Manual, and other written materials created for or approved for use in the operation of the Business, and the information contained in them, as confidential. The Operating Manual will remain solely our property. We may, from time to time, revise the contents of the Operating Manual and you must comply with each new or changed standard. The Operating Manual has a combined total of 73 pages. (Franchise Agreement, Section 5.G)

The table of contents of our Operating Manual is as follows:

Topic	**No. of Pages**
Disclaimer	.5
Overview	4
Who We Are – Procedure Steps – Our Code of Values	1
Initial Onboarding and Training	1
Protection of Data Policies	3
Clean Desk Policy	.5
Confidential Information Policy	1
Incident Response Plan	1
Franchise Insurance Coverage Requirements	3
Confidentiality	1
Conflicts of Interest	1
Advisory Council	2
Audits	1
Compensation and Work Schedule	2
Telephone	3
Answering Service	.5
Email	2
Employees	9
Prospective to New Investment Property Owner Procedure	2
Caretaking Vacant Property	.5
Furnished Properties	.5
Lease Only	.5
Marketing to Residents	1
Print Advertising	.5
Internet Marketing	.5
Investment Property Owner Marketing Reports	1
Prospective Resident to New Resident Procedure	3

Topic	No. of Pages
Rental Application	3
Prepare the Real Property Management Resident Welcome Pack	2
Periodic Evaluations	2
Repairs and Maintenance Procedure	1
Repairs and Maintenance Policies	2
Send Work Order and Prepare Keys	1
Create Bill and Close Work Order in AppFolio	1
Resident Lease Compliance Issues	3
Late Rent	3
Lease Term Ends – Resident Vacates	2
Security Deposit Refund Checklist	2
Management Agreement Ends	2
BackOffice Resolution	.25
Technology Resolution	.25
Anti-Harassment Policy	.25
Equal Employment Opportunity Policy	.25
Dealing with Death in Property Management (added 04-2020)	1
Real Property Management Business Insurance Requirements	1
Total Pages	73

Training

You must complete our pre-training requirements. You will not be allowed to attend our initial training program in Texas until you have received your real estate license, and sponsoring real estate broker in the state in which you are operating, and the pre-training program requirements are completed, and you receive our written approval to attend.

We (or our affiliate) will provide you an initial training program that covers material aspects of the operation of the Business. The topics covered are listed in the charts below. This training is offered at our offices in Waco or Dallas, Texas, or another location we designate, although as of the date of this Franchise Disclosure Document, this training may be conducted virtually. A portion of the training may be conducted by a third-party software supplier and may be conducted virtually. You must designate a manager for the Business and he or she must satisfactorily complete the training program before the opening of the Business. You will be required to secure a Real Estate license, and a sponsoring real estate broker before attending training. The process, schedule, and length of classes required for securing such a license vary by state. One or more assistants of your choosing may also attend at your option. We expect that your attendees will advance through the training program at different rates depending on a variety of factors, including background and experience. The time frames provided in the chart below are an estimate of the time it will take to complete training. The costs for the initial training are included in the initial franchise fee. You must, however, pay for all travel costs and living expenses for yourself and any of your attendees. These costs are estimated in Item 7. If you replace your designated manager, your new designated manager must attend our training program. You may be charged fees for additional training. Our current fees for additional training are described in Item 6. You are responsible for training your employees and other management personnel. Your Business must at all times be under the day -to -day supervision of a designated manager who has satisfactorily completed the training program. After a replacement of the

designated manager, the new manager has 60 days to complete the initial training. All attendees at our initial training must complete the training program to our satisfaction.

Any training provided by us or our affiliate to any of your workers will be limited to training or guidance regarding the delivery of approved services to clients in a manner that reflects the customer and client service standards of the System. You are, and will remain, the sole employer of your employees at all times, including during all training programs, and you are solely responsible for all employment decisions and actions related to your workers. You are solely responsible for ensuring that your workers receive adequate training. (Franchise Agreement, Section 6)

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On the Job Training	Location
Business Launch	1	73.5	Waco or Dallas, Texas or virtual training
Property Management	25	30	Waco or Dallas, Texas & Field Training location or virtual training
Systems	2	26	Waco or Dallas, Texas or virtual training
Sales Training	6	40	Waco or Dallas, Texas & Field Training Location or virtual training
Business Development	2	80	Waco or Dallas, Texas & Field Training Location or virtual training
Marketing	6	7	Waco or Dallas, Texas & Field Training Location or virtual training
TOTALS	**42**	**256.5**	

The training program is typically held 11 times per year or whenever minimum class sizes are achieved.

Our personnel who actively participate in the support and training of our franchisees in the use of our property management systems and processes, possess the combined experience in operating property management companies spanning more than a century and have a range of ~~4~~10 to ~~11~~35 years of experience with us and Predecessor. Our corporate Director in charge of training is Stacy Brown, who has over 35 years of experience in operations, training, real estate, and maintenance, with ~~eleven~~12 of those years of experience with us and Predecessor.

If circumstances require, a substitute trainer may provide training to you. We may periodically name additional trainers if the training schedule requires it. There are no limits on our right to assign a substitute to provide training.

The training will include the following instruction materials: the Operating Manual, new franchisee training manual, and other handouts. The dates and location of the training will be communicated to you

via first -class mail, E-mail, or telephone conferences. The training will occur at either our offices in Waco or Dallas, Texas, or at a location of our choosing, or via webinars/virtually.

Within ten (10) days from your completion of the initial training, you will begin your pre-opening support training with a support specialist who will assist and guide you as you work through your business goals to open and successfully begin your franchise. This training will be conducted through weekly conference calls to address items that need attention. This training will continue through the first year of operation, or until mutually agreed. In conjunction with the support training, you will also receive a minimum of six (6) weeks of sales training through webinars and conference calls provided by our designated vendor or corporate staff. We reserve the right to substitute the designated vendor at any time. There is no additional cost for this support and sales training.

Periodically, you, your managers, or your employees must attend one ongoing training session and may attend additional ongoing training sessions to be conducted at our offices or another location we designate. Attendance at these programs will be at your expense. You must also attend, every year, at your expense, the annual training or conference event specified by us and currently referred to as "Reunion" (see Item 6 for more detail), and any other training we designate as required.

Opening of Franchise

Our franchisees typically open for business within 7 days after completing initial training, which will generally take place within three months after signing the Franchise Agreement. The Franchise Agreement requires you to open within four months after signing the Franchise Agreement. The factors that affect how quickly you can open your Business include the training schedule, your ability to obtain necessary financing, any local requirements for permits or licenses and your ability to complete our recommended pre-training agenda. (Franchise Agreement, Section 5.A)

ITEM 12. TERRITORY

You will receive the right to operate a REAL PROPERTY MANAGEMENT business at a location within your territory that meets our site selection guidelines (the "Franchise Location"). We reserve the right to grant exceptions to these guidelines and guidelines may change from time to time. Your Franchise Agreement will also specify a designated territory that will provide you limited territory protection (the "Territory"). The Franchise Agreement does not grant you any territorial rights beyond the Territory.

A typical Territory will have a population in excess of 100,000 people and more than 10,000 single family rentals; however, we reserve the right to grant a Territory with a population of less than 100,000. If you are a current franchisee, we may grant you a Territory with a population of 60,000 people or less. You will maintain rights to your Territory even if the population in your Territory increases.

If you wish to relocate from your Franchise Location to a new business site, with prior authorization we may authorize you to relocate to another site within the Territory, within a three-mile radius of the initial Franchise Location, that meets our site selection guidelines and standards; provided (1) you submit your request in writing, (2) you are not in default of the Franchise Agreement, any other agreements with us, or the lease for the former Franchise Location, (3) you are current on your financial obligations to us and our affiliates and all your third party creditors, and (4) you open for business at the new location on the same day you close your former Franchise Location.

In the limited instance that Google (or another designated vendor we use for search engine optimization purposes to drive online customer marketing) requires a secondary physical location in your

Territory (in addition to your Franchise Location) in order to align with the marketing areas identified by Google/the vendor, we and you will agree on how you can establish and operate the secondary location in a manner that meets Google/the vendor's requirements as well as our applicable System standards for a secondary location; provided that this requirement will not apply during the first year of operation of your Business.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets we own, or from other channels of distribution or competitive brands that we, our affiliates or third parties control, operate or franchise. Provided you are in full compliance with your Franchise Agreement, we will not establish or operate more than one additional company- or affiliate-owned or franchised Real Property Management business for every 100,000 persons in your Territory. Population demographics is determined by reference to the most recent figures available from the U.S. Census Bureau or similar third-party source.

We and our affiliates reserve all other rights not specifically granted to you, including the right, while your Franchise Agreement is in effect, to sell or allow others to sell: any products or services anywhere using different trademarks; the same or similar products and services, competitive with those you will provide, anywhere using different channels of distribution; different products and services anywhere using the Marks; or the same products and services using the same trademarks anywhere within or outside your Territory (subject to the limitation in the paragraph above).

In addition, we may advertise, solicit and enter into National Service Agreements, which could be large private or quasi-governmental accounts we believe will benefit the System, and National Service Agreements may involve marketing in your Territory. In addition to allowing others to offer products and services in your Territory generally, in the specific case when a National Accounts Entity is involved we may also designate or authorize a corporate employee, another franchisee or any other third party to perform or assist you in performing services within your Territory if you refuse or, in our judgment, are not qualified, interested, able or available to perform services for any customer in the Territory, including any National Accounts Entity; if you request assistance; or if a customer, orally or in writing, specifically requests services in the territory from a different franchisee or any other third party. If you do wish to participate in the management of properties for such National Accounts Entities, you will be required to execute a National Account Terms and Conditions Agreement with us for each National Accounts Entity, with terms which may differ depending on the specific requirements and specifications of each National Accounts Entity. If you decide to enter into a National Account Terms and Conditions Agreement, you will be required to strictly abide by all of its terms and requirements, which may include provisions that require the payment of management fees or other fees, including sales commissions or similar payments, offering of special products or services at certain times or for certain prices (to the extent allowed by law) and special insurance, indemnity, quality control and other provisions.

If we allow others to provide services in your Territory, you will not be entitled to any compensation for the sales or services performed. Subject to the rights granted to you in your Franchise Agreement, we may provide in the Operating Manual for other programs in which we offer and sell, and/or authorize others to offer and sell, using the Marks or other marks, goods and services in your Territory that are identical or similar to and/or competitive with those provided at your Business. We may also acquire businesses or be acquired by a business offering similar products and services anywhere.

You cannot advertise for or attempt to solicit customers for any products or services, including using Internet, telemarketing or other direct marketing, outside your Territory. If we give you written permission to advertise, solicit, service or sell in areas outside the Territory that are not serviced by another franchisee you must comply with all of the conditions and other requirements that we may from time to

time specify (in the Operating Manual or otherwise in writing) with respect to such activities, including any requirement to terminate or transfer any such activities to any new franchisee that may subsequently acquire rights to such territory, as from time to time specified by us (in the Operating Manual or otherwise in writing).

You may only provide products/services to customers outside your Territory in accordance with our policies and procedures and only with our prior written consent. We may identify in the Operating Manual or otherwise in writing the conditions under which we would grant our consent to your servicing or selling outside of your Territory and our consent may be conditioned upon whether you have obtained a required level or the highest level of quality or service as determined by a rating system we designate, which may change from time to time. If you advertise or otherwise solicit customers, perform services, or sell products related to the Business outside the Territory without our prior written consent, we may charge you a $500 fee per violation as described in more detail in Item 6.

Our Operating Manual may also set specific rules for engaging in, and what may constitute, marketing within your Territory and other related matters, including what telephone area codes and exchanges may be used within the Territory (depending on the areas covered by those area codes/exchanges); which publications or media you may advertise in (depending on whether the circulation of the publication/media is wholly or mostly within your Territory); participation in promotional events, tradeshows, continuing education programs, chambers of commerce and industry association meetings; the post office box or mailing address that may be displayed on advertising; which phone numbers may be displayed on your vehicles; how, when and from which customers or accounts you may solicit work (depending on their location and the location and/or duration of the work); requirements for referral of work; enforcement, administration and interpretations of provisions of marketing/territory rules and procedures; and other matters; and we may update and change these rules from time to time.

We also reserve the right to establish policies and procedures regarding protected leads and customer accounts, pursuant to which we may allow other franchisees to identify and protect a certain number of leads they are actively working or clients with whom they are actively engaged in your Territory. We will notify you in writing if we establish such policies and procedures and if a customer lead or account is designated as a protected account of another franchisee in your Territory.

We do not otherwise limit or restrict your solicitation of customers in your Territory.

Neither we nor any other party are required to pay you as a result of us exercising in your Territory any of our rights described in this Item.

Beginning with the second full calendar year of operations, your Business must achieve (a) in each calendar year, annual Gross Sales that are in the top 90% of the annual Gross Sales per franchised business for the Real Property Management franchise system for that calendar year (the "Gross Sales MPS") and (b) a Net Promoter Score (or another customer satisfaction survey score we designate) ("NPS") that is not more than 10 points below the average NPS for the Real Property Management franchise system for each applicable measurement period we set (the "Customer Satisfaction MPS" and collectively with the Gross Sales MPS, the "Minimum Performance Standards"). If you operate multiple Real Property Management businesses, the Minimum Performance Standards will apply separately to each franchised business. We can make changes to the Minimum Performance Standards upon 6 months' prior written notice in accordance with our reasonable business judgement and so long as such revised Minimum Performance Standards are applied to all similarly situated Real Property Management franchised businesses.

If you do not meet the Minimum Performance Standards for any applicable calendar year or measurement period, we will meet with you to identify the reasons for the substandard performance and establish a performance improvement plan ("PIP") for the Business to take specific actions with the goal to improve the overall performance of the Business, including its annual Gross Sales and/or NPS. Your failure to implement or comply with the PIP over the three to six month period we designate will be a default under your Franchise Agreement, subject to a 30-day cure period. During the cure period, you will have the opportunity to advise us of your intent to sell your Business to a third party, in which case we will give you an additional 90 days (from the date of your notice of intent to sell) to transfer the Business in accordance with the transfer requirements of the Franchise Agreement. Failure to timely cure the default or transfer the Business will give us the right to either reduce the size of your Territory or terminate your Franchise Agreement.

Although you do not have a right to do so, we may permit you to establish another Real Property Management Business, if you meet our then-current Expansion Criteria. We have the absolute right to determine whether an existing franchisee meets our Expansion Criteria, which we may modify from time to time. As of the date of this Disclosure Document, the criteria we consider are, among other factors: a franchisee's compliance with the System, operational success (including your existing Franchised Business(es) meeting or exceeding certain performance thresholds), leadership ability and team development, financial stability and ability to expand and potential limits on the number of Businesses any franchisee owns.

We do not generally grant any right of first refusal to obtain additional territory. If we approve you to purchase additional territory, we may require that you sign a general release releasing us from all claims you may have except claims that under state law may not be released.

If you do not qualify for renewal of your Franchise Agreement, we may, in some cases, but are not required to, offer to enter into a franchise agreement with you for a smaller territory and you would then have the option to accept that territory on the terms offered. You do not receive the right to acquire any additional franchises within your Territory.

We do not operate or franchise, or currently plan to operate or franchise, any business under a different trademark that sells or will sell goods or services similar to those that our franchisees sell. However, certain of our affiliates described in Item 1, and other portfolio companies that currently are or in the future may be owned by private equity funds managed by our affiliates, may operate and/or franchise businesses that sell similar goods or services to those that our franchisees sell. Item 1 describes our current affiliated franchise programs that offer franchises, their principal business addresses, the goods and services they sell, whether their businesses are franchised and/or company-owned, and their trademarks. As noted in Item 1, all of these affiliated franchise brands (with the exception of Mosquito Joe, PDS, and any KKR portfolio companies) have the same principal business address as us, and they generally do not maintain physically separate offices and training facilities from our offices and training facilities (except for Rainbow International, which maintains some separate training space) although each affiliated brand has its own separate meeting space. Most of the affiliated franchisors and the affiliated franchise brands are not direct competitors of our franchise network given the products or services they sell, although some are to a limited extent, as described in Item 1. All of the businesses that our affiliates and their franchisees operate may solicit and accept orders from customers in your territory. Because they are separate companies, we do not expect any conflicts between our franchisees and our affiliates' franchisees regarding territory, customers and support, and we have no obligation to resolve any perceived conflicts that might arise.

There is no minimum sales quota.

ITEM 13. TRADEMARKS

We grant you the right to operate a franchise under the name Real Property Management. You may also use our other current or future Marks designated by us to identify your franchise.

We own the rights to the following Marks, which have been registered or filed with the U.S. Patent and Trademark Office ("USPTO") on its Principal Register:

Mark	Status	Registration Number	Registration Date
(Words and Design)	Registered	3,572,022	February 10, 2009
(Words and Design)	Registered	4,164,283	June 26, 2012
(Design)	Registered	3,523,313	October 28, 2008
(Design)	Registered	3,526,475	November 4, 2008
REALEVATE (Service Mark)	Registered	4,883,211	January 5, 2016
	Registered	5309133	October 17, 2017
WEALTH OPTIMIZER	Registered	5425264	March 13, 2018

As noted in Item 1, we became the owner of the above listed Marks in March 2021.

Our Parent, Neighborly Assetco LLC owns the following Marks, which are registered on the Principal Register of the USPTO, and we license from Parent the right to use and to allow our franchisees to use these Marks under a Trademark License Agreement (the "License Agreement"). The License Agreement grants us a worldwide, non-exclusive, nontransferable license to use and to license others to use the Marks. Parent may terminate the License Agreement due to our material breach, ownership change or for any reason upon 90 days' notice. Upon any termination of the License Agreement, we will be required to cease all use of these Marks and we will require you to do the same.

Mark	Registration Number	Registration Date
NEIGHBORLY	5,365,894	December 26, 2017
NEIGHBORLY (Stylized)	5,365,895	December 26, 2017
HOUSE LOGO	5,347,941	November 28, 2017
YOUR HUB FOR HOME SERVICES	7,281,370	January 16, 2024

Required affidavits and renewals for the registrations for these principal trademarks have been filed when due.

Currently, we know of no effective material determinations of the USPTO, trademark trial and appeal board, the trademark administrator of any state or any court; pending infringement, opposition or cancellation; or pending material litigation involving the Marks. We understand that the phrase "real property management" is a commonly used description of property management services, and that prior uses and related common law rights of the same or similar term may exist and could be alleged in some markets where we are selling franchise rights, although we are not aware of any specific challenges to our use except as provided below.

There are no agreements currently in effect that significantly limit our rights to use or license the use of the Marks in any manner material to the franchise other than the License Agreement noted above and what is described below.

In the county of San Diego in California, a competitor in the property management business claims using the tradename Real Property Management prior to our use. On December 11, 2014, they informed us of their right to use the name. We settled the disagreement by agreeing not to operate our franchised locations in San Diego County, California under the name Real Property Management. For franchisees in San Diego County, California, we are currently using the name Realevate. Any franchisee in San Diego County, California is only granted rights to and agrees to use the name Realevate.

We do not have actual knowledge of any infringing uses that could materially affect your use of our Marks other than the common law rights mentioned above. You must notify us immediately when you learn about an infringement of or challenge to your use of our Marks. We will take the action we think appropriate but are not obligated to protect your rights to use the Marks. We have the right to control the defense of any claim using attorneys we choose and you must cooperate in that defense. You may participate

in the defense and settlement at your own expense but our decisions will be final and binding. We will indemnify you or reimburse you for your liability and reasonable costs if there is a challenge to your authorized use of our Marks provided you have notified us immediately after you learned of the challenge and cooperate with us in defending the challenge as required.

You must follow our rules when you use the Marks and you may only use the Marks for the operation of your Business in your Territory. You must execute any documents we require to protect the Marks or to maintain their continued validity and enforceability. You may not directly or indirectly contest the validity of our Marks, our (or Parent's, as applicable) ownership of the Marks or our right to use or license our Marks, trade secrets, confidential information or business techniques that are part of our business. You cannot use the Marks as part of a corporate or other legal name and you must comply with our instructions in filing and maintaining trade name or fictitious name registrations.

You must modify or discontinue the use of a Mark, at your expense if we direct. If we direct, you must adopt or use one or more additional or substituted Marks.

ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

You do not receive the right to use an item covered by a patent but you can use the proprietary information in our Operating Manual and software which are described in Item 11. We have not filed an application for a copyright registration in these items, but we claim a common-law copyright in our Operating Manual and software and we treat the information in these items as confidential and proprietary. Item 11 describes limitations on the use of the Operating Manual and software by you and your employees. You must treat these items and the information as confidential. You must also promptly tell us when you learn about unauthorized use of this proprietary information. We are not obligated to take any action to protect or defend use of proprietary information but will respond as we think appropriate and will control any action we decide to bring or defend. We are not required to participate in your defense or indemnify you for use of copyrighted material or patents. We do not actually know of any infringing uses of our copyrights that could materially affect your use of the copyrighted materials in any state and there are no agreements that limit our rights to use our copyrights or to allow others to use them.

Confidential information includes all information, data, knowledge, materials, techniques and know-how designated or treated by us as confidential and includes any and all of the Operating Manual, computer software or programs, training materials, operational videos, marketing programs, franchise rosters, franchisee lists, customer and prospective customer lists and data, and any other materials designated or treated by us as confidential. You may not, at any time during or after the term of the Franchise Agreement, disclose, copy or use any confidential information except as we specifically authorize.

If we ask, you must have your personnel who receive or will have access to confidential information sign covenants not to divulge the confidential information or use it for their own benefit. If you are a corporation or other business entity, your shareholders, members and/or owners must also abide by these covenants and sign a Guaranty (attached to the Franchise Agreement as Schedule C). If you are an individual, we may require your spouse to sign and abide by a confidentiality agreement. If we ask, your employees with access to your password and log-in name for our Intranet must sign a confidentiality agreement agreeing to not disclose this information.

If you develop any new product, service offering, concept, invention, business venture, technique, process or improvement in the operation or promotion of your Business, you must promptly notify us and provide us with all necessary information free of charge. You acknowledge that we own any such

information and you agree to assign ownership of same to us, and you acknowledge that we may provide the information to other franchisees for use in their franchises.

There currently are no effective adverse determinations of the USPTO, United States Copyright Office or any court, nor are there any pending infringements, opposition or cancellation proceedings or material litigation, involving the copyright materials that are relevant to their use by our franchisees.

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

If you are an individual, you must directly perform or supervise the operation of the Business unless we consent otherwise. You must obtain and maintain an immigration status that will allow you to live and work in the United States for the initial term of the Franchise Agreement and for the length of any renewal term of the Franchise Agreement. If you do not have or maintain the required status, the Franchise Agreement will immediately expire by its terms with no further notice or opportunity to cure and we will have no liability to you, and no refund of any fees will be made. However, you will remain bound by all post-termination obligations in the Franchise Agreement, including all obligations regarding noncompete, de-identification, confidentiality, and indemnity.

If we agree that you need not personally perform or supervise operation of the Business, an individual who has successfully completed our training program ("manager") must directly supervise the Business, and that individual must be a bona fide manager, as determined by us. If we ask, the manager must sign a written agreement to maintain confidentiality of the trade secrets described in Item 14.

You may be required by us or by applicable law to engage a licensed real estate broker. As soon as you have engaged a licensed real estate broker, we, you, and such licensed broker must execute a Brokerage Agreement (attached to the Franchise Agreement as Schedule H).

If you are a corporation or other legal entity, direct, on-site supervision must be done by a designated owner who has successfully completed our training program unless we consent otherwise ("principal owner"). If we ask, the principal owner must sign a written statement to maintain confidentiality of the trade secrets described in Item 14 and to conform to the covenants not to compete described in Item 17. If we agree that a principal owner need not personally perform or supervise the operation of the Business, a manager must directly supervise the Business. The manager need not have an ownership interest in the Business. If you are a corporation or other legal entity, your principal shareholders, members and/or owners must sign a Guaranty agreeing to pay and perform all obligations under the Franchise Agreement (attached to the Franchise Agreement as Schedule C). If you obtain financing from us as provided in Item 10, we have the right to require a spouse's personal guaranty.

While you own the Business, you cannot have an interest or relationship with any competitors. If you own an existing business when you sign the Franchise Agreement, we may (in our sole discretion) allow you to roll such existing business into the Business by executing and becoming bound by the Roll-In Addendum (attached as Schedule I to the Franchise Agreement). If you wish to acquire a competitive business or some of its serviced accounts, we must approve such acquisition, in which case the acquired business or accounts will become part of the Business and you will be required to execute and be bound by the Acquisition Addendum (attached as Exhibit P to this disclosure document).

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell only the goods and services that conform to our standards and specifications. You must offer the goods and/or services that we designate as required for all franchisees and you may elect to offer other products and/or services only if we approve them in advance. You must provide real property management services. We may change the authorized services and/or products that we require you and all franchisees to offer by adding additional services and/or products or deleting products and/or services, or both, and there are no limits on our right to make changes. If we make any changes, we will notify you. We have no plans to make significant changes in the future.

You must comply with all applicable laws and regulations and obtain all appropriate governmental approvals for the Business, including obtaining an appliance repair license if required by your locality. To ensure that the highest degree of quality and service is maintained, you must operate in conformity with the methods, standards and specifications in the Operating Manual and as we may otherwise require in writing periodically. You must not deviate from our standards and specifications without our prior written consent.

We do not limit or restrict your solicitation of customers in your Territory, although we own all customer information and may use the customer information as we deem appropriate (subject to applicable law), including, without limitation, sharing it with our affiliates for cross-marketing, customer loyalty programs or other purposes. For example, "Your Hub for Home Services" is Neighborly's current cross-branding initiative where we intend to increase cross utilization of Neighborly brands by consumers and drive consumer awareness via getneighborly.com and other marketing programs.

To the extent allowed under applicable law, you must include an assignment provision in all agreements with customers pursuant to which each customer consents to allow you to assign, or cause the assignment of, the customer agreement to us or, at our election, another REAL PROPERTY MANAGEMENT franchisee or a third-party broker, in each case as designated by us. In addition, we reserve the right to from time to time require you to include certain other provisions in your agreements with customers as further set forth in the Operations Manual or other communication from us.

ITEM 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.

Provision	Section in Franchise Agreement (unless otherwise specified)	Summary
a. Length of the franchise term	4(A)	Initial term is 10 years.
b. Renewal or extension of the term	4(B), (C)	Your Franchise Agreement can be renewed for one additional 10-year term by executing the then-current form of franchise agreement and meeting the other requirements for renewal; if you continue to operate after

Provision	Section in Franchise Agreement (unless otherwise specified)	Summary
		expiration of the initial or a renewal term, we may, at our sole election, treat the Franchise Agreement as expired or as continued on a month-to month basis until both parties agree to enter into our then-current form of franchise agreement for a renewal term or until one party provides the other with written notice of termination, in which case the interim period will terminate 30 days after receipt of the notice of termination. In the latter case, all of your obligations shall remain in full force and effect during the interim period as if the Franchise Agreement had not expired, except that the License Fee during the interim period will be increased to 10% of combined Non-Maintenance Gross Sales and Maintenance Revenues for all types of products/services and without any reductions. Once you have renewed your Franchise Agreement, you have no automatic further right of renewal and the provisions about renewal described in this section do not apply. At that point you may enter into a new franchise agreement on the then current terms if you and we agree to a new agreement.
c. Requirements to renew or extend	4(B), (C)	Requirements for renewal are as follows: you cannot be in default of current Franchise Agreement or any related agreement, have satisfied all monetary and other material obligations on a timely basis during the term and are in good standing and have received no more than 2 written notices of default during the term of the Franchise Agreement; you have not failed to meet the Minimum Performance Standards for any 2 calendar years (or 2 measurement periods, as applicable) during the term of the Franchise Agreement; you must give us written notice at least 180 days (but not more than 240 days) before the end of the expiring term; you and your guarantors must sign a general

Provision	Section in Franchise Agreement (unless otherwise specified)	Summary
		release; you must pay us a renewal fee of $3,000; you must complete our then-current training requirements, and you must sign the then-current version of our franchise agreement, which may have terms, conditions and fees that could be materially different as compared with your original franchise agreement.
d. Termination by you	12(C)	You may terminate the Franchise Agreement as a result of our breach of a material provision of the Franchise Agreement, provided that you give us written notice of the breach and we fail to cure the breach within 30 days after our receipt of your written notice. If we fail to cure the breach, the termination will become effective 60 days after our receipt of your written notice of breach. You may also terminate for any reasons allowed under the law.
e. Termination by us without Cause	None	We cannot terminate your Franchise Agreement without cause.
f. Termination by us with Cause	12(B)	We can terminate your Franchise Agreement only if you default.
g. "Cause" defined – curable defaults	12(B)(1)	You have 10 days (subject to local state law) to cure if you fail to pay amounts due or fail to submit required reports. You have 30 days to cure all other defaults of the Franchise Agreement except for the non-curable defaults described below.
h. "Cause" defined – non-curable defaults	12(B)(2)	You made material misrepresentations to us in the application for the franchise or other reports or information provided to us; you voluntarily abandon performance of the Franchise Agreement (including by failing to operate the Business for seven or more consecutive days); state or local authority close the Business for safety reasons; you

Provision	Section in Franchise Agreement (unless otherwise specified)	Summary
		register any domain name containing our Marks or use Confidential Information in unauthorized manner; you or your guarantor become insolvent or make an assignment for the benefit of creditors or other similar arrangements; you or your guarantor are convicted of (or plead no contest to) any misdemeanor bringing the Marks into disrepute or impairing your reputation or goodwill of the Marks or of the Business; you or your guarantor are convicted of (or plead no contest to) any felony; you intentionally understate or underreport Non-Maintenance Gross Sales, Maintenance Revenues, License Fees, or MAP Fees; any understatement or 2% variance on a subsequent audit within a 2-year period; any transfer or assignment without our consent as provided in the Franchise Agreement; or any default by you that is the second default of any type within any 12-month consecutive period even if the defaults were cured.
i. Your obligations on termination/non-renewal	13	Your obligations include complete de-identification of the Business (including all vehicles) and immediate discontinuation of advertising or any other use of the Marks or any other promotional materials furnished by us; return to us all copies of the Operating Manual, software, customer lists and ongoing customer contracts; assignment to us of all right in the telephone numbers, websites, social media accounts and domain names for the Business and cancelation or assignment, at our option, of any assumed name rights or equivalent registrations; assignment to us, upon our demand, of your remaining interest in any lease for the Business; and payment of any amounts due to us or to third parties for amounts guaranteed by us; compliance with non-competition covenants (see r., below). In addition, we have the right, but not an obligation, subject to applicable law, to

Provision	Section in Franchise Agreement (unless otherwise specified)	Summary
		require the transfer to us or our designee of all customers agreements, including but not limited to management agreements and lease agreements. You must cooperate with us and take all actions necessary to ensure that all customer agreements that we designate are transferred, within 30 days of our notice, to us or, at our election, another REAL PROPERTY MANAGEMENT franchisee or a third-party broker, as designated by us.
j. Assignment of contract by us	10(G)	We may assign your Franchise Agreement to any 3rd party without prior notice to you and without your consent.
k. "Transfer" by you – defined	10(A)	Includes any sale, lease, pledge, management agreement, contract for deed, option agreement, bequest, gift, any arrangement in which you turn over all or part of the operation of the Business to someone who shares in the losses or profits of the Business other than an employee; any 20% or more change in the direct or indirect ownership of the franchisee entity; or any change in the general partner of a franchisee that is a partnership entity.
l. Franchisor approval of transfer by Franchisee	10(B)	We have the right to approve all transfers but will not unreasonably withhold approval.
m. Conditions for Franchisor approval of transfer	10(B) – (D)	You are not in default; you have paid in full all amounts owed to us, our affiliates, or your suppliers, or upon which we have contingent liability; you have provided all required reports; the new franchisee qualifies; training for new franchisee is arranged; you, owners and guarantors sign release; transfer fee paid; current franchise agreement signed by new franchisee; new franchisee agrees to be bound by all customer obligations of Franchisee, including all warranty work and service plans obligations (also see r, below).

Provision	Section in Franchise Agreement (unless otherwise specified)	Summary
n. Franchisor's right of first refusal to acquire the Business	10(F)	We may buy your franchise at the same price and on the same terms as those of a third-party offer.
o. Franchisor's option to purchase the Business	13(C)	Upon termination of your Franchise Agreement, we have the right to purchase the assets of the Business at fair market value as determined by an appraiser.
p. Death or disability of Franchisee	10(E)	Your personal representative must, within 120 days, tender the right of first refusal, apply for our consent to the transfer, pay the transfer fee and satisfy the transfer conditions (provided that no right of first refusal or transfer fee is applicable if the transferee is your spouse or child).
q. Non-competition covenants during the term of the Franchise Agreement	9(D)	You (including your guarantors and owners, if you are an entity, or your spouse, children, parents, or siblings, if you are an individual) cannot be involved in a Competitive Business. A "Competitive Business" is any business that offers or sells any product or service or component thereof that (i) composes a part of our System, (ii) is the same as or similar to any product or service then-offered by our franchisees or (iii) otherwise competes directly or indirectly with our System.
r. Non-competition covenants after the Franchise Agreement is terminated or expires	9(D)	For 2 years, no Competitive Business in your Territory, within a 25-mile radius of the outer boundary of your Territory, or inside the territory of another REAL PROPERTY MANAGEMENT business.
s. Modification of the Franchise Agreement	14(B)	No modification of the Franchise Agreement except by written agreement of both parties.
t. Integration/merger clause	14(B)	Only the terms of the Franchise Agreement are binding (subject to state law). Any other promises may not be enforceable. Nothing in the Franchise Agreement or any related agreement is intended to disclaim our

Provision	Section in Franchise Agreement (unless otherwise specified)	Summary
		representations made in this disclosure document.
u. Dispute resolution by arbitration or mediation	11	Most disputes must be initially mediated. If a dispute is not resolved through the mediation process described in the Franchise Agreement, most disputes must be settled by litigation, subject to state law. Only if a court invalidates a jury waiver or a class action waiver will the dispute be resolved through arbitration, subject to state law.
v. Choice of venue	14(H)	Unless state law supersedes this provision, venue for mediation, arbitration, and litigation is in McLennan County, Texas.
w. Choice of law	14(G)(1)	Texas law applies unless state law supersedes this provision.

SEE THE ATTACHED STATE ADDENDA FOR ADDITIONAL DISCLOSURES.

ITEM 18. PUBLIC FIGURES

We do not presently use any public figures to promote our franchise.

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATION

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

As of December 31, ~~2023~~2024, there were ~~423~~447 Real Property Management franchises. This Item 19 includes data from ~~364~~385 franchised businesses, which were all in operation and reporting sales for the entire calendar year ~~2023~~2024. The information provided in this Item 19 does not include data from (a) ~~39~~37 new franchised businesses that opened during the calendar year ~~2023~~2024 and therefore were not in operation for the entire reporting period, (b) ~~12~~14 franchised businesses that transferred ownership to new owners during ~~2023~~2024 and were not in operation for the entire reporting period and (c) ~~8~~11 franchised businesses that failed to report sufficient or reliable data to us for the entire 12-month reporting period.

~~Five~~12 franchised businesses closed during the ~~2023~~2024 calendar year and so they did not report data to us for the entire reporting period and therefore their data is also excluded from this Item 19. Of the ~~5~~12 franchised businesses that closed during calendar year ~~2023~~2024, none of the businesses closed after being open for less than 12 months.

"Annual Revenue" as used in the following charts means the sum of the Non-Maintenance Gross Sales and Maintenance Revenues for each franchisee during the fiscal year ended December 31, ~~2023~~2024. Also, because these are Annual Revenue results only, no costs or expenses are taken into account.

Non-Maintenance Gross Sales include the total revenues and receipts from whatever source (whether in the form of cash, credit, agreement to pay, barter, trade or other consideration) that arise, directly or indirectly, from the operation of or in connection with a Real Property Management business whether under any of the Marks or otherwise, including, without limitation, all proceeds from any business interruption insurance, minus Maintenance Revenues. Non-Maintenance Gross Sales exclude sales taxes collected from customers and paid to the appropriate taxing authority and any other bona fide refunds, rebates or discounts that we authorize in writing.

Maintenance Revenues include all gross revenue derived from repairs and maintenance services to real property or equipment, such as, but not limited to, painting, lawn care, preventative maintenance, cleaning, plumbing, and general repairs to real property or equipment, whether such gross revenue is generated by (i) Franchisee; (ii) any business entity that controls, is controlled by, or is under common control with Franchisee; or (iii) any person or family member of any person with an ownership interest in Franchisee. Pass-through expenses, such as costs of outside vendors, may not be deducted from Maintenance Revenues without prior approval from us, and must be accounted for through your trust account. Maintenance Revenues exclude sales taxes collected from customers and paid to the appropriate taxing authority and any other bona fide refunds, rebates or discounts that we authorize in writing.

Monthly reports from franchise owners provide our only visibility into the financial results of the individual franchise owners' operations. Neither we or our independent certified public accountants have audited or independently verified any of the data submitted by franchisees. Franchisees are not required to use generally accepted accounting principles when reporting these figures.

All calculations are based on financial and unit data for the year ended December 31, ~~2023~~2024. This report does not include information about previous periods or any future periods.

~~2023~~2024 Annual Number of Property Units under Management and Annual Revenue Per Unit

The following three charts represent the average and median number of property units and average and median revenue per unit being managed by Real Property Management franchised businesses ("Franchises"). The data is broken down according to the age of the franchised business, based upon the year the franchised business was opened. The average and median annual revenue per unit data was drawn from the franchisee reports described above. No adjustments, including adjustments for geographic location, have been made to these reported sales.

Total Reporting Franchises More than 1 Year and Less than 3 Years Old	~~87~~55
Average Number of Units Managed per Franchise	~~111~~88

Median Number of Units Managed per Franchise	*~~64~~45*
Average Annual Revenue per Unit	*$~~5,758~~5,610*
Median Annual Revenue per Unit	*$~~4,605~~5,022*

1 There are ~~87~~55 reporting franchises included in this analysis. The actual range of the Annual Revenue per Unit in ~~2023~~2024 was $~~445.50~~446.98 to $~~35,727.87~~14,557.97.

2 ~~27~~17 franchises (31%) achieved or exceeded the reported Average Annual Revenue per Unit.

3 ~~41~~29 franchises (~~47~~53%) achieved or exceeded the reported Median Annual Revenue per Unit.

4 Average Source of Revenue breakdown:

- Property Owners (property owners who pay franchisees fees to manage the property): (~~47~~49%)
- Property Residents (tenants who pay franchisees for background checks, application fees, lease renewal fees, lease renewal fees, resident benefits packages, setup fees, etc.): (6%)
- Property Maintenance (maintenance done on the property): (~~44~~37%).

Total Reporting Franchises Over 3 Years Old	*~~277~~330*
Average Number of Units Managed per Franchise	*~~340~~311*
Median Number of Units Managed per Franchise	*~~239~~162*
Average Annual Revenue per Unit	*$~~3,973~~4,543*
Median Annual Revenue per Unit	*$~~3,846~~4,252*

1 There are ~~277~~330 reporting franchises included in this analysis. The actual range of the Annual Revenue per Unit in ~~2023~~2024 was $~~489.98~~465.76 to $~~10,364.97~~26,302.26.

2 ~~125~~133 franchises (~~45~~40%) achieved or exceeded the reported Average Annual Revenue per Unit.

3 ~~134~~156 franchises (~~48~~47%) achieved or exceeded the reported Median Annual Revenue per Unit.

4 Average Source of Revenue breakdown: Property Owners (46%); Property Residents (~~7~~6%); Property Maintenance (~~42~~41%).

Total Reporting Franchises Overall	*~~364~~384*
Average Number of Units Managed per Franchise	*~~285~~270*
Median Number of Units Managed per Franchise	*~~159~~131*
Average Annual Revenue per Unit	*$~~4,521~~4,743*
Median Annual Revenue per Unit	*$~~4,003~~4,392*

1 There are ~~364~~385 reporting franchises included in this analysis. The actual range of the Annual Revenue per Unit in ~~2023~~2024 was $~~445.50~~465.76 to $~~35,727.87~~26,302.26.

2 ~~130~~141 franchises (~~38~~37%) achieved or exceeded the reported Average Annual Revenue per Unit.

3 ~~163~~182 franchises (47%) achieved or exceeded the reported Median Annual Revenue per Unit.

4 Average Source of Revenue breakdown: Property Owners (~~46~~47%); Property Residents (~~7~~6%); Property Maintenance (~~42~~41%).

Average and Median Monthly Rent

The below table shows the average and median monthly rent charged per unit by the 385 reporting franchises in 2024:

Total Reporting Franchises Overall	*385*
Average Rent	*$1,509*
Median Rent	*$1,490*

**Calculated as Total rent charged on leases/active units managed (including vacancies). Local market rental rates may vary.*

1 The actual range of the rent was $465.33 to $3,395.52

2 196/51% of franchises charged the Average Rent or greater.

Historical Average and Median Annual Revenue per Unit

The below two tables show the average and median Annual Revenue per property unit managed by the reporting franchises in each of the years 2017 – 2024.

Year	Average Revenue per Unit[2]	Total Reporting Franchised Businesses[1]	Highest Revenue per Unit[3]	Lowest Revenue per Unit[3]	Median Revenue per Unit[2]	Number and Percentage that Attained at least Average[4]
2017	$2,952	233	$9,794.00	$913.00	$2,835	101/43%
2018	$3,199	279	$9,874.38	$788.47	$3,026	114/41%
2019	$3,170	263	$6,658.16	$106.26	$3,020	112/49%
2020	$3,183	261	$15,204.99	$245.67	$3,006	114/44%
2021	$3,443	255	$10,166.66	$501.81	$3,294	114/45%
2022	$4,353	320	$51,643.37	$856.93	$3,814	105/33%
2023	$3,973	340	$10,364.97	$489.98	$3,846	125/45%
2024	$4,743	385	$26,302.26	$465.76	$4,392	141/37%

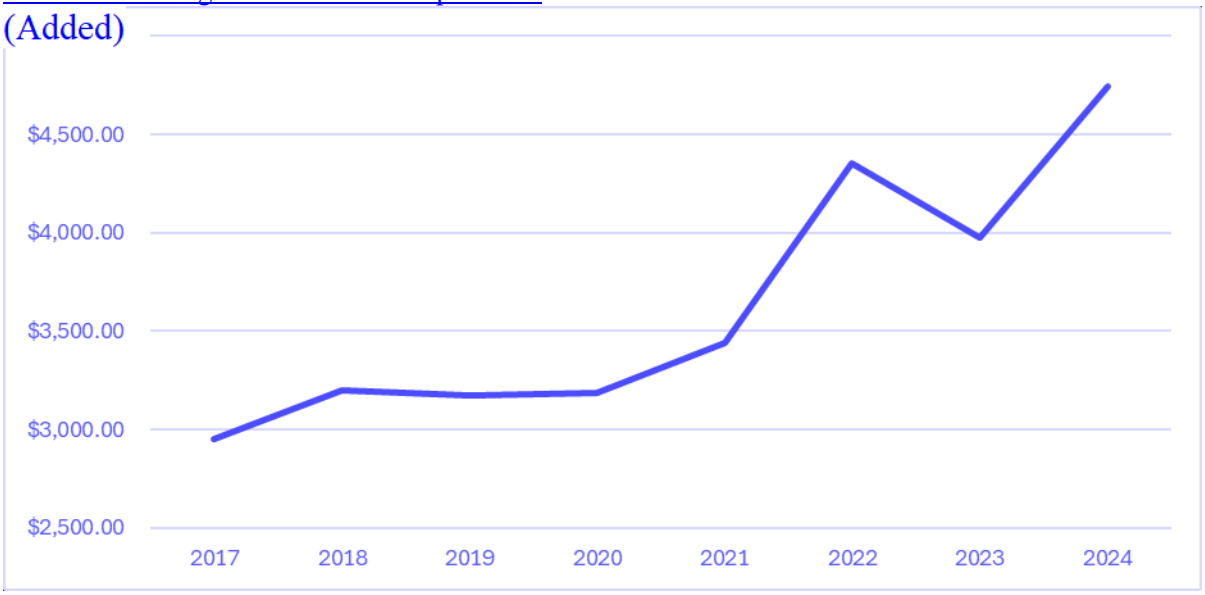
[1] This is the number of franchised businesses included in the analysis (the "Reporting Businesses") for each applicable calendar year (each, a "reporting period").

[2] We calculated the average and median Annual Revenue per Unit as follows: (i) first, we received the Annual Revenue of each Reporting Business and the total number of units managed by each Reporting Business during the applicable reporting period, as provided to us through our Software System, (ii) we calculated the average Annual Revenue per Unit for each Reporting Business by dividing the Reporting Business' total Annual Revenue by the total number of units managed by the Reporting Business during applicable reporting period (the "Individual Business Average Revenue per Unit"), and (iii) then we calculated the average and median of all Reporting Businesses' Individual Business Average Revenue per Unit for each reporting period.

[3] This is the range between the Reporting Businesses' actual highest Annual Revenue per Unit for the applicable reporting period and the actual lowest Annual Revenue per Unit for each reporting period.

[4] This is the number and percentage of Reporting Businesses that achieved or exceeded the Average Revenue per Unit for the applicable reporting period.

Historical Average Annual Revenue per Unit:



Some outlets have earned this amount. Your individual results may differ. There is no assurance that you will earn as much.

We will make available to you, on reasonable request, written substantiation of the data used in preparing the information in this Item.

Other than the preceding financial performance representation, we do 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 actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to our management by contacting Jeffrey Pepperney, 1010 North University Parks Drive, Waco, Texas 76707, (254) 745-2404, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet[1] Summary for Years ~~2021~~2022 to ~~2023~~2024

Outlet Type	Year	Outlets at Start of Year	Outlets at End of Year	Net Change
~~Franchised~~	~~2021~~	~~336~~	~~360~~	~~+24~~
Franchised	2022	360	389	+29
	2023	389	~~423~~422	~~+34~~+33
~~Company-Owned~~	~~2021~~2024	~~0~~422	~~0~~447	~~0~~+25

Company-Owned	2022	0	0	0
	2023	0	0	0
~~Total Outlets~~	~~2021~~2024	~~33~~60	~~36~~00	~~+2~~40
Total Outlets	2022	360	389	+29
	2023	389	~~423~~422	~~+34~~+33
	2024	422	447	+25

[1] Included in "outlets" are all franchised businesses that have opened an operating location. Neither sale of a new territory to an existing franchisee where a separate operating location will not be opened nor execution of a franchise agreement for a new location where the location is not yet open are included.

Table No. 2
Transfers[1] of Outlets from Franchisees to New Owners
(Other than the Franchisor)
For Years ~~2021~~2022 to ~~2023~~2024

[1] Transfer" means the acquisition of a controlling interest in a franchised outlet, during its term, by a person other than the Franchisor or an affiliate. Sale of territory only, not including a franchised outlet, from one franchisee to another franchisee is not included in transfers.

State	Year	Number of Transfers
~~AR~~	~~2021~~	~~1~~
Alabama	2022	0
	~~2023~~	~~0~~
~~AL~~	~~2021~~	~~0~~
	~~2022~~	~~0~~
	2023	1
~~CA~~	~~2021~~	~~2~~
	~~2022~~2024	0
	~~2023~~	~~0~~
~~FL~~	~~2021~~	~~1~~
Florida	2022	1
	2023	0
~~GA~~	~~2021~~2024	0
Georgia	2022	1
	2023	0
~~ID~~	~~2021~~2024	~~0~~1
Idaho	2022	0
	2023	1
~~IL~~	~~2021~~2024	1

State	Year	Number of Transfers
Indiana	2022	0
	2023	0
~~IN~~	~~2021~~2024	1
Kansas	2022	0
	2023	0
~~KY~~	~~2021~~2024	~~0~~1
Kentucky	2022	1
	2023	0
~~MA~~	~~2021~~2024	~~0~~1
Massachusetts	2022	0
	2023	1
~~MI~~	~~2021~~2024	0
Michigan	2022	0
	2023	1
~~MN~~	~~2021~~2024	~~0~~1
Minnesota	2022	1
	2023	0
~~NV~~	~~2021~~2024	0
New Mexico	2022	~~1~~0
	2023	~~0~~1
~~NM~~	~~2021~~2024	0
Nevada	2022	~~0~~1
	2023	~~1~~0
~~NC~~	~~2021~~2024	~~1~~0
North Carolina	2022	0
	2023	1
~~OK~~	~~2021~~2024	0
Oklahoma	2022	0
	2023	1
~~OR~~	~~2021~~2024	0
Oregon	2022	1
	2023	0
~~SC~~	~~2021~~2024	0
South Carolina	2022	0
	2023	1
~~TX~~	~~2021~~2024	0
Texas	2022	2
	2023	2
~~UT~~	~~2021~~2024	~~0~~1

State	Year	Number of Transfers
Utah	2022	0
	2023	1
~~VA~~	~~2021~~2024	~~0~~5
Washington	2022	~~0~~2
	2023	~~1~~2
~~WA~~	~~2021~~2024	0
Virginia	2022	~~2~~0
	2023	~~0~~1
~~TOTAL~~	~~2021~~2024	~~7~~2
TOTAL	2022	10
	2023	~~12~~14
	2024	14

~~[1] Transfer" means the acquisition of a controlling interest in a franchised outlet, during its term, by a person other than the Franchisor or an affiliate. Sale of territory only, not including a franchised outlet, from one franchisee to another franchisee is not included in transfers.~~

Table No. 3
Status of Franchised Outlets for Years ~~2021~~2022 to ~~2023~~2024

State	Year	Outlets at Start of Year	Outlets Opened [1]	Terminations[2]	Non-Renewals	Reacquired by Franchisor[3]	Ceased Operation For Other Reason[4]	Outlets at End of Year
~~AL~~	~~2021~~	~~3~~	~~1~~	~~0~~	~~0~~	~~0~~	~~0~~	~~4~~
Alabama	2022	4	0	0	0	0	0	4
	2023	4	0	2	0	0	0	2
~~AK~~	~~2021~~2024	~~1~~2	0	0	0	0	0	~~1~~2
Alaska	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
~~AZ~~	~~2021~~2024	~~13~~1	0	0	0	0	0	~~13~~1
Arizona	2022	13	0	0	0	0	0	13
	2023	13	2	0	0	0	0	15
~~AR~~	~~2021~~2024	~~7~~15	~~0~~2	0	0	0	0	~~7~~17
Arkansas	2022	7	0	0	0	0	0	7
	2023	7	0	0	0	0	0	7
~~CA~~	~~2021~~2024	~~43~~7	~~3~~0	~~1~~0	0	0	0	~~45~~7
California	2022	45	5	1	0	0	0	49
	2023	49	1	1	~~0~~1[A]	0	0	~~49~~48

State	Year	Outlets at Start of Year	Outlets Opened [1]	Terminations[2]	Non-Renewals	Reacquired by Franchisor[3]	Ceased Operation For Other Reason[4]	Outlets at End of Year
~~CO~~	~~2021~~2024	~~7~~48	~~0~~2	~~0~~2	0	0	0	~~7~~48
Colorado	2022	7	1	0	0	0	0	8
	2023	8	0	0	0	0	0	8
~~CT~~	~~2021~~2024	~~4~~8	0	0	0	0	0	~~4~~8
Connecticut	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
~~DE~~	~~2021~~2024	~~1~~4	0	0	0	0	0	~~1~~4
Delaware	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
~~District Of Columbia~~	~~2021~~2024	~~2~~1	0	0	0	0	0	~~2~~1
District Of Columbia	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
~~FL~~	~~2021~~2024	~~35~~2	~~4~~0	~~4~~0	0	0	0	~~35~~2
Florida	2022	35	9	2	0	0	0	42
	2023	42	9	0	0	0	0	51
~~GA~~	~~2021~~2024	~~10~~51	2	~~1~~0	0	0	0	~~11~~53
Georgia	2022	11	2	0	0	0	0	13
	2023	13	4	0	0	0	0	17
~~HI~~	~~2021~~2024	~~2~~17	~~0~~1	0	0	0	0	~~2~~18
Hawaii	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
~~ID~~	~~2021~~2024	~~6~~2	0	0	0	0	0	~~6~~2
Idaho	2022	6	0	0	0	0	0	6
	2023	6	0	0	0	0	0	6
~~IL~~	~~2021~~2024	~~16~~6	0	0	0	0	0	~~16~~6
Illinois	2022	16	0	0	0	0	0	16
	2023	16	0	0	0	0	0	16
~~IN~~	~~2021~~2024	~~5~~16	0	0	0	0	0	~~5~~16
Indiana	2022	5	1	0	0	0	0	6
	2023	6	1	0	0	0	0	7

State	Year	Outlets at Start of Year	Outlets Opened [1]	Terminations[2]	Non-Renewals	Reacquired by Franchisor[3]	Ceased Operation For Other Reason[4]	Outlets at End of Year
~~IA~~	~~2021~~2024	~~2~~7	0	~~0~~2	0	0	0	~~2~~5
Iowa	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
~~KS~~	~~2021~~2024	~~1~~2	~~1~~0	0	0	0	0	2
Kansas	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
~~KY~~	~~2021~~2024	2	~~0~~1	0	0	0	0	~~2~~3
Kentucky	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
~~LA~~	~~2021~~2024	~~4~~2	0	0	0	0	0	~~4~~2
Louisiana	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
~~ME~~	~~2021~~2024	~~1~~4	0	0	0	0	0	~~1~~4
Maine	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
~~MD~~	~~2021~~2024	~~10~~1	~~0~~1	0	0	0	0	~~10~~2
Maryland	2022	10	0	0	0	0	0	10
	2023	10	1	0	0	0	0	11
~~MA~~	~~2021~~2024	~~6~~11	0	0	0	0	0	~~6~~11
Massachusetts	2022	6	1	0	0	0	0	7
	2023	7	1	0	0	0	0	8
~~MI~~	~~2021~~2024	8	1	0	0	0	0	9
Michigan	2022	9	0	0	0	0	0	9
	2023	9	1	0	0	0	0	10
~~MN~~	~~2021~~2024	~~3~~10	~~1~~3	~~0~~3	0	0	0	410
Minnesota	2022	4	1	0	0	0	0	5
	2023	5	0	0	0	0	0	5
~~MS~~	~~2021~~2024	~~0~~5	0	0	0	0	0	~~0~~5
Mississippi	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1

State	Year	Outlets at Start of Year	Outlets Opened [1]	Terminations[2]	Non-Renewals	Reacquired by Franchisor[3]	Ceased Operation For Other Reason[4]	Outlets at End of Year
~~MO~~	~~2021~~2024	~~7~~1	~~1~~0	1	0	0	0	~~7~~0
Missouri	2022	7	0	0	0	0	0	7
	2023	7	0	0	0	0	0	7
~~MT~~	~~2021~~2024	~~3~~7	~~0~~1	0	0	0	0	~~3~~8
Montana	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
~~NE~~	~~2021~~2024	3	~~0~~1	0	0	0	0	~~3~~4
Nebraska	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
~~NV~~	~~2021~~2024	3	0	0	0	0	0	3
Nevada	2022	3	1	0	1	0	0	3
	2023	3	0	1	0	0	0	2
~~NH~~	~~2021~~2024	~~4~~2	~~1~~0	0	0	0	0	~~5~~2
New Hampshire	2022	5	0	0	0	0	0	5
	2023	5	1	0	0	0	0	6
~~NJ~~	~~2021~~2024	~~4~~6	~~2~~0	~~1~~0	0	0	0	~~5~~6
New Jersey	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5
~~NM~~	~~2021~~2024	~~3~~5	0	0	0	0	0	~~3~~5
New Mexico	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
~~NY~~	~~2021~~2024	~~8~~3	~~1~~0	~~2~~0	0	0	0	~~7~~3
New York	2022	7	2	0	0	0	0	9
	2023	9	2	0	0	0	0	11
~~NC~~	~~2021~~2024	~~10~~11	~~2~~1	~~0~~2	0	0	0	~~12~~10
North Carolina	2022	12	1	1	0	0	0	12
	2023	12	1	0	0	0	0	13
~~ND~~	~~2021~~2024	~~1~~13	~~0~~6	0	0	0	0	~~1~~19
North Dakota	2022	1	0	0	0	0	0	1
	2023	1	1	0	0	0	0	2

State	Year	Outlets at Start of Year	Outlets Opened [1]	Terminations[2]	Non-Renewals	Reacquired by Franchisor[3]	Ceased Operation For Other Reason[4]	Outlets at End of Year
~~OH~~	~~2021~~2024	~~4~~2	~~1~~0	0	0	0	0	~~5~~2
Ohio	2022	5	0	0	0	0	0	5
	2023	5	2	0	0	0	0	7
~~OK~~	~~2021~~2024	~~3~~7	~~2~~1	0	0	0	~~0~~1	~~5~~7
Oklahoma	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5
~~OR~~	~~2021~~2024	~~7~~5	0	0	0	0	0	~~7~~5
Oregon	2022	~~6~~[a]6	0	0	0	0	0	6
	2023	6	0	0	0	0	0	6
~~PA~~	~~2021~~2024	~~5~~6	~~1~~2	0	0	0	0	~~6~~8
Pennsylvania	2022	6	1	0	0	0	0	7
	2023	7	1	0	0	0	0	8
~~RI~~	~~2021~~2024	~~1~~8	~~0~~2	0	0	0	0	~~1~~10
Rhode Island	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
~~SC~~	~~2021~~2024	~~3~~1	0	0	0	0	0	~~3~~1
South Carolina	2022	3	1	0	0	0	0	4
	2023	4	0	0	0	0	0	4
~~SD~~	~~2021~~2024	~~1~~4	0	0	0	0	0	~~1~~4
South Dakota	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
~~TN~~	~~2021~~2024	~~5~~1	~~2~~0	~~1~~0	0	0	0	~~6~~1
Tennessee	2022	6	0	0	0	0	0	6
	2023	6	3	0	0	0	0	9
~~TX~~	~~2021~~2024	~~32~~9	~~5~~1	~~1~~0	0	0	0	~~36~~10
Texas	2022	36	6	2	0	0	0	40
	2023	40	7	0	0	0	0	47
~~UT~~	~~2021~~2024	~~8~~47	~~0~~5	~~0~~1	0	0	0	~~8~~51
Utah	2022	8	0	0	0	0	0	8
	2023	8	0	0	0	0	0	8

State	Year	Outlets at Start of Year	Outlets Opened [1]	Terminations[2]	Non-Renewals	Reacquired by Franchisor[3]	Ceased Operation For Other Reason[4]	Outlets at End of Year
~~VT~~	~~2021~~2024	~~1~~8	~~0~~2	0	0	0	0	~~1~~10
Vermont	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
~~VA~~	~~2021~~2024	~~14~~1	~~3~~0	0	0	0	0	~~17~~1
Virginia	2022	17	2	0	0	0	0	19
	2023	19	0	0	0	0	0	19
~~WA~~	~~2021~~2024	~~9~~19	~~2~~1	0	0	0	0	~~11~~20
Washington	2022	11	1	0	0	0	0	12
	2023	12	1	1	0	0	0	12
~~WV~~	~~2021~~2024	~~1~~12	0	0	0	0	0	~~1~~12
West Virginia	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
~~WI~~	~~2021~~2024	~~3~~1	0	0	0	0	0	~~3~~1
Wisconsin	2022	3	1	0	0	0	0	4
	2023	4	0	0	0	0	0	4
~~WY~~	~~2021~~2024	~~1~~4	~~0~~1	0	0	0	0	~~1~~5
Wyoming	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
~~Total~~	~~2021~~2024	~~336~~1	~~36~~0	~~12~~0	0	0	0	~~360~~1
Total	2022	~~359[a]~~359	37	6	1	0	0	389
	2023	389	39	5	~~0~~1[A]	0	0	~~423~~422
	2024	422	37	11	0	0	1	447

~~[a] Oregon 2022 Starting number corrected to match Franchisor records.~~

[A] California unit operated by Keith Borges, Jr. and Andrea Borges ceased operations as a Real Property Management franchise in 2023. However, the parties did not reach an agreement regarding non-renewal until 2024, and the non-renewal was retroactively made effective as of 2023. As a result, this unit has been removed from California in 2023 and all other affected totals have been adjusted accordingly.

[1] "Outlets opened" does not include outlets for which a franchise agreement was signed but the outlet was not open as of the end of our last fiscal year. Included in "Outlets Opened" are outlets that were opened after a new franchisee purchased the franchised business from an existing owner and the previous owner's franchise agreement was terminated.

[2] "Termination" means the franchisor's termination of a franchise agreement prior to the end of its term and without paying any money or other compensation to the franchisee. Mutual terminations, where both the Franchisor and franchisee agree to end the franchise relationship are also included in terminations listed above.

[3] For purposes of these tables, a "reacquisition" means the Franchisor's acquisition of a franchised outlet during its term in exchange for a payment of money or other compensation. The franchisor's purchase of a territory or a portion of a territory not including an operating outlet is not included in the "reacquisitions" listed above.

[4] "Ceased operations – other reasons" includes abandonment of the franchise outlet after an existing outlet was opened. If no outlet was opened and there was no termination of the franchise agreement, the "abandonment" would not be included in the "ceased operations" column. Also included in this column are franchise outlets that have been sold and/or transferred to an existing franchisee or a franchisee in another state. Also included in Ceased operations – other reasons" are outlets where the franchise agreement was terminated and the territory was added to an existing franchise outlet.

Table No. 4
Status of Company-Owned Outlets
For Years ~~2021~~2022 to ~~2023~~2024

State	Year	Outlets At Start of Year	Outlets Opened	Outlets Re-acquired From Franchisee	Outlets Closed	Outlets Sold to Franchisees	Outlets At End Of Year
All States	~~2021~~2022	0	0	0	0	0	0
	~~2022~~2023	0	0	0	0	0	0
	~~2023~~2024	0	0	0	0	0	0
TOTAL	~~2021~~2022	0	0	0	0	0	0
	~~2022~~2023	0	0	0	0	0	0
	~~2023~~2024	0	0	0	0	0	0

Table No. 5
Projected Openings as of December 31, ~~2023~~2024

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets In the Next Fiscal Year	Projected New Company-Owned Outlets In the Next Fiscal Year
Alabama	1	1	0
Arizona	1	~~1~~0	0
California	~~1~~3	~~1~~0	0
Delaware	0	1	0
Florida	~~2~~1	1	0
Georgia	1	1	0
~~Illinois~~Idaho	0	1	0
Indiana	0	1	0

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets In the Next Fiscal Year	Projected New Company-Owned Outlets In the Next Fiscal Year
Iowa	1	~~0~~1	0
Kansas	0	1	0
Kentucky	0	1	0
Louisiana	0	1	0
~~Maine~~Maryland	0	1	0
Massachusetts	~~0~~1	1	0
Michigan	0	1	0
Minnesota	0	1	0
Mississippi	0	1	0
Missouri	1	1	0
~~Montana~~	~~1~~	~~0~~	~~0~~
~~Nebraska~~	~~1~~	~~1~~	~~0~~
~~Nevada~~Nebraska	0	1	0
New Hampshire	0	1	0
New Jersey	0	1	0
New ~~Mexico~~York	0	1	0
~~New York~~	~~1~~	~~1~~	~~0~~
~~North Carolina~~	~~3~~	~~1~~	~~0~~
Ohio	1	0	0
~~Oregon~~Oklahoma	~~1~~0	~~0~~1	0
Pennsylvania	~~1~~0	1	0
South Carolina	0	1	0
Tennessee	~~0~~1	1	0
Texas	1	1	0
~~Utah~~Virginia	1	0	0
~~Virginia~~Vermont	~~1~~0	~~0~~1	0
~~Wisconsin~~Washington	~~1~~0	1	0
~~Totals~~West Virginia	~~21~~0	~~29~~1	0
Totals	**14**	**28**	**0**

Exhibit E-1 contains the names of current franchisees and area developers and the addresses and telephone numbers of their outlets as of December 31, ~~2023~~2024.

Exhibit E-2 contains the names, address and telephone number of current franchisees that have not opened as of December 31, ~~2023~~2024.

Exhibit F contains the name, city and state and the current business telephone number (or, if unknown the last known home telephone number) of franchisees who had an outlet terminated, cancelled, not renewed or who otherwise voluntarily or involuntarily ceased to do business under a franchise

agreement during our most recently completed fiscal year franchisees transferred, franchisees who left the system for other reasons or who have not communicated with us in the 10 weeks prior to the issuance 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 our last three fiscal years some current or former franchisees signed confidentiality clauses. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

We have established a Franchise Advisory Council (FAC) consisting of 12 franchisee representatives. Generally a new chairperson is elected each year. The FAC members can be reached at our business address and phone number listed on the cover page of this disclosure document.

ITEM 21. FINANCIAL STATEMENTS

Included as Exhibit C are the following audited combined financial statements of Neighborly Assetco LLC, our direct parent: (a) ~~the~~ audited ~~balance sheet as of March 25, 2021 (Predecessor Period)~~combined financial statements as of and for the year ended December 31, 2022, (b) audited combined financial statements as of and for the year ended December 31, ~~2021 (Successor Period) and March 25, 2021 (Predecessor Period), and for the periods from March 26, 2021 through August 31, 2021 (Predecessor Period) and from September 1, 2021 through December 31, 2021 (Successor Period),~~2023, and (c) audited combined financial statements as of and for the year ended December 31, ~~2022 and (d) audited combined financial statements as of and for the year ended December 31, 2023. Neighborly Assetco LLC was organized on November 13, 2020 and had no significant operations prior to the date of the March 25, 2021 balance sheet.~~2024.

Neighborly Assetco LLC guarantees our performance under the Franchise Agreement. A copy of the Parent guaranty is included in Exhibit D.

As reflected in Item 1, Manager (i.e., Neighborly Company) will be providing required support and services to franchisees under a management agreement with us. Attached in Exhibit C are the audited consolidated financial statements of Manager (a) as of and for the year ended December 31, ~~2023~~2024, (b) as of and for the year ended December 31, ~~2022,~~2023 and (c) as of and for the year ended December 31, ~~2021 (Successor Period) and for the period from September 1, 2021 through December 31, 2021 (Successor Period), and the period from January 1, 2021 through August 31, 2021 (Predecessor Period)~~2022.These financial statements are being provided for disclosure purposes only. Manager is not a party to the Franchise Agreement we sign with franchisees nor does it guarantee our obligations under the Franchise Agreement we sign with franchisees.

~~As used in this Item 21, the term "Predecessor Period(s)" refers to the time period(s) before and including August 31, 2021, i.e., the closing date of the KKR Acquisition of Neighborly (as described in Item 1) and the "Successor Period" refers to the time period from and after September 1, 2021 until December 31, 2021 (i.e., the period following the closing of the KKR Acquisition).~~

ITEM 22. CONTRACTS

The following agreements and other required exhibits are attached to this Franchise Disclosure Document in the pages immediately following:

EXHIBIT A - Franchise Agreement and Schedules:

Schedule A. Data Sheet
Schedule B. ACH Form
Schedule C. Personal Guarantee
Schedule D. Acknowledgement Addendum
Schedule E. Telephone Number and Internet Agreement
Schedule F. Confidentiality Agreement
Schedule G. Promissory Note and Security Agreement
Schedule H. Brokerage Agreement
Schedule I. Roll-In Addendum
Schedule J. State Addendum

EXHIBIT G Renewal Addendum
EXHIBIT H General Release [sample]
EXHIBIT I BackOffice Bookkeeping Assistance Program Service Agreement
EXHIBIT J BackOffice HelpDesk Plus Service Agreement
EXHIBIT K BackOffice Quarterly Bank Review Service Agreement
EXHIBIT L Property Management Software Agreement
EXHIBIT M Software System User & Maintenance Agreement
EXHIBIT N Assignment and Consent Agreement
EXHIBIT O ProTradeNet Agreement
EXHIBIT P Acquisition Addendum
EXHIBIT Q Digital Marketing Program Agreement
EXHIBIT R State Addenda and Riders to Franchise Agreement

We provide no other contracts or agreements for your signature at this time.

ITEM 23. RECEIPTS

Our and your copies of the Franchise Disclosure Document Receipt are located at the last 2 pages of this disclosure document.

[The remainder of this page is intentionally left blank.]

EXHIBIT A

REAL PROPERTY MANAGEMENT

FRANCHISE AGREEMENT

RECEIPT FOR FRANCHISE AGREEMENT

The undersigned hereby acknowledges and agrees that on the date below, they received a FRANCHISE AGREEMENT for a REAL PROPERTY MANAGEMENT franchised business including all applicable exhibits with all information completed in a form ready to execute.

_____	_____
Date	Signature
_____	_____
Date	Signature

REAL PROPERTY MANAGEMENT FRANCHISE AGREEMENT

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REAL PROPERTY MANAGEMENT FRANCHISE AGREEMENT

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SCHEDULES

Schedule A	Data Sheet
Schedule B	ACH Form
Schedule C	Personal Guarantee
Schedule D	Acknowledgement Addendum
Schedule E	Telephone Number and Internet Agreement
Schedule F	Confidentiality Agreement
Schedule G	Promissory Note and Security Agreement
Schedule H	Brokerage Agreement
Schedule I	Roll-In Addendum
Schedule J	State Addendum

FRANCHISE AGREEMENT

This Franchise Agreement (the "Agreement") is made as of the Effective Date by and between Real Property Management SPV LLC, a Delaware limited liability company, having its principal place of business at 1010 North University Parks Drive, Waco, Texas 76707 ("we", "us" or "Franchisor"), and the person or entity (the "Franchisee" or "you") identified as Franchisee on the Data Sheet attached as Schedule A (together with addenda attached thereto, the "Data Sheet"). If the ~~f~~Franchisee is a corporation, partnership, limited liability company or other legal entity, the provisions of this Agreement also apply to its owners.

RECITALS

A. We have developed a system for establishing and operating businesses identified by the Marks (as defined below) service mark and engaged in providing property management services, including but not limited to maintenance and repair management services, tenant placement, and rent collection, and performing related services and selling related products pursuant to certain standards and specifications (each, a "REAL PROPERTY MANAGEMENT Business").

B. We own the REAL PROPERTY MANAGEMENT service mark and other marks, as well as other Intellectual Property (as defined below) used in connection with the operation of a REAL PROPERTY MANAGEMENT Business.

C. You desire to develop and operate a REAL PROPERTY MANAGEMENT Business, and we have agreed to grant you a franchise to operate a REAL PROPERTY MANAGEMENT Business subject to the terms and conditions of this Agreement.

In consideration of the foregoing and the promises and consideration below, you and we agree as follows:

DEFINITIONS

1. For purposes of this Agreement, the terms below have the following definitions (other terms are defined in the body of this Agreement):

A. "BackOffice HelpDesk Plus Program" means a training and service program provided by our affiliate BackOffice, Inc., including bank reconciliation, trust balancing and ~~royalty~~License Fee/ submissions services as well as technical support in your use of the AppFolio software.

B. "Bookkeeping Assistance Program" means a required training program provided by our affiliate BackOffice, Inc., designed to assist you with various bookkeeping entry tasks for at least the first 12 months of operation or until you reach at least 100 units under management.

C. "Business" means the REAL PROPERTY MANAGEMENT Business you develop and operate pursuant to this Agreement.

D. "Confidential Information" means any proprietary and non-public information, data, Intellectual Property, materials and ~~know-how owned by us~~know-how relating to the development or operation of REAL PROPERTY MANAGEMENT Businesses, whether contained in the Operations Manual or otherwise, including, but not limited to: (1) training programs and materials; (2) databases of Customers and potential customers, including Customer Information;

(3) sales and marketing programs and techniques for REAL PROPERTY MANAGEMENT Businesses; (4) knowledge of operating systems of REAL PROPERTY MANAGEMENT Businesses; and (5) computer systems, technology and software programs.

E. "Customer" means any person or entity (1) included on any marketing or customer lists you develop or use, including any such list provided by us to you; (2) who has purchased or purchases products or services from you during the term (even if you have solicited the person and/or established a relationship independent of us and without our assistance) or whom you have solicited to purchase any products or services; (3) for whom you provide products or services on our behalf or at our direction; and (4) if any of the foregoing is an entity, all employees of such entity.

F. "Customer Information" means any contact information (including name, address, phone and fax numbers, and e-mail addresses), sales and payment history, and all other information about any Customer, including any personal information that identifies, relates to, describes, is capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular individual or household.

G. "Effective Date" means the date designated as Effective Date on the Data Sheet. If no Effective Date is designated on the Data Sheet, the Effective Date is the date when we sign this Agreement.

H. "Franchise Location" is the premises that are located within the Territory, that meet our site selection guidelines and criteria and from which you will operate your Business.

I. "Non-Maintenance Gross Sales" include the total revenues and receipts from whatever source (whether in the form of cash, credit, agreement to pay, barter, trade or other consideration) that arise, directly or indirectly, from the operation of or in connection with your Business whether under any of the Marks or otherwise, including, without limitation, all proceeds from any business interruption insurance, *minus* Maintenance Revenues. Non-Maintenance Gross Sales exclude sales taxes collected from Customers and paid to the appropriate taxing authority and any other bona fide refunds, rebates or discounts that we authorize in writing.

J. "Intellectual Property" means patents, rights to inventions, copyright and related rights, the Marks, business names, domain names, social media accounts and identifiers (and all related content and programming, and related security codes and passwords), rights in goodwill and the right to sue for passing off, rights in designs, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how), and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection that subsist or will subsist now or in the future in any part of the world relating to the REAL PROPERTY MANAGEMENT Business and the System, owned by us and acquired by us from time to time.

K. "Internet" means all communications between computers and television, telephone, facsimile and any other communication or communication capable devices and another such device or machine, including the World Wide Web, proprietary online services, social media platforms, blogs, E-mail, news groups and electronic bulletin boards and forums.

L. "Maintenance Revenues" means all gross revenue derived from repairs and maintenance services to real property or equipment, such as, but not limited to, painting, lawn

care, preventative maintenance, cleaning, plumbing, and general repairs to real property or equipment, whether such gross revenue is generated by (i) Franchisee; (ii) any business entity that controls, is controlled by, or is under common control with Franchisee; or (iii) any person or family member of any person with an ownership interest in Franchisee. Pass-through expenses, such as costs of outside vendors, may not be deducted from Maintenance Revenues without prior approval from us, and must be accounted for through your Trust Account. Maintenance Revenues exclude sales taxes collected from Customers and paid to the appropriate taxing authority and any other bona fide refunds, rebates or discounts that we authorize in writing.

M. "Marks" means the "REAL PROPERTY MANAGEMENT" service mark and logo, and such other trade names, trademarks, service marks, trade dress logos and commercial symbols as we may from time to time expressly authorize or direct you, in writing to use in connection with the operation of the Business.

N. "National Accounts" means large private, quasi-governmental, or other customers of Real Property Management Businesses located within and/or outside the Territory with whom we have entered or plan to enter into contracts, programs or other arrangements (i) for servicing of multiple locations of such customers and/or (ii) that we determine are designed to benefit the System as a whole by gaining otherwise unavailable business or addressing the concerns of such customers that may require specific terms or provisions of our arrangement with them, including without limitation special insurance, experience, equipment, pricing, payment terms, turnaround requirements, or approvals.

O. "Operations Manual" means any collection of written, video, audio and/or software media (including materials distributed electronically), regardless of title and consisting of various subparts and separate components, all of which we or our agents produce and which contain specifications, standards, policies, procedures and recommendations for operating REAL PROPERTY MANAGEMENT Businesses, all of which we may change from time to time. The term "Operations Manual" includes all means of communicating such information, regardless of format.

P. "Principal Owner" means any person or entity who, now or hereafter, directly or indirectly, owns a 5% or greater interest in the franchisee when the franchisee is a corporation, limited liability company, partnership, or other entity. However, if we are entering into this Agreement totally or partially based on the financial qualifications, experience, skills or managerial qualifications of any person or entity who directly or indirectly owns less than a 5% interest in the franchisee, we have the right to designate that person or entity as a Principal Owner for all purposes under this Agreement. In addition, if the franchisee is a partnership entity, then each person or entity who, now or hereafter is or becomes a general partner is a Principal Owner, regardless of the percentage ownership interest. If the franchisee is one or more individuals, each individual is a Principal Owner of the franchisee. Each franchisee must have at least one Principal Owner. Your Principal Owner(s) are identified in the Data Sheet in Schedule A to this Agreement. As used in this Agreement, any reference to Principal Owner includes all Principal Owners.

Q. "System" means our operating systems, marketing systems, business techniques and methods, processes, policies and procedures for ~~providing~~selling and performing real property management services that include, but are not limited to, tenant screening and placement, leasing, rent and fee collection, maintenance, evictions, accounting, and marketing and advertising, for single and multi-family residential properties, commercial properties, Real Estate Owned (REO) properties, vacation rentals and common interest communities; and, items of trade dress and sales, leadership and management training for the development and operation of REAL PROPERTY

MANAGEMENT Businesses, including all training materials; all as the same may exist today or as the same may change from time to time, as specified in the Operations Manual or as otherwise reasonably directed by us from time to time.

R. "Territory" means the area designated on the Data Sheet. If the Territory is not designated at the time you and we sign this Agreement, we will notify you of the Territory within 30 days of the Effective Date. To the extent any portion of the Territory includes an area designated as an Indian Reserve, a governmental territory or other territory that may have separate or additional laws, regulations or other requirements for performing work in such territory, Franchisee is granted such territory only to the extent and for so long as Franchisee is qualified under such separate or additional requirements to perform work in such territory; knowledge of and compliance with such requirements being the sole responsibility of Franchisee.

S. "Trust Account" means the trust account that you are required to obtain and maintain in accordance with applicable federal, state and local laws, regulations, codes and ordinances.

GRANT OF LICENSE

2. The following provisions control with respect to the license granted hereunder:

A. Rights Granted. Subject to the terms and conditions of this Agreement, we hereby grant you the non-exclusive right and license to engage in and conduct, in the Territory, during the term of this Agreement, a REAL PROPERTY MANAGEMENT Business identified by the Marks.

You hereby accept said license and undertake the obligation to operate your Business faithfully, honestly and diligently, using the System and in compliance with this Agreement and our standards and requirements. You may not subfranchise, sublicense, assign or transfer your rights under this Agreement, except as specifically provided in this Agreement. You undertake the obligation to develop and service Customers throughout the Territory.

B. Rights to Territory. During the term of this Agreement and provided that you are in compliance with the terms and conditions of this Agreement, we will not (i) modify the Territory without your written permission, subject to your compliance with the Minimum Performance Standards set forth in Section 5.S, or (ii) subject to our reservation of rights set forth in Section 2.C, establish more than one (1) additional company- or affiliate-owned or franchised REAL PROPERTY MANAGEMENT Business for every one hundred thousand (100,000) persons in your Territory. Population demographics is determined by reference to the most recent figures available from the U.S. Census Bureau or similar third party source.

You may not advertise or solicit customers, perform services or sell products related to the Business outside the Territory without our prior written consent, which consent we may give, condition or withdraw as we deem appropriate. If you receive a request for services or products from outside the Territory, you must refer that request to the franchisee, if any, that owns the applicable territory, or seek our written permission to process such a request. If you advertise, or otherwise solicit customers, perform services or sell products related to the Business outside the Territory without our prior written consent, we may charge you a $500 fine per violation.

If we give you written permission to advertise, solicit, service or sell in areas outside the Territory that are not serviced by another franchisee (each, a "Territory Available for Sale" or "TAFS"), you must comply with all of the conditions and other requirements that we may from

time to time specify (in the Operations Manual or otherwise in writing) with respect to such activities, including any requirement to terminate or transfer any such activities to any new franchisee that may subsequently acquire rights to such TAFS, as from time to time specified by us (in the Operations Manual or otherwise in writing).

C. Our Reservation of Rights. Except as expressly limited by Section 2.B, we and our affiliates may engage in any activity whatsoever on any terms and conditions we deem advisable whenever and wherever we or they desire. We and our affiliates retain all rights whatsoever not expressly granted herein, including, but not limited to:

(i) the right to establish and operate, and to grant to others the right to establish and operate similar businesses or any other businesses offering similar or dissimilar products and services through similar or dissimilar channels of distribution, at any locations inside or outside the Territory (A) under trademarks or service marks other than the Marks and on any terms and conditions we deem appropriate or (B) under the Marks, but if inside the Territory, then only pursuant to our rights under Section 2.B(ii) above or pursuant to programs set forth in the Operations Manual;

(ii) the right to provide, offer and sell and to grant others the right to provide, offer and sell goods and services that are identical or similar to and/or competitive with those provided at the Franchise Location hereunder, whether identified by the Marks or other trademarks or service marks, through dissimilar channels of distribution (including internet or similar electronic media) both inside and outside the Territory and on any terms and conditions we deem appropriate;

(iii) the right to establish and operate, and to grant to others the right to establish and operate businesses offering dissimilar products and services, both inside and outside the Territory under the Marks and on any terms and conditions we deem appropriate;

(iv) the right to establish and operate, and to grant others the right to establish and operate a REAL PROPERTY MANAGEMENT Business located anywhere both, inside the Territory as provided in Section 2.B(ii) above, and outside the Territory, under any terms and conditions we deem appropriate and regardless of their proximity to the Franchise Location or their actual or threatened impact on sales at the Franchise Location;

(v) (a) the right, directly or through an authorized third party (including, another franchisee), to advertise, solicit, enter into contracts with and service National Accounts in any area, including in the Territory, upon such terms as we negotiate from time to time; or (b) further, if (i) you refuse or, in our sole judgment, are not qualified, interested or available to perform services or otherwise cannot or do not perform services for any customer located within the Territory, including a National Account, (ii) you request assistance in the performance of services to a customer, or (iii) a customer, orally or in writing, specifically requests services within the Territory from a different franchisee or another third party, we have the right to authorize another franchisee (or designate or authorize a corporate employee or any other third party) to perform services for or sell products to the applicable customers inside the Territory. We also reserve the right to establish policies and procedures regarding protected leads and customer accounts, pursuant to which we may allow other franchisees to identify and protect a certain number of leads they are actively working or clients with whom they are actively engaged in your Territory. We will notify you in writing if we establish such policies and procedures and if

a customer lead or account is designated as a protected account of another franchisee in your Territory. You agree that you will not be entitled to any compensation for sales or services performed inside the Territory by someone other than you as contemplated under this paragraph;

(vi) the right to acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at the 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 in the Territory); and

(vii) the right to be acquired (in whole or in part and regardless of the form of transaction), by a business providing products and services similar to those provided at the Business, or by another business, even if such business operates, franchises and/or licenses a business(es) that competes with you in the Territory.

TRADEMARK STANDARDS AND REQUIREMENTS

3. We hereby grant you the right to use the Marks in connection with the operation of the Business hereunder, subject to the following terms and conditions:

A. Mark Ownership. The Marks are our and/or our affiliates' valuable property, and we and/or our affiliate(s) are the sole and exclusive owner of all right, title and interest in and to the Marks and all past, present or future goodwill of the Business and of the business conducted that is associated with or attributable to the Marks. Your use of the Marks will inure to our benefit. You may not, during or after the term of this Agreement, engage, directly or indirectly, in any conduct that would infringe upon, harm, contest or otherwise interfere with our or our affiliates' rights in any of the Marks or the goodwill associated with the Marks, including any use of the Marks in a derogatory, negative, or other inappropriate manner in any media, including but not limited to print or electronic media. You agree that you will not grant or attempt to grant a security interest in or otherwise encumber, the Marks or record any such security interest or encumbrance against any application or registration regarding the Marks in the United States Patent and Trademark Office or elsewhere.

B. Use of Marks. You may not use, or permit the use of, any trademarks, trade names, logos, service marks or any other names or marks in connection with the Business except those we authorize or direct in writing. You may use the Marks only in the form and manner we prescribe in writing and only in connection with the products and services that we specify and that meet our standards and requirements with respect to quality, production, installation and sale. You must strictly comply with all trademark, trade name and service mark notice marking requirements and other brand usage guidelines that we may provide from time to time.

C. Business Identification. You must use the name REAL PROPERTY MANAGEMENT and the descriptor we designate for you as the trade name of the Business (e.g., Real Property Management Lone Star), and you must obtain and maintain corresponding fictitious or assumed name registration as required under applicable laws in the jurisdiction in which your Business is located and provide us with evidence of the same prior to opening for business. You may not use the words "REAL PROPERTY MANAGEMENT" or any other Mark as part of the name of your corporation, partnership, limited liability company or other business entity. You may not use any other mark or words to identify the Business without our prior written consent. You may not change your legal entity name, trade name, or fictitious or assumed name without our prior written

consent. You may use the Marks on various materials associated with the Business, such as business cards, stationery and checks; provided that you (i) accurately depict the Marks on the materials as we direct, (ii) use the Marks in accordance with all of our trademark usage and branding standards, (iii) include a statement on the materials indicating that the Business is independently owned and operated by you, (iv) do not use the Marks in connection with any other trademarks, trade names, logos, service marks or any other names or marks unless we specifically approve in writing prior to such use, and (v) make available to us, upon our request, a copy of any materials depicting the Marks. You must put Customers on notice (by language in your contracts) identifying you as a REAL PROPERTY MANAGEMENT franchisee in a format we deem acceptable, including an acknowledgment that you independently own and operate the Business.

D. Litigation. If any person or entity improperly uses or infringes the Marks or challenges your use or our use or ownership of or the validity of the Marks, we will control all litigation and other proceedings and we have the right to determine whether suit or other proceeding will be instituted, prosecuted or settled, the terms of settlement and whether any other action will be taken. You must promptly notify us of any such use or infringement of which you become aware or any challenge or claim arising out of your use of any Mark. You must take reasonable steps, without compensation, to assist us with any action we undertake. We will be responsible for our fees and expenses incurred in connection with any such action, unless the challenge or claim results from your misuse of the Marks in violation of this Agreement, in which case you must pay us for our costs and expenses including our attorney's fees.

Provided that you are using the Marks in compliance with the terms of this Agreement, we will defend, at our own expense, any action against you brought by a third party alleging that any of the Marks infringes any U.S. trademark of a third party, and we will pay those costs and damages finally awarded against you in any such action that are specifically attributable to such claim or those costs and damages agreed to in a monetary settlement of such action. The foregoing obligations are conditioned on you: (i) notifying us promptly in writing of such action; (ii) giving us sole control of the defense thereof and any related settlement negotiations; and (iii) cooperating and, at our request and expense, assisting in such defense.

E. Changes. Unless we direct you so in writing, you may not make any changes or substitutions to the Marks. We reserve the right to change the Marks at any time and you must comply with any such changes within the time frames we specify.

F. Creative Works. All ideas, business ventures, concepts, inventions, techniques, or materials concerning a REAL PROPERTY MANAGEMENT Business, whether or not protectable Intellectual Property and whether created by or for you or one of your owners or employees, must be promptly disclosed to us and will be deemed to be solely and exclusively our property, part of the System, and "works made-for-hire," as the phrase is defined in the Copyright Act of 1976 (17 U.S.C. 101 et seq.) for us. To the extent any item does not qualify as a "work made-for-hire" for us, by operation of law or otherwise, you agree to assign and hereby irrevocably assign, for no additional consideration, ownership of that item, and all related rights to that item, to us, our successors and assigns, including without limitation, the right to sue, counterclaim, and recover for all past, present, and future infringement, misappropriation, or dilution thereof, and all rights corresponding thereto throughout the world and agree to take whatever action (including signing an assignment agreement or other documents) we request to show our ownership or to help us obtain intellectual property rights in the item. Notwithstanding anything to the contrary, neither the expiration nor the termination of this Agreement shall affect our ownership of the items herein or alter any of our rights or privileges hereunder.

TERM AND RENEWAL

4. The following provisions control with respect to the term and renewal of this Agreement:

A. Term. The initial term of this Agreement commences on the Effective Date and expires on the 10-year anniversary of the Effective Date, unless terminated earlier as provided herein.

B. Renewal Term and Conditions of Renewal. You may renew your license for one renewal term of 10 years; provided that: (i) you have given us written notice of your request to renew at least 180 days but not more than 240 days prior to the end of the expiring term; (ii) you sign our then-current form of franchise agreement (modified to reflect that the agreement relates to the grant of a renewal), the terms of which may differ from this Agreement, including higher fees; (iii) you are not in default of this Agreement or any other agreement pertaining to the franchise granted, have satisfied all monetary and other material obligations on a timely basis during the term and are in good standing, have received no more than 2 written notices of default during the term of this Agreement, and have not failed to meet the Minimum Performance Standards for any two calendar years (or two measurement periods, as applicable) during the term; (iv) you comply with our then-current training requirements; (v) you and your guarantors execute a general release of claims in a form we prescribe; and (vi) you pay a renewal fee of $3,000.

C. Interim Period. If this Agreement expires without you properly exercising your renewal right and you continue to accept the benefits of this Agreement thereafter, then, at our option, we may treat this Agreement either as (i) expired as of the date of expiration, with you then illegally operating a franchise in violation of our rights; or (ii) continued on a month-to-month basis (the "Interim Period") until both parties agree to enter into our then-current form of franchise agreement for a renewal term or until one party provides the other with written notice of termination, in which case the Interim Period will terminate 30 days after receipt of the notice of termination. In the latter case, all of your obligations shall remain in full force and effect during the Interim Period as if this Agreement had not expired, except that the License Fee during the Interim Period will be increased to 10% of combined Non-Maintenance Gross Sales and Maintenance Revenues for all types of products/services and without any reductions. All obligations and restrictions imposed on you upon expiration of this Agreement shall take effect upon termination of the Interim Period.

OPERATIONS STANDARDS AND REQUIREMENTS

5. You must implement and abide by our requirements and standards directed to enhancing substantial System uniformity. The following provisions control with respect to operation of your Business:

A. Franchise Location. You are responsible for finding and purchasing or leasing a site that meets our site selection guidelines and standards and is located in the Territory. You must promptly, but in no event later than 30 days after the Effective Date, select a site for the Franchise Location and provide us written notice of such selection (together with evidence of compliance with our site selection guidelines). We will evaluate the site and notify you of our approval or disapproval of your proposed site within a reasonable time (usually 30 days) after we receive all requested information regarding your proposed site. ~~We make no guarantees concerning the success of the Franchise Location or Territory.~~ In addition, your Franchise Location must meet the following conditions:

(i) You must have selected a Franchise Location meeting our approval no later than 30 days after the Effective Date.

(ii) You must sign a lease for the Franchise Location and begin operating your Business within 4 months of the date we sign this Agreement, although you may not commence operations of your Business until you have satisfactorily completed our training program and complied with your other pre-opening obligations. We are not responsible or liable for any of your pre-opening obligations, losses or expenses, including those you might incur for your failure to comply with these obligations or your failure to open by a particular date. After the lease or purchase agreement for the Franchise Location is executed, you shall provide us a copy of such lease or purchase agreement. We have no responsibility for any lease; it is your sole responsibility to evaluate, negotiate and enter into a lease or a purchase agreement for the Franchise Location premises.

(iii) You must construct and equip your Franchise Location in accordance with our current approved specifications and standards as set forth in the Operations Manual. You must maintain and periodically refresh the building, equipment, vehicles, fixtures, furnishings, signage and trade dress (including the interior and exterior appearance) used in the operation of your Business in accordance with our requirements established periodically and any periodic evaluations of the premises by our representatives.

(iv) In the limited instance that Google (or another designated vendor we use for search engine optimization purposes to drive online customer marketing) requires a secondary physical location in your Territory (in addition to your Franchise Location) in order to align with the marketing areas identified by Google/the vendor, we and you will agree on how you can establish and operate the secondary location in a manner that meets Google/the vendor's requirements as well as our applicable System standards for a secondary location; provided that this requirement will not apply during the first year of operation of the Business.

From time to time as we require, you must effect items of modernization and/or replacement of the premises, trade dress, vehicles, equipment and grounds as may be necessary for your Business to conform to the standards for similarly situated new REAL PROPERTY MANAGEMENT Businesses.

Each Transfer of any interest in this Agreement or your Business under Section 10 and each renewal under Section 4 are expressly conditioned upon your compliance with our then-current modernization or replacement requirements.

(v) ~~(iv)~~ If you need to relocate your Franchise Location for reasons other than your breach of your lease, we will evaluate your proposed new site and notify you of our approval or disapproval of such proposed site within a reasonable time (usually 30 days) after we receive all requested information regarding the proposed site; provided that you are not in default under this Agreement or any other agreement with us and you are current on all of your financial obligations to us, our affiliates and third parties. You still must continue to operate the Business at all times during any such relocation.

B. Vehicle Acquisition and Maintenance. You must acquire and maintain, at your sole expense, one or more vehicles as specified by us for use in the Business. Each vehicle shall be equipped, outfitted, insured and maintained in accordance with our specifications and standards. You must maintain the interior, exterior and mechanical parts of all required vehicles

in good repair and condition and regularly service and maintain the vehicles to keep them clean and in good working order.

C. Authorized Services and Products. You can only offer and sell authorized services and products from your Business and you must refrain from selling any other services or products. You must use in the operation of your Business and in the offer and sale of authorized services and products of your Business only those techniques, procedures and supplies we specify in writing. You acknowledge and agree that we may change any of our requirements periodically and you agree to conform to any such changes. All Customer service materials, techniques, and promotional items of all descriptions and types must meet our standards of uniformity and quality.

D. Approved Supplies and Suppliers. We reserve the right to require that you only use approved products, services, inventory, equipment, signs, advertising materials, and other items (collectively "approved products and supplies") in the Business. We may introduce new products and supplies and change previously approved products and supplies from time to time and you agree to promptly comply with our new or changed requirements. Although we do not do so for every item, we have the right to approve the supplier of approved products and supplies. You acknowledge and agree that certain approved products and supplies may only be available from one approved supplier source, and we or our affiliates may be that source. You will pay the then-current price in effect for any approved products and supplies you purchase from us or our affiliates. All products, materials, services and other items and supplies used in the operation of the Business must conform to the specifications and standards we establish from time to time. We may furnish to you from time to time lists of approved products and supplies and/or approved suppliers, which lists we may amend from time to time. We or our affiliate may make available to you the opportunity to participate from time to time in certain discounts, rebates or other benefits in connection with your purchases from approved suppliers.

WE AND OUR AFFILIATES MAKE NO WARRANTY WITH RESPECT TO ANY PRODUCTS, SERVICES, EQUIPMENT, SUPPLIES OR OTHER ITEMS WE APPROVE AND WE EXPRESSLY DISCLAIM ALL WARRANTIES, EXPRESS AND IMPLIED, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO ANY SUCH PRODUCTS, EQUIPMENT (INCLUDING WITHOUT LIMITATION AND ANY REQUIRED COMPUTER SYSTEMS), SUPPLIES, OR OTHER APPROVED ITEMS.

E. Computer System; Call Center Program. You must purchase a computer system (including all future updates, supplements and modifications) and other technology that meets our standards and requirements (the "Computer System"). The Computer System will be used to develop a database of Customers and prospective customers and other related Customer Information, schedule appointments, generate proposals, maintain communications over the Internet, and produce your accounting records. In addition, you may be required to use our proprietary call center program. You agree that, without our prior written consent, you may not input, provide or otherwise use any Confidential Information in connection with any Computer System that leverages artificial intelligence or machine learning models, including but not limited to any publicly-available generative AI tools (*e.g.*, ChatGPT). The foregoing restriction includes inputting, providing or otherwise using any Confidential Information to train, develop or modify any such models.

You may be required to license software from us, our affiliate, or a third party and you also may be required to sign software license agreements and pay an additional software licensing or user fee(s) in connection with your use of the software. All right, title and interest in and to the

software will remain with the licensor of the software. You will be liable for all damages (under this Agreement, any other software license agreement you execute and under applicable law) and problems caused by your use of any software on the Computer System. You acknowledge and agree that we will have full and complete access to the information and data entered into ~~and~~or produced by the Computer System, including, without limitation, email communications and related data, and we can use the same in any way we deem appropriate, ~~in compliance with~~including in connection with the development, training, or modification of artificial intelligence / machine learning models, subject to applicable laws. You must have Internet access with a form of high speed connection as we may require and you must maintain a dedicated email account for the Business, separate from any personal or other email account. You must purchase any upgrades, updates, enhancements and/or replacements to the Computer System and/or related hardware ~~and~~, software or other technology as we may from time to time require. It is your responsibility to make sure that you are in compliance with all laws that are applicable to the Computer System ~~or other technology used in the operation of your Business~~, including all data protection, privacy and security laws as well as payment card industry (PCI) compliance.

As to any malfunctioning of the Computer System or any website as further described in Section 5.K, neither we nor any affiliate will be liable to you for any consequential, incidental, indirect, economic, special, exemplary or punitive damages, such as, but not limited to, loss of revenue or anticipated profits or lost business, even if you have advised us that such damages are possible as a result of any breach or malfunction.

F. Customer Information. ~~We~~You agree that we own all Customer Information and may use the Customer Information as we deem appropriate (subject to applicable law), including disclosing it to vendors, developing, training or modifying artificial intelligence / machine learning models, or sharing it with our affiliates for cross-marketing or other purposes. You may only use Customer Information for the purpose of operating the Business to the extent permitted under this Agreement, including the Operations Manual during the term hereof and subject to such restrictions as we may from time to time impose and in compliance with all data privacy, security and other applicable laws. Without limiting the foregoing, you agree to comply with applicable law in connection with your collection, storage, disclosures and your use and our use of such Customer Information, including, ~~if required under applicable law, obtaining consents from Customers to our and our affiliates' use of the Customer Information. You must~~ complying with all laws and regulations relating to data protection, privacy and security, including data breach response requirements ("Privacy Laws"), as well as data privacy and security policies, procedures and other requirements we may periodically establish. ~~You~~Some laws require you to obtain consent to collect, store, disclose, and use (collectively "process") personal information. You are responsible for obtaining appropriate Customer consent, as well as all necessary rights in the Customer Information, to ensure you and we may process Customer Information as outlined in this Agreement, including but not limited to as set forth in Section 5(E). You must notify us immediately of any suspected data breach at or in connection with the Business. You must fully cooperate with us and our counsel in determining the most effective way to meet our standards and policies pertaining to Privacy Laws within the bounds of applicable law. You are responsible for any financial losses you incur or remedial actions that you must take as a result of breach of security or unauthorized access to Customer Information in your control or possession.

If any federal or state Privacy Law, including the California Consumer Privacy Act ~~("CCPA")~~, as revised by the California Consumer Privacy Rights Act ~~("CPRA")~~, Cal. Civ. Code § 1798.100, et seq. (collectively, "CCPA"), and any related regulations, applies to the operation of the Business, whenever and to the extent you operate as a "Service Provider" or "Contractor"

under the CCPA, a data processor, or in a similar capacity under any federal or state Privacy Law, you represent and warrant that:

(1) Except for the purpose of operating the Business in accordance with this Agreement, including the Operations Manual, you will not retain, use, combine or disclose any Customer Information;

(2) You will not sell, share, make available or otherwise disclose any Customer Information to any third party for valuable consideration or for the purpose of performing cross-context behavioral advertising, targeted advertising, or profiling, as those terms are defined under applicable Privacy Laws;

(3) You will not retain, use, or disclose Customer Information outside of the direct business relationship between you and us;

(4) You will delete any Customer Information upon our request unless you can prove that such request is subject to an exception under applicable law; and

(5) If you receive a Customer Information data request (e.g., a request to delete Customer Information) directly from a consumer (e.g., a California resident under the CCPA, or a resident of another jurisdiction under other applicable Privacy Law), you shall inform us of that request within one business day and cooperate with us to ensure that the consumer receives an appropriate and timely acknowledgement and response. ~~As an example, currently under the CCPA, an acknowledgement is typically required within 10 business days and a final response is required within 45 calendar days.~~

(6) You will implement reasonable security procedures and practices appropriate to the Customer Information you collect, retain, use or disclose, in order to protect it from unauthorized or illegal access, including following minimum requirements that may be set forth in the Operations Manual.

(7) You will cooperate with us to the extent necessary to assist us with conducting required data protection assessments or other similar assessments under applicable Privacy Laws, responding to Customer Information data requests, responding to requests or inquiries from government authorities, or if we seek to ensure that you have collected, retained, used, or disclosed Customer Information consistent with Privacy Laws and this Agreement, including but not limited to providing us with requested compliance documents, or allowing us or our designee to assess, audit, or test your privacy and security controls at least annually.

(8) You will cooperate with us to stop or remediate any unauthorized use of Customer Information, including verifying that you no longer retain or process personal information that a consumer has asked you or us to delete under applicable Privacy Laws.

(9) You will notify us immediately if you determine you cannot meet your obligations under Privacy Laws or this Agreement regarding your collection, retention, use, or disclosure of Customer Information.

You certify that you understand the restrictions in Paragraphs (1) – (9) of this section and will comply with them. You also acknowledge and agree that we may modify these restrictions from time to time by written notice to you, by issuing updates to our standards and policies pertaining to Privacy Laws, including by adding other similar restrictions that may be required

under other state or federal Privacy Laws, and you agree to comply with the same. You also agree to execute any addenda that we may determine are required to conform this Agreement to new or changed Privacy Laws.

To the extent that you engage another person to collect, use, sell, share, store, disclose, analyze, delete, modify, or to otherwise perform any processing of Customer Information for the purpose of operating the Business (a "Subprocessor"), you will notify us of such engagement, which shall be governed by a written contract that includes the same restrictions as in Paragraphs (1) – (9) of this section and imposes reasonable confidentiality obligations and privacy and security controls on the Subprocessor.

G. Operating Procedures; Operations Manual. We will loan you or grant you access electronically to a copy of our Operations Manual. We will make it available to you online or in such other manner and format as we approve. You acknowledge that the Operations Manual is at all times our Intellectual Property and owned exclusively by us. You must, at all times, treat the Operations Manual, and the information it contains, as secret and confidential, and must use all reasonable efforts to maintain such information secret and confidential. You must adopt and use as your continuing operational routine the required standards, service style, procedures, techniques and management systems described in the Operations Manual or other written materials relating to the Business provided from time to time by us. We will revise the Operations Manual and these standards, procedures, techniques and management systems periodically to meet changing conditions and in the best interest of the REAL PROPERTY MANAGEMENT Businesses and the System. We will notify you of any such updates or revisions and you expressly agree to comply with each new or changed requirement. You must at all times ensure that your copy of the Operations Manual is kept current and up to date, and in the event of any dispute as to the contents of said Operations Manual, the terms of the master copy of the Operations Manual that we maintain are controlling.

The Operations Manual will contain both mandatory standards and recommended standards. Any required standards exist to protect our interests in the System and the Marks and not for the purpose of establishing any control or duty to take control over those matters that are reserved to you. The required standards generally will be set forth in the Operations Manual or other written materials. The Operations Manual also will include guidelines or recommendations in addition to required standards. In some instances, the required standards will include recommendations or guidelines to meet the required standards. You may follow the recommendations or guidelines or some other suitable alternative, provided you meet and comply with the required standards. In other instances, no suitable alternative may exist. In order to protect our interests in the System and the Marks, we reserve the right to determine if you are meeting a required standard and whether an alternative is suitable to any recommendations or guidelines.

H. Confidential Information. You may not, during the term of this Agreement or thereafter, communicate, divulge or use any Confidential Information for the benefit of any other person or entity, except that you may communicate Confidential Information to such employees as must have access to it in order to operate the Business. All Confidential Information, including, without limitation, methods, procedures, suggested pricing, specifications, processes, materials, techniques, Customer Information and other data, may not be used for any purpose other than operating the Business hereunder. In the interest of protecting our System, we may require that you obtain nondisclosure and confidentiality agreements in a form satisfactory to us from your owners (if franchisee is an entity), your spouse, your manager and other key employees. You must provide executed copies of these agreements to us upon our request. A copy of the current Confidentiality Agreement form to be used with your owners (if franchisee is an entity) or your

spouse is included as Schedule F. Notwithstanding anything to the contrary herein, as between you and us, you agree that all Confidential Information, including all Intellectual Property rights therein, belong to us.

I. Evaluations. We ~~or~~and our authorized representative have the right to visit and inspect your Business at all reasonable times during the business day for the purpose of making periodic evaluations and to ascertain your compliance with the provisions of this Agreement, and to inspect and evaluate your services, supplies or products and other aspects of your Business. Any failure of an inspection is a default under this Agreement. Further, if we determine that any condition in the Business presents a threat to customers or public health or safety, we may take whatever measures we deem necessary, including requiring you to immediately close the Business until the situation is remedied to our satisfaction. Any evaluation or inspection we conduct is not intended to exercise control over your day-to-day operation of your Business or to assume any responsibility for your obligations under this Agreement.

J. Compliance with Laws; Licenses and Permits. You must, at your expense and at all times, maintain and conduct your Business operations in compliance with all applicable federal, state and local laws, regulations, codes and ordinances. You must secure and maintain in force all required licenses, permits and certificates relating to your Business, including but not limited to obtaining and maintaining required authorizations from federal and state transportation authorities and public utility commissions. Without limiting the foregoing, if you or any of your Principal Owners is not a U.S. national, you represent that you and/or such Principal Owner(s) have an immigration status that allows you and/or such Principal Owner(s) to live and work in the United States, and you hereby promise that you and/or such Principal Owner(s) will maintain such status during the term of this Agreement.

Without limiting the foregoing, you acknowledge that applicable laws may require you to set up and maintain a Trust Account and/or to engage the services of a licensed real estate broker in the operation of your Business, and you agree to fully comply with such legal requirements.

You acknowledge that you are an independent business and responsible for control and management of your Business, including, but not limited to, the hiring and discharging of your employees, tax withholdings, and setting and paying wages and benefits of your employees. You acknowledge that we have no power, responsibility or liability in respect to the hiring or discharging of employees, tax withholdings or setting or paying of wages or related matters.

You must immediately notify us in writing of any investigation, claim, litigation or proceeding that arises from or affects the operation or financial condition of your Business or names us as a party.

K. Participation in Internet Websites or Other Online Communications. We may require you, at your expense, to participate in our REAL PROPERTY MANAGEMENT website on the Internet, our intranet or extranet system or other online communications as we may from time to time prescribe. We have the right to determine the content and use of our website and intranet or extranet system and establish the rules under which franchisees may or must participate. We will post your Business contact information on our website. You may not separately register any domain name containing any of the Marks or operate a website or social media account for your Business. We reserve the right to pre-approve, establish rules, procedures and policies relating to any website and social media account that you create or use for the operation of your Business. We may immediately terminate this Agreement if you register any domain name or social media account containing any of the Marks. We retain all rights relating to our website, intranet system

and social media accounts and may alter or terminate our website, extranet system or intranet system, or any social media accounts. Your general conduct on our website, social media accounts, intranet or extranet system or other online communications and specifically your use of the Marks or any advertising is subject to the provisions of this Agreement. You acknowledge that certain information related to your participation in our website, social media accounts, extranet system or intranet system may be considered Confidential Information, including access codes and identification codes. Your right to participate in our website, social media accounts, and intranet or extranet system, or otherwise use the Marks or System on the Internet or other online communications, will terminate when this Agreement expires or terminates. You acknowledge and agree that you do not have any right to use the Marks or other Intellectual Property of the System on any website or any social media platform except as expressly approved by us in writing.

Unless we direct otherwise, simultaneously herewith, you agree to execute the Telephone Number and Internet Agreement (attached hereto as Schedule E), pursuant to which you assign to us ownership of all Telephone Listings and Internet Listings (each term as defined in Schedule E).

L. System Modifications. You acknowledge and agree that we have the right to modify, add to or rescind any requirement, standard or specification that we prescribe under this Agreement to adapt the System to changing conditions, competitive circumstances, business strategies, business practices and technological innovations and other changes as we deem appropriate. You must comply with these modifications, additions or rescissions at your expense, subject to any express limitations set forth in this Agreement.

M. Suggested Pricing Policies. Based on examples from REAL PROPERTY MANAGEMENT Businesses, we may, from time to time, make suggestions to you with regard to your pricing policies. In addition, we have the right to negotiate National Account arrangements, including pricing which will bind all REAL PROPERTY MANAGEMENT Businesses providing services to such National Accounts. Although you generally have the right to establish prices for the products and services you sell, we reserve the right to establish and enforce prices, both minimum and maximum, to the extent permitted by applicable law.

N. National Accounts. We reserve the right to establish and administer a National Accounts program. If such a program is established, you may participate in it. If you elect to participate, you must comply with all National Accounts standards and procedures set forth in the Operations Manual and/or as we may otherwise communicate to you, as well as the specific terms of our arrangement with each applicable National Account, which terms may include, without limitation, the provision of certain insurance and other products and services, special pricing, payment terms, turnaround on services, etc.

O. Customer Service; Service Warranties. You must honor our warranty policies for services you provide to Customers, as described in the Operations Manual. You are solely responsible for the quality and results of the services and products you sell and provide to Customers, maintaining a continuing responsibility with respect to such services and products beyond the termination or expiration of this Agreement. You must render and must cause each of your employees to render prompt, competent and courteous service to Customers and you shall offer and honor such service warranties as we direct.

You must respond to any dissatisfied Customers within 24 hours after the complaint is received or as otherwise set forth in the Operations Manual. If you are unable to equitably resolve

the Customer's complaint within 3 days after the initial contact, you must contact us to inform us of your actions taken and for possible assistance in handling the complaint. In no event shall our assistance be construed to make us liable to you or to a Customer in connection with such complaint. You are solely responsible for satisfactorily and timely resolving all warranty claims, Customer disputes, and online Customer reviews. Should you fail to do so, you must reimburse the cost of any such services to us or any third party that we authorize to perform the services or you must reimburse us for any refund or other payment we may make to a Customer (as applicable). We may at any time contact Customers concerning the quality of services you provide, the level of Customer satisfaction, or other aspects of the Business that we deem relevant.

We may make available to you online Customer exit surveys, which we have developed and administer. Unless you opt out from the survey program, we will deliver an online exit survey to each Customer who discontinues their service relationship with you, we will compile and analyze the survey data and share the survey results with you. The data resulting from the surveys is Customer Information owned by us and we may use such data subject to applicable law, including without limitation by sharing aggregate results of such surveys with the System.

P. Customer Agreements; Consent to Assign Customer Agreements. To the extent allowed under applicable law, you must include an assignment provision in all agreements with Customers pursuant to which each Customer consents to allow you to assign, or cause the assignment of, the Customer agreement to us or, at our election, another REAL PROPERTY MANAGEMENT franchisee or a third-party broker, in each case as designated by us. In addition, we reserve the right to from time to time require you to include certain other provisions in your agreements with Customers.

Q. Ethical Business Conduct. You agree to adhere to good business practices, observing high standards of honesty, integrity, fair dealing and ethical business conduct and good faith in all business dealings with Customers, vendors, your employees, our corporate employees, and all other REAL PROPERTY MANAGEMENT franchisees. You must not engage in deceptive, misleading or unethical practices or conduct that may have a negative impact on the reputation and goodwill associated with the Marks.

R. Crisis Situations. In the interest of protecting the REAL PROPERTY MANAGEMENT brand, Marks and the System, we have the sole and absolute right to determine a response, including what steps will be taken and what communications will be made, in instances of a Crisis, and you agree to comply with and implement our directions in response to a Crisis. "Crisis" means an event or development that negatively impacts the REAL PROPERTY MANAGEMENT brand or System in such a way that we determine may cause substantial harm or injury to the Marks, System, the Intellectual Property associated with the System or the reputation or image of the REAL PROPERTY MANAGEMENT brand.

S. Minimum Performance Standards. Beginning with the second full calendar year of operating the Business, the Business must achieve (a) in each calendar year, annual Gross Sales that are in the top 90% of the annual Gross Sales per franchised business for the REAL PROPERTY MANAGEMENT franchise system for that calendar year (the "Gross Sales MPS") and (b) a Net Promoter Score (or another customer satisfaction survey score we designate) ("NPS") that is not more than 10 points below the average NPS for the REAL PROPERTY MANAGEMENT franchise system for each applicable measurement period we set (the "Customer Satisfaction MPS" and collectively with the Gross Sales MPS, the "Minimum Performance Standards"). If you operate multiple REAL PROPERTY MANAGEMENT businesses, the Minimum Performance Standards will apply separately to each franchised

business. You agree we can make changes to the Minimum Performance Standards upon 6 months' prior written notice in accordance with our Reasonable Business Judgement (as defined in Section 14.G.3) and so long as such revised Minimum Performance Standards are applied to all similarly situated REAL PROPERTY MANAGEMENT franchised businesses.

If you do not meet the Gross Sales MPS (i.e., the Business' annual Gross Sales are in the bottom 10% of the REAL PROPERTY MANAGEMENT franchised businesses for that calendar year) for any applicable calendar year or the Customer Satisfaction MPS for any applicable measurement period, we will meet with you to identify the reasons for the substandard performance and establish a performance improvement plan ("PIP") for the Business to take specific actions with the goal to improve the overall performance of the Business, including its annual Gross Sales and/or NPS. Your failure to implement or comply with the PIP over the three to six month period we designate will be a default under this Agreement, subject to a 30-day cure period. During the cure period, you will have the opportunity to advise us of your intent to sell the Business to a third party, in which case we will give you an additional 90 days (from the date of your notice of intent to sell) to transfer the Business in accordance with the transfer requirements of Section 10 of this Agreement. Failure to timely cure the default or transfer the Business as provided herein will give us the right to either reduce the size of your Territory or terminate this Agreement.

PERSONNEL AND SUPERVISION STANDARDS

6. The following provisions and conditions control with respect to personnel, training and supervision:

A. Supervision of the Business; Guarantors. You, or your Principal Owner(s) (as identified on the Data Sheet) if you are a business entity, must devote full-time attention to your Business, which at all times must be under your, or your Principal Owner(s)'s direct and active supervision and management. If you are a business entity, (i) all your owners must sign a Confidentiality Agreement; (ii) you must designate one or more Principal Owners; and (iii) all persons and entities that, as of the date of this Agreement hold, or during the term of this Agreement become holders of, 5% or more of your ownership interests must personally guarantee your performance hereunder to us by executing the personal guarantee attached hereto as Schedule C. If two (2) or more persons are the Franchisee or guarantors, their obligations and liability to us shall be joint and several. As soon as you have engaged a licensed real estate broker, such licensed broker, we, and you must execute the Brokerage Agreement attached hereto as Schedule H, and you shall provide us a copy of such executed Brokerage Agreement.

B. Training. You must comply with all of the training requirements we prescribe for the Business. You, or your Principal Owners if you are a legal entity, must attend our initial training program and complete it to our satisfaction. You must pay all costs and expenses, including hotel and transportation costs, you incur in attending our initial training program. If it becomes necessary to re-train a certain individual, we reserve the right to charge you a training fee. You also must pay all costs and expenses for any additional personnel who attend our initial training program. You must also participate in the Bookkeeping Assistance Program for at least the first 12 months after the Effective Date or until you have at least 100 units under management (whichever is earlier). The Bookkeeping Assistance Program is designed to assist and train you in entering property management data into the Computer System, in accordance with our specifications and requirements. Upon your completion of the Bookkeeping Assistance Program, you must participate in the BackOffice HelpDesk Plus Program for at least six (6) months. The training requirements may vary depending on your experience and other factors specific to the Business. If you are given notice of default that relates, in whole or in part, to your failure to meet

any operational standards, we may require that, as a condition of curing the default, you and your manager, at your expense, comply with the additional training requirements we prescribe. Under no circumstances may you permit management of the Business' operations on a regular basis by a person who has not successfully completed to our reasonable satisfaction all applicable training we require.

C. Ongoing Training. We may require you and other key employees of the Business to attend ongoing training at our training facility or other locations we designate. If you request training in addition to the initial training program identified above, we reserve the right to charge you a training fee, plus you must pay your costs and expenses in connection with such training. Any training provided by us to any of your workers will be limited to training or guidance regarding the delivery of approved services to clients in a manner that reflects the customer and client service standards of the System. You are, and will remain, the sole employer of your employees at all times, including during all training programs, and you are solely responsible for all employment decisions and actions related to your workers. You are solely responsible for ensuring that your workers receive adequate training.

D. Staffing. You must employ a sufficient number of competent and trained employees to ensure efficient service to Customers. It is your responsibility to make sure that no employee or subcontractor enters a Customer's home if such person has not passed the required background checks. No employee of yours will be deemed to be an employee of ours for any purpose whatsoever, and nothing in any aspect of the System or the Marks in any way shifts any employee or employment related responsibility from you to us.

E. Attendance at Reunion and Meetings. You must attend, at your expense, any annual franchise convention we may hold or sponsor and any meetings relating to new services or products, new operational procedures or programs, training, business management, sales or sales promotion, or similar topics, including any system-wide teleconferences or web-conferences, as more particularly set forth in the Operations Manual. We reserve the right to charge you a fee to attend any such franchise conventions, meetings, programs or other trainings, and we may collect such a fee from you whether you attend or not. If you do not attend or participate in the annual franchise convention, you may be charged $~~1,000~~2,000. If you are not able to attend a meeting or convention, you must give us prior notice and must have a substitute person acceptable to us attend such meeting or convention. Nothing in this Agreement is intended to require us to hold any annual conventions or other meetings.

MARKETING

7. You agree to actively promote your Business, to abide by all of our marketing and advertising requirements and to comply with the following provisions:

A. MAP Fund. We have established and manage a Marketing, Advertising and Promotion Fund for REAL PROPERTY MANAGEMENT Businesses (the "MAP Fund"). All MAP Fees (as defined in Section 8.C) you pay to us hereunder will be placed in the MAP Fund. On behalf of our company and affiliate-owned REAL PROPERTY MANAGEMENT Businesses, we will pay the same MAP ~~Fund f~~Fee as similarly situated franchised REAL PROPERTY MANAGEMENT Businesses. The MAP Fund is not a trust or escrow account, and we have no fiduciary obligation to franchisees with respect to it. We have the right to make disbursements from the MAP Fund for expenses incurred in connection with the cost of formulating, developing, implementing and administering marketing, advertising, public relations and promotional campaigns. The disbursements may include payments to us for the expense of administering the MAP Fund,

including accounting expenses and salaries and benefits paid to our employees engaged in the administration and operation of the MAP Fund or otherwise providing services with respect to the MAP Fund. We have the right to determine the methods of marketing, advertising, media employed and contents, terms and conditions of marketing campaigns and promotional programs. Because of the methods used, we are not required to spend a prorated amount on each REAL PROPERTY MANAGEMENT Business or in each advertising market. We, as the administrator of the MAP Fund, may collaborate with the administrators of advertising funds of certain other franchise systems affiliated with us. You acknowledge that there can be no assurance that the MAP Fund's participation in these collaborations and joint efforts will benefit REAL PROPERTY MANAGEMENT Businesses proportionately or equivalently to the benefits received by any other franchised businesses of the other participating affiliated franchise systems.

The MAP Fund will be accounted for separately and will not be used to defray any of our general operating expenses, except for such expenses, administrative costs and overhead relating to MAP Fund business, including compensation of employees and others providing services to the MAP Fund, and other expenses that we incur in activities related to maintaining, administering, directing and conducting the MAP Fund programs, including, without limitation, conducting market research and public relations activities; preparing advertising promotion and marketing materials; and collecting and accounting for MAP Fund contributions and expenses. If requested, we will provide you an annual unaudited statement of the financial condition of the MAP Fund.

We assume no direct or indirect liability or obligation to you with respect to collecting amounts due to the MAP Fund or related to our maintenance, direction or administration of the MAP Fund, including with respect to the efficiency or effectiveness, if any, of the MAP Fund in enhancing the Marks, brand or System or advancing the business interests of a franchisee or franchisees in general.

We have the right, but not the obligation, to cause the MAP Fund to be incorporated or operated through an entity separate from us at such time as we deem appropriate, and any such successor entity shall have all our rights and duties under this Section 7.A. We may use collection agents and institute legal proceedings at the MAP Fund's expense to collect MAP Fund contributions. We also may forgive, waive, settle, and compromise all claims by or against the MAP Fund. If we terminate the MAP Fund, we will refund to you your pro-rata portion of any amounts remaining in the MAP Fund, based on your contributions to the MAP Fund.

B. Required Local Expenditures. You must use your best efforts to promote and advertise the Business and participate in any local marketing and promotional programs we establish from time to time. In addition to the payment of the MAP Fee, you must spend the minimum amounts set forth in the Data Sheet on approved local marketing and promotion in the Territory each month (the "Local Marketing Spend"). Upon our request, you must provide us with itemized documentation and proof of such expenditures. If you fail to make the required expenditures, we have the right to collect the deficiency and spend it as provided below in this paragraph. We reserve the right to require you to use one or more designated vendors in connection with your local marketing and promotional activities. In addition, we reserve the right to collect (on a monthly or quarterly basis, as we may from time to time designate) the Local Marketing Spend and in return provide to you local promotional, marketing and advertising materials and related services to promote the Business in the Territory. Should this Agreement terminate prior to our providing such local promotional, marketing and advertising materials and related services in the Territory, we reserve the right to contribute the Local Marketing Spend collected to the MAP Fund.

C. Approved Materials. You must use only such marketing materials (including any print, radio, television, electronic, on-line or other media forms that may become available in the future) as we furnish, approve in writing or make available, and the materials must be used only in the manner we prescribe and in compliance with all trademark usage and branding standards. Furthermore, any promotional activities you conduct for the Business are subject to our approval. You must submit all advertising and promotional materials to us for approval prior to your use. If we do not respond within 14 days of your submission, the materials will be deemed not approved. We will not unreasonably withhold approval of any materials or media and activities; provided that they are current, in good condition, in good taste and accurately depict the Marks. Notwithstanding our approval, it is solely your responsibility to conduct your promotional activities in accordance with all applicable laws.

D. Local Marketing Groups. We have the right to designate local advertising markets and advertising cooperatives and/or local marketing groups for such markets (collectively, each such cooperative or group, an "LMG"), and if designated, you must participate in and contribute to the LMG and its programs in your designated local advertising market. If established, you must contribute to the LMG the amount we designate, which contribution will not exceed 5% of the Non-Maintenance Gross Sales. The amounts you contribute to the LMG will count towards the Local Marketing Spend requirements. We may require that some or all of your LMG contribution be paid to us or our affiliate, and we reserve the right to use your LMG contribution on any promotional, marketing and advertising initiatives, including digital and other marketing and brand awareness programs. As of the date of this Agreement, we may require that a portion of your LMG contribution (currently, 2% of your Non-Maintenance Gross Sales) be paid for use towards the Neighborly marketing and brand awareness initiatives, which may include service professional recruitment marketing. If established, each REAL PROPERTY MANAGEMENT Business, including those operated by us or our affiliates within a designated local advertising area, will be a member of the LMG. You must obtain our written approval of all promotional and advertising materials, creative execution and media schedules prior to their implementation. Your contribution to the LMG will count towards the Local Marketing Spend, but the Local Marketing Spend does not represent a limit on your LMG contribution. We have the right to establish how the LMGs operate and we have the right to require LMGs to be formed, changed, dissolved or merged.

FEES, REPORTING AND AUDIT RIGHTS

8. You must pay the fees described below and comply with the following provisions:

A. Initial Franchise Fee. Upon signing of this Agreement, you must pay to us an initial franchise fee as set forth in the Data Sheet (the "Initial Franchise Fee"), which is earned upon receipt and is non-refundable. Any financing of the Initial Franchise Fee is only available if we offer you financing under the terms of the Promissory Note and Security Agreement included as Schedule G.

B. License Fees. From and after the Effective Date, you must pay to us, monthly in the manner specified in Section 8.D, a fee (the "License Fee") in the amount equal to the greater of (i) the applicable percentage of each of Non-Maintenance Gross Sales and Maintenance Revenues set forth on the Data Sheet or (ii) the applicable Minimum License Fee (if any) set forth on the Data Sheet. The License Fee calculation may differ based on the type of service or product from which the Non-Maintenance Gross Sales or Maintenance Revenues, as the case may be, are generated, as specified on the Data Sheet. The Minimum License Fee shall be calculated in the manner set forth on the Data Sheet.

C. MAP Fees. You must pay to us each month, in the manner specified in Section 8.D, a MAP Fund fee (the "MAP Fees") in an amount equal to the applicable percentage of Non-Maintenance Gross Sales set forth in the Data Sheet. The MAP Fee calculation may differ based on the type of service or product from which the Non-Maintenance Gross Sales were generated.

D. Manner of Payment; Electronic Transfer of Funds. All payments of the License Fees and MAP Fees are due to us by the 15th day of each month for the prior month's Non-Maintenance Gross Sales and Maintenance Revenues, together with a monthly report of Non-Maintenance Gross Sales and Maintenance Revenues (the "Sales Report"). You must sign an electronic ACH Form, attached as Schedule B, to authorize and direct your bank or financial institution to allow us or our affiliate to initiate a transfer of funds electronically directly to our or our affiliate's account and to charge to your account all amounts due to us or any affiliate. You must maintain a balance in your account sufficient to allow us and our affiliates to collect the amounts owed when due. You are responsible for any penalties, fines or other similar expenses associated with the transfer of funds described in this Section.

E. Late Payments. A late payment fee of $10.00 per day (the "Late Payment Fee") plus interest at the highest applicable legal rate for open account business credit in the state of your domicile, not to exceed 12.0% per annum, will accrue on all late payments from the due date until all sums are paid. If a check is returned or an ACH draft is refused by your financial institution due to insufficient funds in your account, you must pay us an insufficient funds fee of $50. In addition, if you fail to timely provide any Sales Report to us, in addition to any other rights available to us, we may withdraw the applicable Minimum License Fee and the Minimum MAP Fee (as applicable) from your account, and once the applicable Sales Report becomes available to us, you will be required to immediately pay us any additional amounts owed as shown in the calculation of the License Fees and MAP Fees in such Sales Report. You acknowledge and agree that this Section 8.E does not constitute our agreement to accept payments or Sales Reports after they are due or a commitment by us to extend credit to you or to otherwise finance your operation of the Business. Further, you acknowledge and agree that your failure to pay all amounts and provide all Sales Reports and any other reports required pursuant to this Agreement when due will constitute grounds for termination of this Agreement, notwithstanding the provisions of this Section 8.E. You will not, on grounds of the alleged nonperformance by us of any of our obligations under this Agreement, withhold payment of any License Fees, MAP Fees or any other amounts due to us and you will not, on such grounds, discontinue providing services to Customers ~~of the Business~~ in accordance with this Agreement.

F. Application of Fees. Notwithstanding any designation by you, we have the right to apply any payments received from you to any past due indebtedness to us or any affiliate in such amounts and in such order as we determine.

G. Financial Planning and Management. You must compile and keep books and records that accurately reflect the operations and condition of your Business, including detailed daily sales, cost of sales, and other relevant records and information, maintained in an electronic media format and using the methods of bookkeeping and accounting as we periodically may prescribe. You must also retain check registers, purchase records, invoices, sales summaries and inventories, sales tax records and returns, state, federal, personal and other income tax records and returns covering or related to the Business, payroll records, cash disbursement journals and general ledgers. You must submit to us such reports, statement of profit and loss, balance sheet, tax returns, books and records as we may require, including those identified in Section 8.H below, all on the forms and according to reporting formats, methodologies and time schedules that we establish from time to time. We may also require you to provide us, within the time we specify,

audited financial statements of the Business, prepared by an independent certified public accountant satisfactory to us, and/or to adopt a fiscal year consistent with ours, and to cooperate with our auditors and to comply with such additional requirements as may be reasonably necessary to enable us to meet our obligations under Generally Accepted Accounting Principles and to comply with applicable accounting standards and rules. You must preserve the books, records and reports for the longer of (i) five years from creation or (ii) such period as required under applicable laws. You must allow us electronic and manual access to any and all records relating to your Business.

H. Reports. Simultaneously with each payment of License Fees and MAP Fees hereunder, you must submit to us a Sales Report of the corresponding Non-Maintenance Gross Sales and Maintenance Revenues and gross receipts of the Business, and a computation of the corresponding License Fees and MAP Fees with respect to the preceding month. Non-Maintenance Gross Sales and Maintenance Revenues must be entered into the software and reported for the month in which they are earned; you may not postpone the reporting of any Non-Maintenance Gross Sales or Maintenance Revenues for any reason. In addition, within 15 days after the end of each month, you must submit to us the following information for the preceding month: (i) copies of your most recent balance sheet and statement of profit and loss, including a summary of your costs for labor, rent and other material cost items; and (ii) if requested by us to verify your Non-Maintenance Gross Sales or Maintenance Revenues, all such books and records as we may require under our audit policies published from time to time. You also must, at your expense, submit to us within 90 days after the end of each fiscal year a detailed balance sheet, profit and loss statement and statement of cash flows for such fiscal year. All reports shall be provided in the form and content as we periodically prescribe. You must certify in writing all reports to be true and correct. You acknowledge and agree that we have the right to impose these requirements on you regardless of whether we impose the same requirement on our other franchisees. You further agree and acknowledge that, subject to compliance with applicable law, we may use any information, data or other materials related to your Business for any reason that we deem appropriate and you shall provide the same to us promptly upon our request. Without limiting the foregoing, we may disclose the Business' financial information and operating performance ratings, assessments or similar data to our other franchisees, our affiliates and their franchisees, and prospective franchisees through the use of newsletters, bulletins, award ceremonies, and otherwise as we deem necessary or advisable.

I. Audits. We or our authorized representative have the right, at all times (i) during the business day to enter the premises where ~~your~~the books and records ~~relative to~~of the Business are kept and to evaluate, copy and audit such books and records, including, but not limited to any and all financial statements, reports, state, federal, personal income tax records or other income tax records covering or related to the Business, sales tax records, payroll records, databases, and other related records. (ii) to remotely access and evaluate, copy and audit your electronic records located on the Computer System, and (iii) to evaluate remotely or on the Business premises your compliance with your obligations regarding Customer Information. In addition, if, in our reasonable business judgment, we believe that you have failed to comply with your reporting and/or record keeping obligations hereunder, we have the right to also access and evaluate, copy and audit books and records related to any other business in which you have an ownership or management interest. We also have the right to request information from you and your suppliers, vendors, and Customers. You must fully cooperate with us in connection with our exercise of our audit rights. If ~~any such~~ you fail to timely make available to us requested documents in connection with an audit, we may charge you $500 per missing document (up to $2,500 per audit), and if we must reschedule an audit due to your failure to cooperate, you must reimburse us for the cost of the audit (including, without limitation, professional fees, travel, and room and board expenses

directly related thereto, collectively "Audit Cost"). If any evaluation or audit reveals an understatement of 2% or more of your Non-Maintenance Gross Sales or Maintenance Revenues or you do not provide any requested information within 30 days from the date of our initial request, you must pay for the ~~cost of the audit (including, without limitation, professional fees, travel, and room and board expenses directly related thereto)~~Audit Cost, in addition to the amount owed (if any) plus interest and late fees as provided in Section 8.E. In addition to any other rights we may have in such an event, we have the right to conduct further periodic audits and evaluations of your books and records as we reasonably deem necessary ~~and any~~you must reimburse us for the Audit Cost of any such further audits and evaluations conducted within two years thereafter ~~will be at your sole expense, including, without limitation, professional fees, travel, and room and board expenses directly related thereto~~. Furthermore, if you intentionally understate or underreport Non-Maintenance Gross Sales or Maintenance Revenues at any time, or if a subsequent audit or evaluation conducted within the two-year period reveals any understatement of your Non-Maintenance Gross Sales or Maintenance Revenues of 2% or more, in addition to any other remedies provided for in this Agreement, at law or in equity, we have the right to terminate this Agreement immediately. To verify the information that you supply, we have the right to reconstruct your Gross ~~s~~Sales through any reasonable method of analyzing and reconstructing Gross ~~s~~Sales, and you agree to accept any such reconstruction of Gross ~~s~~Sales unless you provide evidence in a form satisfactory to us of your Gross ~~s~~Sales within a period of 14 days from the date of notice of understatement or variance. If you dispute any audit findings, you must do so in writing and in accordance with the Operations Manual within 30 days of the notice of understatement or variance, or you will waive the right to challenge the audit findings. For avoidance of doubt, no provision of this Section 8.I shall be deemed to supersede or waive the 10-day cure period for failure-to-pay defaults set forth in Section 12.B.1.

YOUR OTHER OBLIGATIONS; NONCOMPETITION COVENANTS

9. You agree to comply with the following terms and conditions:

A. Payment of Debts. You agree to (i) pay promptly when due all payments, obligations, assessments and taxes due and payable to us and our affiliates, vendors, suppliers, lessors, federal, state or local governments, or creditors in connection with your Business; (ii) promptly discharge and remove all liens and encumbrances of every kind and character created or placed upon or against any of the property used in connection with the Business; and (iii) timely pay all accounts and discharge other indebtedness of every kind incurred by you in the conduct of the Business. If you default in making any such payment, we are authorized, but not required, to pay and discharge the same on your behalf and you agree promptly to reimburse us on demand for any such payment.

You also will pay all federal, state and local taxes, other than taxes assessed on our income, that may be imposed on us as the result of our receipt or accrual of the Initial Franchise Fee, the License Fees, the MAP Fees, or other fees referenced in this Agreement, whether assessed against you through withholding or other means or whether paid by us directly. In either case, you shall pay us (and to the appropriate governmental authority) such additional amounts as are necessary to provide us, after taking such taxes into account (including any additional taxes imposed on such additional amounts), with the same amounts that we would have received or accrued had such withholding or other payment, whether by you or by us, not been required.

B. Indemnification. You waive any and all Claims (as defined below) against us for damages to property or injuries to persons arising in any way out of this Agreement, your servicing of Customers under this Agreement or any other contracts, your actions or omissions, or the

operation of your Business. Except to the extent otherwise provided in Section 3.D., you agree, at your sole expense, to defend, fully protect, indemnify and hold harmless, us, our affiliates, our parent companies, our sister companies and our owners, directors, officers, members, managers, employees, attorneys, successors and assigns (collectively, "Franchisor Parties"), as well as our customers and the owners of each and every property you service, from any and all Claims. "Claims" as used herein means any and all claims, demands, damages, assessments, violations, interest, causes of action, lawsuits, liens, and liabilities of any nature whatsoever arising in any manner, directly or indirectly, out of or in connection with or incidental to the operation of your Business (regardless of cause or any concurrent, superseding or contributing fault, liability or negligence of us, our affiliates, our parent companies, and our customers and the owners of any property you service), your actions or omissions, or any breach by you or your failure to comply with any of the terms and conditions of this Agreement. We also reserve the right to select our own legal counsel to represent our interests, and you agree to reimburse us for our costs and attorneys' fees immediately upon our request.

It is the intention of the parties to this Agreement that we shall not be deemed a joint employer with you for any reason; however, you will, at your sole expense, defend, fully protect, indemnify and hold harmless, Franchisor Parties, from any and all Claims arising in any manner, directly or indirectly, out of or in connection with or incidental to the actions or omissions of your employees or independent contractors or allegations that we are the joint employer of your employees.

C. Insurance. Before you begin operating your Business you must purchase, and maintain at all times during the term of this Agreement, at your sole cost, insurance coverage, from a responsible carrier, with an A.M. Best rating of A-VIII or better, with the coverage amounts, types and other features as we from time to time specify, using the insurance industry form(s) acceptable to us, and such other insurance coverage as required by law and any other agreement related to the Business. We reserve the right to designate a primary or single source for all or any of the insurance coverage for the Business, and we or our affiliates may be that primary or single source. Any person or entity with an insurable interest that we designate (each, an "Additional Insured") must be named an additional insured on all required liability policies. Each insurance policy must contain a waiver of subrogation in favor of the Additional Insureds. Your insurance must apply as primary and non-contributory. Currently, our minimum insurance requirements include (i) commercial general liability insurance, with a minimum liability coverage of $1,000,000 per occurrence (including Products/Completed Operations and Personal Injury and Advertising Injury) and $2,000,000 in the aggregate; (ii) auto liability coverage, combined single limit in the amount we specify, no less than $1,000,000, including on each hired, owned, and non-owned vehicle used in connection with the Business; (iii) workers' compensation coverage regardless of whether required by state law, but with minimum coverage of $1,000,000 per claim and in the aggregate; (iv) errors & omissions insurance ("E&O") professional liability insurance with a minimum limit of $1,000,000 per claim and in the aggregate; (v) employee dishonesty crime coverage with a minimum limit of $100,000 per claim and in the aggregate (regardless of employee status); (vi) tenant discrimination legal expense and loss reimbursement, with a $1,000,000 minimum limit per claim and in the aggregate; (vii) cyber security and data privacy insurance policies of such types and with a minimum limit of $1,000,000 per claim and in the aggregate that includes multimedia liability, security & privacy liability, privacy regulatory, privacy breach response, penalties, network asset protection, cyber extortion, and cyber terrorism; and (viii) such other insurance as from time to time required by us, under applicable law and under other agreements applicable to your Business. With respect to National Accounts, if the insurance amount required for any National Account or for National Account work in general exceeds the amount specified as the ~~maximum~~ amount required by us for any type of insurance, that higher

amount required for the National Account work will apply. Additional insurance requirements are set forth in the Operations Manual.

The commercial general liability policy must name Franchisor and any and all parents, subsidiaries, directors, officers, employees, and agents as their interest may appear as Additional Insureds. The policy must also include a waiver of subrogation against all parties named as Additional Insureds. The auto liability policy must name Franchisor and any and all parents, subsidiaries, directors, officers, employees, and agents as their interest may appear as Additional Insureds. The policy must also include a waiver of subrogation against all parties named as Additional Insureds. The workers' compensation policy must include a waiver of subrogation against Franchisor and any and all parents, affiliates, subsidiaries, directors, officers, employees, and agents.

Additional Insured status for Franchisor and any and all parents, subsidiaries, directors, officers, agents, employees or any other party required to be named as additional insureds under this Agreement will extend to the full limits of liability maintained by you even if those limits of liability are in excess of those required in this Agreement. Your insurance will be primary and any insurance carried by Franchisor is strictly excess and secondary and will not contribute with your insurance. The requirements of this Agreement as to insurance limits and acceptability of insurers and insurance to be maintained by you are not intended to and will not in any manner limit or qualify the liabilities and obligations assumed by you under this Agreement.

~~You may satisfy the insurance coverage limits through an umbrella policy that meets all the requirements of this Section. If you fail to purchase or maintain required insurance, we may, but are not obliged to, obtain such insurance for you and keep the same in force and effect, and you must pay us, on demand, all premiums charged for such insurance policies together with a reasonable fee for the expenses we incur in doing so. We also have the right to terminate this Agreement for cause if you fail to comply with this Section.~~

You must deliver to us at least 5 days prior to commencement and thereafter annually or at our request a proper certificate of insurance, insurance policy endorsements and other evidence of compliance - showing the existence of the insurance coverage and your compliance with this Section. Your certificate of insurance will provide proof of the following: (i) Franchisor and all other affiliated parties are included as an Additional Insured where required; (ii) waiver of subrogation included in favor of Franchisor and all other affiliated parties; (iii) your insurance is primary, and all insurance maintained by Franchisor is excess and secondary and shall not contribute with your insurance; and (iv) ~~all~~no insurance ~~will not~~may be cancelled or substantially changed without thirty (30) days' prior written notice by certified mail to Franchisor. If you change your insurance provider, you must immediately deliver the proper certificate of insurance to us. We also may request copies of all insurance policies. Any review we conduct of your insurance coverage does not limit your obligation to comply with this Section. We may modify the required minimum limits and types of coverage, by written notice to you. Upon such notification, you must immediately implement the modification of the policy, and provide evidence thereof, in accordance with our request. You may satisfy the insurance coverage limits through an umbrella policy that meets all the requirements of this Section. We have the right to terminate this Agreement for cause if you fail to comply with this Section.

You acknowledge that these minimum insurance requirements do not constitute advice or a representation by us that such coverages are necessary or adequate to protect you from losses in connection with the Business. Nothing in this Agreement restricts you from obtaining insurance with higher policy limits and/or additional coverage.

D. Noncompetition Covenants. You agree that you will receive valuable training and Confidential Information that you otherwise would not have received or had access to but for the rights licensed to you under this Agreement. You therefore agree to the following noncompetition covenants and agree that the following noncompetition covenants are reasonable and necessary to protect the System's legitimate business interests, including its Confidential Information, Intellectual Property, and customer goodwill:

1. Unless otherwise specified, the term "you" as used in this Section 9.D means and includes, collectively and individually, (a) if you are an entity, the entity, all guarantors and all shareholders, members, partners, as the case may be, and other holders of any ownership interest in the entity (collectively, "Owners"), as well as any spouse, children, parents and siblings of any guarantor and Owner, or (b) if you are an individual, the individual and the individual's spouse, children, parents and siblings. We may require you to obtain from your guarantors and Owners, and/or from your spouse, children, parents and siblings or any spouse, children, parents, and siblings of any Owner or guarantor, as applicable, a signed non-compete agreement in a form satisfactory to us that contains the non-compete provisions of this Section 9.D.

2. You promise that during the term of this Agreement, and during any Interim Period (if applicable), you will not, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with, any person or entity, own, manage, operate, maintain, engage in, consult with or have any interest in any Competitive Business (as defined below).

3. You promise that you will not, for a period of two years after the expiration or termination of this Agreement, or after the expiration or termination of any Interim Period (as applicable), regardless of the cause of termination, or within two years of the sale or Transfer of the Business or any interest in you, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or entity, own, manage, operate, maintain, engage in, advertise, promote in any media including social media platforms, or consult with or have any interest in a Competitive Business (as defined below) that is located:

a. In the Territory;

b. Within a 25-mile radius of the outer boundary of the Territory; or

c. Inside the territory of another REAL PROPERTY MANAGEMENT Business, whether franchised or owned by us or our affiliates.

For purposes of this Agreement, a "Competitive Business" is any business that offers or sells any product or service or component thereof that (i) composes a part of our System, (ii) is the same as or similar to any product or service then-offered by our franchisees or (iii) otherwise competes directly or indirectly with our System.

4. You agree that the length of time in paragraph 3 above will be tolled for any period during which you are in breach of the non-compete covenants or any other period during which we seek to enforce this Agreement.

5. In addition, you agree that during the term of this Agreement and for one year thereafter, you will not, without our prior written consent, directly or indirectly, for yourself or on behalf of any other person divert, or attempt to divert, any business or customer of the Business or any other REAL PROPERTY MANAGEMENT Business away from the System.

6. The parties agree that each of the foregoing covenants in this Section 9.D will be construed as independent of any other covenant or provision of this Agreement. To the extent anyone successfully contests the validity or enforceability of any part of this Section 9.D in its present form predicated upon the area of coverage, this provision will not be deemed invalid or unenforceable, but will instead be deemed modified, so as to be valid and enforceable, to provide coverage for the maximum scope that any court of competent jurisdiction or arbitrator will deem reasonable and necessary to protect our legitimate interests.

TRANSFER OF FRANCHISE

10. You agree that the following provisions govern any Transfer or proposed Transfer:

A. Transfers. We have entered into this Agreement with specific reliance upon your financial qualifications, experience, skills and managerial qualifications as being essential to the satisfactory operation of the Business. Consequently, neither your interest in this Agreement nor in the Business may be directly or indirectly Transferred to or assumed by any other person or entity (at times referred to as the "Assignee"), in whole or in part, unless (i) you have first tendered to us the right of first refusal to acquire this Agreement in accordance with Section 10.F, and we do not exercise such right; (ii) our prior written consent is obtained; (iii) the Transfer fee provided for in Section 10.C is paid; and (iv) the Transfer conditions described in Section 10.D are satisfied. Any direct or indirect sale (including installment sale), lease, pledge, management agreement, contract for deed, option agreement, assignment, bequest, gift or otherwise, or any arrangement pursuant to which you turn over all or part of the daily operation of the Business to a person or entity who shares in the losses or profits of the Business (including merger, combination, or reorganization or as a result of death, disability, divorce, insolvency, or bankruptcy) in a manner other than as an employee will be considered a "Transfer" for purposes of this Agreement. A Transfer also includes the following which triggers the Transfer conditions set forth in this Section 10:

1. For purposes of this ~~subsection~~Section 10.A, a transfer, pledge or seizure, or change in the control of any 20% direct or indirect ownership interest in you or in any Principal Owner, whether accomplished in a single transaction or a series of related or unrelated transactions; or

2. Any change in the general partner of a franchisee that is a general, limited or other partnership entity.

You may not place in any communication media or any form of advertising, any information relating to the sale of the Business or the rights under this Agreement, without our prior written consent.

B. Consent to Transfer. We will not unreasonably withhold our consent to a Transfer; provided we determine that all of the conditions described in this Section 10 have been satisfied. Application for our consent to a Transfer and tender of the right of first refusal provided for in

Section 10.F must be made by submission on our form of application for consent to Transfer, which must be accompanied by the documents (including a copy of the proposed purchase or other Transfer agreement) and other required information. The application must indicate whether you or an owner will retain an interest in the property to be Transferred. No interest may be retained or created without our prior written consent and only upon conditions acceptable to us. Any agreement used in connection with a Transfer shall be subject to our prior written approval, which approval will not be withheld unreasonably. You immediately must notify us of any proposed Transfer and must submit promptly to us the application for consent to Transfer. Any attempted Transfer by you without our prior written consent or otherwise not in compliance with the terms of this Agreement will be void and will provide us with the right to elect either to default and terminate this Agreement or to collect from you and the guarantors a Transfer fee equal to two times the Transfer fee provided for in Section 10.C as damages.

C. Transfer Fee. You must pay to us a Transfer fee in ~~the~~an amount ~~of~~equal to $10,000. We will reduce the Transfer fee to $500 for a Transfer to an immediate family member (i.e., a spouse or a child; for the avoidance of doubt, a sibling is not considered an immediate family member for this purpose). The Transfer fee is nonrefundable. You will not be required to pay a Transfer fee if you are an individual and wish to Transfer this Agreement to a newly formed legal entity wholly owned by you and established solely for purposes of the convenience of ownership and the operation of the Business; provided that you must become a guarantor of the Business as required under Section 6.A.

D. Conditions of Transfer. We condition our consent to any proposed Transfer, whether to an individual, a corporation, a partnership or any other entity, upon the following:

1. Assignee Requirements. The Assignee must meet all of our then-current requirements for our REAL PROPERTY MANAGEMENT franchise program we are offering at the time of the proposed Transfer, sign our then-current form of franchise agreement, and its owners must become guarantors of the Business as required under Section 6.A.

2. Payment of Amounts Owed. All amounts owed by you to us, or any of our affiliates or your suppliers, or upon which we or our affiliates have any contingent liability, must be paid in full.

3. Reports. You must have provided all required reports to us.

4. Guarantee. In the case of an installment sale for which we have consented to you or any owner retaining an interest or other financial interest in this Agreement or the Business, you or such owner, and the guarantors, are obligated to guarantee the performance under this Agreement until the final close of the installment sale or the termination of such interest, as the case may be.

5. Assumption of Obligations. The Assignee must assume and agree to be bound by all of your Customer obligations, including all warranty work and service plans obligations.

6. General Release. You and each guarantor must sign a general release of all claims arising out of or relating to this Agreement, your Business or the parties' business relationship, in the form we designate, releasing us and our affiliates.

7. Training. The assignee must, at your or assignee's expense, comply with our training requirements.

8. Financial Reports and Data. We have the right to require you to prepare and furnish to assignee and/or us such financial reports and other data relating to the Business and its operations as we deem reasonably necessary or appropriate for assignee and/or us to evaluate the Business and the proposed Transfer. You agree that we have the right to confer with proposed assignees and furnish them with information concerning the Business and proposed Transfer without being held liable to you, except for intentional misstatements made to an assignee. Any information furnished by us to proposed assignees is for the sole purpose of permitting the assignees to evaluate the Business and proposed Transfer and must not be construed in any manner or form whatsoever as earnings claims or claims of success or failure.

9. Other Conditions. You must have complied with any other conditions that we reasonably require from time to time as part of our Transfer policies. You acknowledge and agree that following any Transfer hereunder, you and your owners will continue to be subject to the noncompetition covenant under Section 9.D.3.

E. Involuntary Transfers

(i) Death, Disability or Incapacity. You will promptly notify us in the event of a death, disability or incapacity of Franchisee (or, if Franchisee is a legal entity, of Franchisee's Principal Owner). In such an event, if the decedent's or disabled or incapacitated person's heir or successor-in-interest wishes to continue as the Franchisee or the Principal Owner of the Franchisee entity, such person or entity must tender the right of first refusal provided for in Section 10.F, apply for our consent under Section 10.B, pay the applicable Transfer fee under Section 10.C, and satisfy the Transfer conditions under Section 10.D, as in any other case of a proposed Transfer, all within 120 days of the death or event of disability or incapacity. During any transition period to an heir or successor-in-interest, the Business still must be operated in accordance with the terms and conditions of this Agreement. If the assignee of the decedent, disabled, or incapacitated person is the spouse or child of such person, no Transfer fee will be payable to us and we will not have a right of first refusal as set forth in Section 10.F.

(ii) Insolvency or Bankruptcy. In the event of your insolvency or the filing of any petition by or against you under any provisions of any bankruptcy or insolvency law, if your legal representative, successor, receiver or trustee desires to succeed to your interest in this Agreement or the business conducted hereunder, such person first must notify us, tender the right of first refusal provided for in ~~subsection~~Section 10.F, and if we do not exercise such right, must apply for and obtain our consent to the Transfer, pay the Transfer fee provided for in the ~~subsection~~Section 10.C, and satisfy the Transfer conditions described in ~~subsection~~Section 10.D. In addition, you or the assignee must pay the attorneys' fees and costs that we incur in any bankruptcy or insolvency proceeding pertaining to you.

(iii) Divorce. You will promptly notify us of any divorce proceedings that may result in a Transfer and tender the right of first refusal provided for in ~~subsection~~Section 10.F. If we do not exercise such right, you must apply for and obtain our consent to the Transfer, pay the Transfer fee provided for in ~~subsection~~Section 10.C, and satisfy the Transfer conditions described in ~~subsection~~Section 10.D.

F. Right of First Refusal. If you propose to Transfer this Agreement or your interest herein or in the Business, in whole or in part, to any third party, as contemplated by Section 10.A, you first deliver a statement to us offering to sell to us your interest in this Agreement and the land, building, equipment, furniture and fixtures and any other assets or leasehold interests used in the operation of the ~~b~~Business (subject to this Section 10). If the proposed Transfer involves an offer from a third party, then you must obtain from the third-party offeror and deliver to us a statement, in writing, signed by the offeror and by you, of the binding terms of the offer.

If the Transfer does not involve an offer from a third party, then the purchase price for our purchase of assets described above will be established by a qualified appraiser selected by the parties. The price determined by the appraiser(s) will be the reasonable fair market value of the assets based on their continuing use in, as, and for the operation of ~~a~~the Business and the appraiser will designate a price for each category of asset (e.g., land, building, equipment, fixtures, etc.), but shall not include the value of any goodwill of the ~~b~~Business, as the goodwill of the ~~b~~Business is attributable to the Marks and the System. If the parties cannot agree upon the selection of such an appraiser, a Judge of the United States District Court for the District in which the Franchise Location is located will appoint one upon petition of either party. You or your legal representative must deliver to us a statement in writing incorporating the appraiser's report and all other information we have requested. We and you will each pay one-half of the appraiser's fees and expenses.

We then have 10 days from our receipt of the statement setting forth the third-party offer or the appraiser's report, as applicable (and all other information requested by us) to accept the offer by delivering written notice of acceptance to you. We will have an additional 45 days to complete the purchase if we elect to exercise our right of first refusal. Our acceptance of any right of first refusal will be on the same price and terms set forth in the statement delivered to us; provided, however (and regardless of whether the following are inconsistent with the price and terms set forth in the statement) (1) we have the right to substitute equivalent cash for any noncash consideration included in the offer, (2) we will prepare the transaction documents for the Transfer, which will be on terms customary for this type of transaction (including representations and warranties, covenants, conditions, and indemnification), and (3) our purchase may be limited to any assets related to the Business.

If we fail to accept the offer within the 10-day period, you will be free for 60 days after such period to effect the disposition described in the statement delivered to us; provided such Transfer is in accordance with this Section 10, including obtaining our consent under Section 10.B. You may effect no other sale or assignment of you, this Agreement or the Business without first offering the same to us in accordance with this Section 10.F.

G. Transfer by Us. We have the right to sell or assign, in whole or in part, our interest in this Agreement without prior notice to you and without your consent.

DISPUTE RESOLUTION

11. The following provisions apply with respect to dispute resolution:

A. Mediation. Before any party may bring an action in court ~~or~~ against the other, or commence an arbitration proceeding (except as noted in Section 11.B below), the parties must first meet to mediate the dispute. The mediation will be held in McLennan County, Texas. Any such mediation shall be non-binding and shall be conducted by the American Arbitration Association (the "AAA") in accordance with its then-current rules for mediation of commercial disputes unless

the parties agree otherwise in writing. The mediator will be appointed in accordance with the rules and regulations of the AAA unless the parties agree on a mediator in writing within 10 days after either party gives written notice of mediation. The mediation hearing will be held within 20 days after the mediator has been appointed. Each party will bear its own costs and expenses for the mediation and will be responsible to pay 50% of the mediator's costs and expenses.

B. Exceptions to Mediation. Notwithstanding Section 11.A or any other provision of this Agreement, the parties agree that the following claims will not be subject to mediation and may be brought in any court of competent jurisdiction, subject to Sections 14.G.1 and 14.H:

1. any action for temporary, preliminary or permanent injunctive relief, ex parte seizure, specific performance, writ of attachment, or other equitable relief necessary to enjoin any harm or threat of harm to such party's tangible or intangible property, including trademarks, service marks and other Intellectual Property, confidential and/or trade secret information, or noncompetition covenants. You specifically acknowledge that your breach or threatened breach of any of your obligations under this Agreement, including but not limited to Sections 3 (Trademark Standards and Requirements), 5.C (Authorized Services and Products), 5.E (Computer System; Call Center Program), 5.F. (Customer Information), 5.H (Confidential Information), 5.K (Participation in Internet Websites), 9.D (Noncompetition Covenants), 10.A (Transfers), or 13.A (Reversion of Rights; Discontinuation of Trademark Use), will cause irreparable harm to our tangible and/or intangible property and goodwill. You understand that irreparable harm is an injury for which monetary damages are not an adequate remedy. Therefore, upon any such breach or threatened breach by you, in addition to any other rights or remedies that may be available to us at law, equity or otherwise, you acknowledge that we will be entitled to equitable relief, including an injunction, restraining order or specific performance, without any requirement to prove irreparable harm. In addition, you hereby waive any right to request that a bond be issued as security (except for a nominal bond not to exceed $100);

2. any action in ejectment or for possession of any interest in real or personal property; and

3. any action related solely to the collection of moneys owed to us or our affiliates under this Agreement (including, without limitation License Fees, MAP Fees, and Minimum License Fees), or any other agreement related to the franchise granted under this Agreement, including, without limitation, any promissory note or a guarantee executed hereunder. "Moneys owed" also includes attorneys' fees incurred in the collection of moneys owed, including through the judicial process.

C. Litigation. Except as provided in Section 11.D., any dispute between you and us or any of our or your affiliates, including without limitation, your owners and guarantors, arising under, out of, in connection with or in relation to this Agreement, the parties' relationship, or your Business (collectively, "Dispute") not resolved through mediation under Section 11.A must be submitted to litigation pursuant to Section 14.H.

D. Arbitration. If a court of competent jurisdiction determines that Section 14.I (Jury Waiver) and/or Section 14.J (No Class or Consolidated Actions) is invalid or unenforceable with respect to the Dispute, then and only then, notwithstanding any other provision of this Agreement to the contrary, the Dispute must be submitted to binding arbitration under the authority of the Federal Arbitration Act and must be determined by arbitration administered by the AAA pursuant to its then-current commercial arbitration rules and procedures. The arbitration must take place in

McLennan County, Texas. The arbitration must be conducted by a single arbitrator. The arbitrator must follow the law and not disregard the terms of this Agreement. The arbitrator must have at least five years of significant experience in franchise law. The court shall decide the gateway issue of arbitrability. Any arbitration must be on an individual basis and the parties and the arbitrator will have no authority or power to proceed with any claim as a class action or otherwise to join or consolidate any claim with any other claim or any other proceeding involving third parties. If this limitation on joinder of or class action certification of claims within arbitration is held to be unenforceable, then this entire commitment to arbitrate shall become null and void and the parties shall submit all claims to the jurisdiction of the courts. A judgment may be entered upon the arbitration award in any court of competent jurisdiction. The decision of the arbitrator will be final and binding on all parties to the dispute; however, the arbitrator may not under any circumstances: (1) stay the effectiveness of any pending termination of this Agreement; (2) except as provided in Section 14.K, assess punitive or exemplary damages; or (3) make any award which extends, modifies or suspends any lawful term of this Agreement or any reasonable standard of business performance that we set. Each party will bear its own costs and expenses for the arbitration and will be responsible to pay 50% of the arbitrator's fees and costs (including arbitrator's and AAA's fees and costs); provided that the prevailing party will be entitled to reimbursement of its fees and costs under Section 11.E.

E. Attorneys' Fees. The prevailing party in any action or proceeding arising under, out of, in connection with, or in relation to this Agreement, the parties' relationship or the Business will be entitled to recover its reasonable attorneys' fees and costs (including arbitrator's and AAA's fees and costs).

DEFAULT AND TERMINATION

12. The following provisions apply with respect to default and termination:

A. Defaults. You are in default if we determine that you or any guarantor has breached any of the terms of this Agreement or any other agreement between you and us or our affiliates, which without limiting the generality of the foregoing includes (i) making any false report to us; (ii) intentionally understating or underreporting or failing to pay when due any amounts required to be paid to us or any of our affiliates; (iii) conviction of you or a guarantor of (or pleading no contest to) any misdemeanor that brings or tends to bring any of the Marks into disrepute or impairs or tends to impair your reputation or the goodwill of any of the Marks or the Business, or any felony; (iv) filing of tax or other liens that may affect this Agreement; or (v) the filing of voluntary or involuntary bankruptcy by or against you or any guarantor, insolvency, making an assignment for the benefit of creditors or any similar voluntary or involuntary arrangement for the disposition of assets for the benefit of creditors.

B. Termination by Us. We have the right to terminate this Agreement in accordance with the following provisions:

1. Termination After Opportunity to Cure. Except as otherwise provided in this Section 12.B: (i) you will have 30 days from the date of our issuance of a written notice of default to cure any default under this Agreement, other than a failure to pay amounts due or submit required reports, in which case you will have 10 days to cure those defaults; (ii) your failure to cure a default within the 30-day or 10-day period will provide us with good cause to terminate this Agreement; (iii) the termination will be accomplished by mailing or delivering to you written notice of termination that will identify the grounds

for the termination; and (iv) the termination will be effective immediately upon our issuance of the written notice of termination.

2. Immediate Termination With No Opportunity to Cure. If any of the following defaults occur, you will have no right to cure the default and this Agreement will terminate effective immediately on our issuance of written notice of termination: (i) any material misrepresentation or omission in your franchise application or other reports or information provided to us; (ii) your voluntary abandonment of this Agreement (which includes your failure to operate the Business for seven or more consecutive days); (iii) the closing of the Business by any state or local authorities for public safety reasons; (iv) your registration of any domain name or social media account containing our Marks; (v) any unauthorized use of the Confidential Information; (vi) insolvency of you or guarantor, you or a guarantor making an assignment or entering into any similar arrangement for the benefit of creditors; (vii) conviction of you or any guarantor of (or pleading no contest to) any misdemeanor that brings or tends to bring any of the Marks into disrepute or impairs or tends to impair your reputation or the goodwill of the Marks or the Business, or any felony; (viii) intentionally understating or underreporting Non-Maintenance Gross Sales, Maintenance Revenues, License Fees or MAP Fees or any understatement or 2% variance on a subsequent audit within a 2-year period; (ix) a violation of the non-competition covenant under Section 9.D and/or Schedule F; (x) any actual or attempted unauthorized Transfer in violation of Section 10; (xi) a final judgment against you in our or our affiliates' favor is issued by a court or an arbitrator of competent jurisdiction; or (xii) any default by you that is the second default of any type within any 12-month consecutive period even if the default(s) were cured.

3. Immediate Termination After No More than 24 Hours to Cure. If a default under this Agreement occurs that materially impairs the goodwill associated with any of the Marks, violates any health or safety law or regulation, violates any System standard as to cleanliness, health and safety, or if the operation of your Business presents a health or safety hazard to the public or to ~~e~~Customers or employees: (i) you will have no more than 24 hours after we provide written notice of the default to cure the default; and (ii) if the default is not timely cured, this Agreement will terminate effective immediately on our issuance of written notice of termination.

4. Effect of Other Laws. The provisions of any valid, applicable law or regulation prescribing permissible grounds, cure rights or minimum periods of notice for termination of this franchise supersede any provision of this Agreement that is less favorable to you.

C. Termination by You. You may terminate this Agreement as a result of a breach by us of a material provision of this Agreement; provided that: (i) you provide us with written notice of the breach that identifies the grounds for the breach; and (ii) we fail to cure the breach within 30 days after our receipt of the written notice. If we fail to cure the breach, the termination will be effective 60 days after our receipt of your written notice of breach. Your termination of this Agreement under this Section will not release or modify your post-term obligations under Section 13 of this Agreement.

POST-TERM OBLIGATIONS

13. Upon the expiration or termination of this Agreement, or the expiration or termination of any Interim Period:

A. Reversion of Rights; Discontinuation of Trademark Use and Use of Intellectual Property. All of your rights to the use of the Marks and Intellectual Property and all other rights and licenses granted herein and the right and license to conduct business under the Marks will revert to us immediately upon expiration or termination of this Agreement without further act or deed of any party. All of your right, title and interest in, to and under this Agreement will become our property. Upon our demand, you must assign to us or our assignee your remaining interest in any lease then in effect for the Business (although we will not assume any past due obligations).

You must immediately comply with the post-term noncompetition obligations under Section 9.D, cease all use and display of the Marks, all other Intellectual Property associated with the System and of any proprietary material (including the Operations Manual) and of all or any portion of promotional materials furnished or approved by us, assign and transfer all right, title and interest in the telephone numbers, domain names, and social media or digital marketing accounts used at any time for the Business and cancel or assign, at our option, any assumed name rights or equivalent registrations filed with authorities. You are solely responsible for removing and ceasing use of the Marks on any social media or digital marketing accounts that you setup for the Business and providing us with written confirmation of the same. You must immediately pay all sums due to us, our affiliates or designees and to third parties, such debts being accelerated automatically without further notice to you. You must immediately deliver to us, at your expense, all copies of the Operations Manual, Customer lists and ongoing Customer contracts then in your possession or control or previously disseminated to your employees and continue to comply with the confidentiality provisions of Section 5.H. You must promptly, at your expense, remove or obliterate all REAL PROPERTY MANAGEMENT Business signage, displays or other materials in your possession that bear any of the Marks or names or material confusingly similar to the Marks, including all such signage and displays on any vehicles, and so alter the appearance of the Business premises as to differentiate the Business unmistakably from duly licensed REAL PROPERTY MANAGEMENT Businesses identified by the Marks~~ and you must provide us with written confirmation of the same~~. You must cease any and all advertising and use of any identifying materials generated during the term of the franchise, including, but not limited to, terminating all business listings in electronic and print format, cancelation of all websites, domain names, social media accounts, and telephone numbers (if not assigned to us) used at any time in connection with the Business. You must provide sufficient proof to Franchisor that you have complied with the post-termination obligations. If you fail to immediately de-identify your Business, you must pay all expenses we incur to de-identify your Business.

Upon expiration or termination of this Agreement (or the expiration or termination of any Interim Period), any continued use of the Marks by you or the Business or use of any other Intellectual Property associated with the System: (i) will constitute willful and knowing infringement, dilution of our trademark rights and unfair competition; (ii) will constitute the false designation of origin, source, or sponsorship and false or misleading descriptions and representations in violation of Section 43 of the Lanham Act, 15 U.S.C. § 1125(a), and (iii) may constitute trafficking in a counterfeit mark, among other causes of action.

In the event of expiration or termination of this Agreement (or the expiration or termination of any Interim Period), you will remain liable for your obligations pursuant to this Agreement or any other agreement between you and us or our affiliates that expressly or by their nature survive the expiration or termination of this Agreement, including your indemnification obligations under Section 9.B.

B. Claims. You and your owners and guarantors may not assert any claim or cause of action against us or our affiliates arising out of or relating to this Agreement or your Business

after the shortest period of (i) the applicable statute of limitations, (ii) two years and one day following the effective date of expiration or earlier termination of this Agreement or (iii) two years and one day from the accrual of any such claim or cause of action; provided that where the two-year-and-one-day limitation of time in clause (ii) or clause (iii) is prohibited or invalid by or under any applicable law, then and in that event only, no suit or action may be commenced or maintained unless commenced within the applicable statute of limitations.

C. Transfer or Assignment of Customer Agreements. Upon expiration or termination of this Agreement, we have the right, but not an obligation, subject to applicable law, to require the transfer or assignment to us or our designee of all agreements between you and Customers. Upon your receipt of our notice invoking our right under this paragraph, you must immediately cooperate with us and take all actions necessary to ensure that all agreements between you and Customers that we designate are transferred and assigned, within thirty (30) days of our notice, to us or, at our election, to another REAL PROPERTY MANAGEMENT franchisee or a third-party broker, in each case as designated by us. For avoidance of doubt, any such transferee or assignee will only assume your obligations and liabilities under the assigned Customer agreements that arise after the effective date of the transfer or assignment.

D. Option to Purchase Certain Business Assets.

(i) Upon the expiration or termination of this Agreement, we have the right (but not the obligation) to purchase any or all assets of the Business that are owned by you or your affiliates, including leasehold improvements, equipment, supplies and other inventory; provided that we deliver to you notice of our intent to exercise this purchase right within 30 days of such expiration or termination. The purchase price shall be equal to the assets' fair market value, as determined by a qualified independent appraiser mutually agreed upon by us and you. If we elect to exercise this option to purchase, we have the right to set off all amounts due from you under this Agreement, if any, against the purchase price. For avoidance of doubt, the assets subject to this option to purchase will not include Customer Information as Customer Information is at all times owned by us.

(ii) Within 30 days after our receipt of the appraisal report, we or our designated purchaser will identify the assets, if any, that we or our designee intend to purchase at the price designated for those assets in the appraisal report. We or our designated purchaser and you will then proceed to complete and close the purchase of the identified assets, and to prepare and execute purchase and sale documents customary for the assets being purchased, in a commercially reasonable time and manner. We and you will each pay one-half of the appraisal fees and expenses. Our interest in the assets of the Business that are owned by you or your affiliates will constitute a lien thereon and may not be impaired or terminated by the sale or other transfer of any of those assets to a third party. Upon our or our designated purchaser's exercise of the purchase option and tender of payment, you agree to sell and deliver, and cause your affiliates to sell and deliver, the purchased assets to us or our designated purchaser, free and clear of all encumbrances, and to execute and deliver, and cause your affiliates to execute and deliver, to us or our designated purchaser a bill of sale therefor and such other documents as may be commercially reasonable and customary to effectuate the sale and transfer of the assets being purchased.

GENERAL PROVISIONS

14. The parties agree to the following provisions:

A. Severability. Should one or more clauses of this Agreement be held void or unenforceable for any reason by any court of competent jurisdiction, such clause or clauses will be deemed to be separable in such jurisdiction and the remainder of this Agreement is valid and in full force and effect and the terms of this Agreement must be equitably adjusted so as to compensate the appropriate party for any consideration lost because of the elimination of such clause or clauses. It is the intent and expectation of each party that each provision of this Agreement will be honored, carried out and enforced as written. Consequently, each party agrees that any provision of this Agreement sought to be enforced in any proceeding must, at the election of the party seeking enforcement and notwithstanding the availability of an adequate remedy at law, be enforced by specific performance or any other equitable remedy.

B. Waiver/Integration/Amendments. No waiver by us of any breach by you, nor any delay or failure by us to enforce any provision of this Agreement, may be deemed to be a waiver of any other or subsequent breach or be deemed a bar or an estoppel to enforce our rights with respect to that or any other or subsequent breach. Subject to our rights to modify the Operations Manual and/or standards and as otherwise provided herein, this Agreement may not be waived, altered or rescinded, in whole or in part, except by a writing signed by you and us. This Agreement together with the addenda and appendices hereto constitutes the entire agreement between the parties concerning the franchise for the Business and supersedes any and all prior negotiations, understandings, representations, and agreements. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the Disclosure Document we furnished to you. You must pay us our then-current processing fee (currently $300) if we make any modifications to this Agreement upon your request.

C. Notices. Except as otherwise provided in this Agreement, any notice, demand or communication provided for herein must be in writing and signed by the party serving the same and either delivered personally, in electronic form via email to an authorized email address or deposited in the United States mail, service or postage prepaid, and if such notice is a notice of default or of termination, by a reputable overnight service, and addressed as follows:

1. If intended for us, addressed to Real Property Management SPV LLC, at 1010 North University Parks Drive, Waco, Texas 76707, Attn: President; with a copy to 1010 North University Parks Drive, Waco, Texas 76707, Attn: General Counsel;

2. If intended for you, addressed to you at the address set forth on the Data Sheet; or,

in either case, to such other address as may have been designated by notice to the other party. Notices for purposes of this Agreement will be deemed to have been received if mailed or delivered as provided in this Section.

D. Authority. Any modification, consent, approval, authorization or waiver granted hereunder required to be effective by signature will be valid only if in writing executed by you or, if on behalf of us, in writing executed by our President or one of our authorized Vice Presidents or other authorized officer.

E. References. If the franchisee is two or more individuals, the individuals are jointly and severally liable hereunder, and references to you in this Agreement include all of the individuals. Headings and captions contained herein are for convenience of reference and may not be taken into account in construing or interpreting this Agreement.

F. Successors/Assigns. Subject to the terms of Section 10 hereof, this Agreement is binding upon and inures to the benefit of the administrators, executors, heirs, successors and permitted assigns of the parties.

G. Interpretation of Rights and Obligations. The following provisions apply to and govern the interpretation of this Agreement, the parties' rights under this Agreement, and the relationship between the parties:

1. Applicable Law and Waiver. The parties agree that the execution of this Agreement and the acceptance of its terms occurred in the state of Texas. The parties further agree that the performance of material obligations arising under the Agreement, including but not limited to, your payment of monies due hereunder and the satisfaction of certain of our training requirements, shall occur in the state of Texas. Accordingly, subject to our rights under federal trademark laws and the parties' rights under the Federal Arbitration Act in accordance with Section 11, this Agreement, the parties' rights under this Agreement, and the relationship between the parties under this Agreement are governed by, and will be interpreted in accordance with, the laws (statutory and otherwise) of the state of Texas (excluding any conflicts of laws principles).

2. Our Rights. Whenever this Agreement provides that we have a certain right, that right is absolute and the parties intend that our exercise of that right will not be subject to any limitation or review. We have the right to operate, administrate, develop, and change the System in any manner that is not specifically precluded by the provisions of this Agreement~~, although this right does not modify the requirements of Section **Error! Unknown switch argument.** and other express limitations set forth in this Agreement~~.

3. Our Reasonable Business Judgment. Whenever we reserve discretion in a particular area or where we agree to exercise our rights reasonably or in good faith, we will satisfy our obligations whenever we exercise "Reasonable Business Judgment" (as defined below) in making our decision or exercising our rights. Our decisions or actions will be deemed to be the result of "Reasonable Business Judgment," even if other reasonable or even arguably preferable alternatives are available, if our decision or action is intended, in whole or significant part, to promote or benefit the System generally even if the decision or action also promotes our financial or other individual interest. Examples of items that will promote or benefit the System include, without limitation, enhancing the value of the Marks, improving customer service and satisfaction, improving product and service quality, improving uniformity, enhancing or encouraging modernization and improving the competitive position of the System.

H. Venue. Any dispute between you and us or any of our or your affiliates, including without limitation, your owners and guarantors, arising under, out of, in connection with or in relation to this Agreement, the parties' relationship, or your Business, including disputes not resolved through mediation, must be brought in the state or federal district court located in McLennan County, Texas. Both parties hereto irrevocably submit themselves to, and consent to, the jurisdiction of said courts and specifically waive any objection to the jurisdiction and venue of such courts. The parties specifically waive the right to remove any action brought in the state court

of McLennan County, Texas to a federal district court. The provisions of this Section will survive the termination of this Agreement. The parties are aware of and acknowledge the business purposes and needs underlying the language of this Section, and with a complete understanding thereof, agree to be bound in the manner set forth.

I. **Jury Waiver. ALL PARTIES HEREBY WAIVE ANY AND ALL RIGHTS TO A TRIAL BY JURY IN CONNECTION WITH THE ENFORCEMENT OR INTERPRETATION BY JUDICIAL PROCESS OF ANY PROVISION OF THIS AGREEMENT, AND IN CONNECTION WITH ALLEGATIONS OF STATE OR FEDERAL STATUTORY VIOLATIONS, FRAUD, MISREPRESENTATION OR SIMILAR CAUSES OF ACTION OR ANY LEGAL ACTION INITIATED FOR THE RECOVERY OF DAMAGES FOR BREACH OF THIS AGREEMENT AND CLAIMS ARISING OUT OF THE PARTIES' RELATIONSHIP.**

J. **No Class or Consolidated Actions. ALL CLAIMS, CONTROVERSIES AND DISPUTES MAY ONLY BE BROUGHT BY THE FRANCHISEE ON AN INDIVIDUAL BASIS AND MAY NOT BE COMBINED OR CONSOLIDATED WITH ANY CLAIM, CONTROVERSY OR DISPUTE FOR OR ON BEHALF OF ANY OTHER FRANCHISEE OR BE PURSUED AS PART OF A CLASS ACTION.**

K. Waiver of Punitive and Consequential Damages. Except with respect to indemnification obligations hereunder with respect to ~~third party~~third-party claims and except for damages under the Lanham Act, you and us and our affiliates agree to waive, to the fullest extent permitted by law, the right to or claim for any consequential, indirect, special, punitive or exemplary damages against the other and agree that in the event of any dispute between them, each will be limited to the recovery of actual damages sustained. Notwithstanding anything herein to the contrary, each party waives, to the fullest extent permitted by law, the right to or claim for any punitive or exemplary damages against the other.

L. WAIVER OF CONSUMER RIGHTS. YOU WAIVE ANY RIGHTS YOU MAY HAVE UNDER THE TEXAS DECEPTIVE TRADE PRACTICES CONSUMER PROTECTION ACT, SECTION 17.41, ET SEQ., BUSINESS AND COMMERCE CODE, AND UNDER ANY OTHER SIMILAR LAW OF TEXAS OR ANY OTHER JURISDICTION THAT GIVES CONSUMERS SPECIAL RIGHTS AND PROTECTIONS. AFTER AN ADEQUATE OPPORTUNITY TO REVIEW THIS PROVISION INCLUDING THE OPPORTUNITY TO CONSULT WITH AN ATTORNEY OF YOUR OWN SELECTION, YOU VOLUNTARILY CONSENT TO THIS WAIVER.

M. Relationship of the Parties. You and we are independent contractors. Neither party is the agent, legal representative, partner, subsidiary, joint venturer or employee of the other. Neither party may obligate the other or represent any right to do so. This Agreement does not reflect or create a fiduciary relationship or a relationship of special trust or confidence.

N. Construction. The parties mutually agree that any ambiguities in this Agreement shall not be construed or interpreted more strictly against the drafting party.

O. Force Majeure. A party's failure of performance of this Agreement according to its terms will not be deemed a breach of this Agreement to the extent such failure was caused by events beyond ~~a~~the party's control and which could not be avoided by the exercise of due care, including but not limited to, terrorism, strikes (except those caused by employees or agents), war, riots, civil disorder, and acts of government except as may be specifically provided for elsewhere

in this Agreement. Nothing in this provision shall excuse a party from any obligations, or deprive any party of rights, that survive termination of this Agreement, including but not limited to those obligations and rights set forth in Section 9.B and 9.D.

P. Adaptations and Variances. You acknowledge that complete and detailed uniformity under many varying conditions may not always be possible, practical, or in the best interest of the System. Accordingly, we have the right to vary the standards, specifications, and requirements for any franchised business based on conditions we deem important to the operation of such business and/or the System, as more particularly set forth in the Operations Manual. We are not required to grant you a like or other variation. You acknowledge that the obligations and rights of the parties to other agreements may differ materially from your rights and obligations under this Agreement.

Q. Notice of Potential Profit. You acknowledge that we and/or our affiliates may from time to time make a profit on our sales of goods or services to you for use in your Business. Further, we and/or our affiliates may from time to time receive rebates and/or other consideration from suppliers and/or manufacturers in respect of sales of goods or services to you or in consideration of services rendered or rights licensed to such persons. You agree that we and/or our affiliates are entitled to said rebates, profits and/or consideration and we may use same as we deem appropriate.

R. Anti-Terrorism Provision. You and each of your ~~o~~Owners represent and warrant to us that: (i) neither you nor any ~~o~~Owner is named, either directly or by an alias, pseudonym or nickname, on the lists of "Specially Designated Nationals" or "Blocked Persons" maintained by the U.S. Treasury Department's Office of Foreign Assets Control currently located at www.treas.gov/offices/ enforcement/ofac/; (ii) you and each ~~o~~Owner will take no action that would constitute a violation of any applicable laws against corrupt business practices, against money laundering and against facilitating or supporting persons or entities who conspire to commit acts of terror against any person or entity, including as prohibited by the U.S. Patriot Act (currently located at www.epic.org/privacy/ terrorism/hr3162.html), U.S. Executive Order 13244 (currently located at www.treas.gov/offices/enforcement/ofac/sanctions/terrorism.html) or any similar laws; and (iii) you and each Owner shall immediately notify us in writing of the occurrence of any event or the development of any circumstance that might render any of the foregoing representations and warranties false, inaccurate or misleading.

S. Franchisor's Affiliates. You agree that except for any affiliate that guarantees our performance hereunder pursuant to a guarantee included in our Franchise Disclosure Document, no other past, present or future director, officer, employee, incorporator, member, partner, stockholder, subsidiary, affiliate, controlling party, entity under common control, ownership or management, vendor, service provider, agent, attorney or representative of Real Property Management SPV LLC will have any liability for: (i) any obligations or liabilities of Real Property Management SPV LLC relating to or arising from this Agreement; (ii) any claim against Real Property Management SPV LLC based on, in respect of, or by reason of the relationship between you and Real Property Management SPV LLC; or (iii) any claim against Real Property Management SPV LLC based on any alleged unlawful act or omission of Real Property Management SPV LLC.

EACH PERSON SIGNING THIS AGREEMENT REPRESENTS AND WARRANTS THAT HE OR SHE IS AUTHORIZED TO BIND THE RESPECTIVE PARTY TO THIS AGREEMENT. THIS AGREEMENT IS NOT BINDING OR ENFORCEABLE UNTIL WE SIGN IT.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the parties have executed this Franchise Agreement as of the dates written below.

FRANCHISEE:

_____
_____, individually

_____
Date

FRANCHISOR:

REAL PROPERTY MANAGEMENT SPV LLC
A Delaware limited liability company

BY: _____
Jeffrey Pepperney, President

_____
Date

Schedule A to the Franchise Agreement

Data Sheet

1. Franchisee: _____

_____

_____

_____

Email: _____

Telephone: _____

Cell Phone: _____

2. Owners. You represent and warrant to us that the following persons are the only ~~o~~Owners of Franchisee:

Name	Home Address	Percentage of Ownership	Principal Owner (Y/N)

The foregoing Principal Owners will be devoting their full time to the Business with _____ being identified as the Managing Principal Owner. The Managing Principal Owner is a Principal Owner for all purposes under this Agreement, except that the Managing Principal Owner shall have primary responsibility for the management of the Business and shall have the authority to make all decisions on behalf of the Franchisee and the Managing Principal Owner's decisions will bind the Franchisee.

Within 10 days from the date of any and every change in the identity and/or ownership holdings of any ~~o~~Owner of Franchisee (any such change being subject to the limitations and requirements of this Agreement, including Section 10) or a change in the identity of the Managing Principal Owner you must update this Data Sheet accordingly and provide us a copy of the updated Data Sheet.

3. Territory.

Your non-exclusive Territory is:

****_____. If you propose to change the location of your Business, the Franchise Location must remain located within a 3-mile radius of your initial Franchise Location, and must be approved by us. ****

4. Initial Franchise Fee: $_____[1]

_____ Roll-in: the above listed Initial Franchise Fee reflects a discount of ~~50~~___% for ~~100 or more~~____ properties which Franchisee has attained in the Existing Business and has hereby rolled into the Business (pursuant to the Roll-In Addendum attached hereto as Schedule I).

5. License Fees: beginning 120 days after the Effective Date, the greater of (a) the sum of the Standard License Fee and Maintenance Services License Fee calculated as set forth in the table below or (b) the Minimum License Fee set forth in the second table below.

License Fees	
Standard*	7%
Maintenance Services**	3%

*The Standard License Fee is calculated as a percentage of Non-Maintenance Gross Sales.

**Maintenance Services License Fee is calculated as a percentage of Maintenance Revenues.

Minimum License Fees				
Type Fee	**Months 1-4**	**Months 5-12**	**Months 13 – 24**	**Months 25 – End**
Standard	$0	$250	$500	$1,000

6. MAP Fee: 2% of Non-Maintenance Gross Sales.

7. Local Marketing Spend:

a. Annual minimum local marketing requirement: the greater of (i) $32,000 per calendar year or (ii) 5% of Non-Maintenance Gross Sales for the prior calendar year.

8. Effective Date: _____

[SIGNATURES ON FOLLOWING PAGE]

[1] Initial Franchise Fee equal to $59,900 for Territory with population that exceeds 100,000 people and 10,000 single family rentals, *minus* applicable discounts.

FRANCHISEE:

_____
_____, individually

_____
Date

FRANCHISOR:

REAL PROPERTY MANAGEMENT SPV LLC
A Delaware limited liability company

BY: _____
Jeffrey Pepperney, President

_____
Date

Schedule B to the Franchise Agreement

ACH FORM
ACH Origination services will not be considered until this application is
FILLED OUT COMPLETELY

Date of Application:	Business Phone:
Franchise ID #:	Cell Phone:
Franchise Business Owner Name:	
Name of DBA:	
Contact Person:	Title:
Business Address:	
SPECIAL DRAFTING INSTRUCTIONS:	

Please complete blanks below with your banking information using the sample as a reference only, or attach a sample voided check that displays the required information.

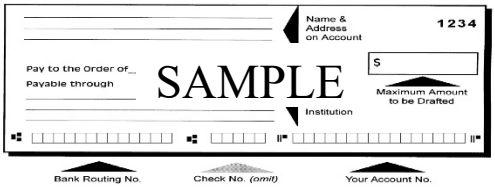
We recommend attaching an image of a cancelled check, banking statement that clearly shows the routing and accounting number to ensure accuracy:

Name of Financial Institution:

Name and Address on Account:

Bank Routing No.:

Account No:



I hereby authorize REAL PROPERTY MANAGEMENT SPV LLC ("Franchisor"), its affiliates, including Neighborly Assetco LLC, and the financial institution named above to initiate entries, including debit and credit entries, to my checking/savings account identified above periodically, including weekly, monthly, annually or as necessary, on a day specified from time to time by Franchisor to pay all fees, charges and any other amounts owed (including, License Fees, MAP fees, call center fees, late fees, interest charges, note payments, software fees and any other amounts owed) pursuant to the terms of the Franchise Agreement and all related agreements entered into with Franchisor and/or its affiliates, with License Fees and MAP fees to be in accordance with the weekly sales analysis submitted by me; and, if necessary, to initiate adjustments for any transactions credited in error. These debits are related to the operation of the franchised business and the amount of each debit will vary, including from week to week, to a maximum amount (if any) as set forth in the Franchise Agreement. The credits are the amounts due to the franchised business that Franchisor receives from third parties for services performed by the franchised business net of Franchisor's deductions for audit and any related administrative fees and/or credit entries to correct any debit entries that may have been made in error. This authority will remain in effect until I notify you in writing to cancel it in such time as to afford the financial institution a reasonable opportunity to act on such instructions. I can stop payment of any entry by notifying the financial institution at least 3 days before my account is scheduled to be charged. I can have the amount of an erroneous charge immediately credited to my account for up to 15 days following issuance of my statement by the financial institution or up to 60 days after deposit, whichever occurs first.

_____ _____
Date Signature of Franchisee

Schedule C to the Franchise Agreement

PERSONAL GUARANTEE AND AGREEMENT TO BE BOUND PERSONALLY BY THE TERMS AND CONDITIONS OF THE FRANCHISE AGREEMENT

In consideration of the execution of the Franchise Agreement by us, and for other good and valuable consideration, the undersigned, for themselves, their heirs, successors, and assigns, do jointly, individually and severally hereby become surety and guarantor for the payment of all amounts and the performance of the covenants, terms and conditions in the Franchise Agreement, to be paid, kept and performed by the franchisee, including without limitation the arbitration and other dispute resolution provisions of the Franchise Agreement.

Further, the undersigned, individually and jointly, hereby agree to be personally bound by each and every condition and term contained in the Franchise Agreement, including the provisions in Section 9, and agree that this Personal Guarantee will be construed as though the undersigned and each of them executed a Franchise Agreement containing the identical terms and conditions of the Franchise Agreement.

Each of the undersigned waives: (1) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; (2) protest and notice of default to any party respecting the indebtedness or nonperformance of any obligations hereby guaranteed; and (3) any right he/she may have to require that an action be brought against the franchisee or any other person as a condition of liability.

In addition, each of the undersigned consents and agrees that: (~~1~~i) the undersigned's liability will not be contingent or conditioned upon our pursuit of any remedies against the franchisee or any other person; and (~~2~~ii) such liability will not be diminished, relieved or otherwise affected by franchisee's insolvency, bankruptcy or reorganization, the invalidity, illegality or unenforceability of all or any part of the Franchise Agreement, or any amendment or extension of the Franchise Agreement, with or without notice to the undersigned. It is further understood and agreed by the undersigned that the provisions, covenants and conditions of this Guarantee will inure to the benefit of our successors and assigns.

FRANCHISEE: _____

PERSONAL GUARANTORS:

_____

_____, individually
Address
City, State, Zip Code
Telephone

Schedule D to the Franchise Agreement

THIS SCHEDULE D DOES NOT APPLY TO CANDIDATES LOCATED IN, OR FRANCHISED BUSINESSES TO BE LOCATED IN, ANY OF THE FOLLOWING FRANCHISE REGISTRATION STATES: CA, HI, IL, IN, MD, MI, MN, NY, ND, RI, SD, VA, WA, or WI.

ACKNOWLEDGMENT ADDENDUM TO REAL PROPERTY MANAGEMENT FRANCHISE AGREEMENT

As you know, you and we are entering into a Franchise Agreement for the operation of a REAL PROPERTY MANAGEMENT franchise. The purpose of this Acknowledgment Addendum is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, and to be certain that you understand the limitations on claims that may be made by you by reason of the offer and sale of the franchise and operation of your business. Please review each of the following statements carefully and confirm their accuracy or advise us of their inaccuracy.

Acknowledgments and Representations. I, the undersigned, hereby acknowledge and represent to Real Property Management SPV LLC as follows:

1. I have received a copy of Real Property Management SPV LLC Franchise Disclosure Document (and all exhibits and attachments) (the "Disclosure Document") at least fourteen calendar days prior to signing the REAL PROPERTY MANAGEMENT Franchise Agreement (the "Franchise Agreement").
   Please select one: ☐ **I Agree** ☐ **I Disagree**
   If you disagree, please comment:_____

2. I have reviewed carefully the Disclosure Document and Franchise Agreement.
   Please select one: ☐ **I Agree** ☐ **I Disagree**
   If you disagree, please comment:_____

3. I understand all the information contained in both the Disclosure Document and Franchise Agreement.
   Please select one: ☐ **I Agree** ☐ **I Disagree**
   If you disagree, please comment:_____

4. No oral, written or visual claim or representation was made to me that contradicted the disclosures in the Disclosure Document.
   Please select one: ☐ **I Agree** ☐ **I Disagree**
   If you disagree, please comment:_____

5. Other than as expressly stated in Item 19 of the Disclosure Document, no employee or other person speaking on behalf of Real Property Management SPV LLC has made any oral, written or visual

claim, statement, promise or representation to me that stated, suggested, predicted or projected sales, revenues, expenses, earnings, income or profit levels at any REAL PROPERTY MANAGEMENT business, or the likelihood of success at my franchised business.

Please select one: ☐ **I Agree** ☐ **I Disagree**

If you disagree, please comment:_____

6. No employee or other person speaking on behalf of Real Property Management SPV LLC has made any statement or promise regarding the costs involved in operating a franchise that is not contained in the Disclosure Document or that is contrary to, or different from, the information contained in the Disclosure Document.

Please select one: ☐ **I Agree** ☐ **I Disagree**

If you disagree, please comment:_____

7. I acknowledge and agree that except for the right granted to me to operate a REAL PROPERTY MANAGEMENT Business within the Territory during the Franchise Agreement term so long as I am in compliance with the Franchise Agreement. Real Property Management SPV LLC and its affiliates reserve all other rights to the Marks and the System and they may engage in any activity whatsoever, whenever and wherever they desire, as set forth in the Franchise Agreement.

Please select one: ☐ **I Agree** ☐ **I Disagree**

If you disagree, please comment:_____

8. The Franchise Agreement together with the addenda and appendices thereto constitutes the entire agreement between me and Real Property Management SPV LLC concerning the franchise for the REAL PROPERTY MANAGEMENT Business and supersedes any and all prior negotiations, understandings, representations, and agreements, which means that any prior oral or written statements not set out in the Franchise Agreement or Disclosure Document will not be binding. However, nothing in the Franchise Agreement or any related agreement is intended to disclaim the representations Real Property Management SPV LLC made in the Disclosure Document it furnished to me.

Please select one: ☐ **I Agree** ☐ **I Disagree**

If you disagree, please comment:_____

9. I acknowledge and agree that in entering into the Franchise Agreement I have not relied on and am not relying on any representations, warranties or other statements whatsoever, whether written or oral other than those included in the Franchise Agreement and the Disclosure Document (including any exhibits, addenda, amendments and attachments) and that I will not have any right or remedy rising out of any representation, warranty or other statement not expressly set out in the Franchise Agreement and the Disclosure Document (including any exhibits, addenda, amendments and attachments). I am entering into the Franchise Agreement as a result of my own independent investigation of the franchised business and not as a result of any representations about REAL PROPERTY MANAGEMENT system made by REAL PROPERTY MANAGEMENT SPV LLC's shareholders, officers, members, managers, directors, employees, agents, representatives, independent contractors, or franchisees that are contrary to the terms set forth in the Franchise

Agreement or in any disclosure document given to me pursuant to applicable law. I UNDERSTAND THAT I SHOULD NOT SIGN THE FRANCHISE AGREEMENT IF I BELIEVE REAL PROPERTY MANAGEMENT SPV LLC OR ANY OF ITS REPRESENTATIVES HAVE PROMISED ME SOMETHING THAT IS NOT PART OF THE FRANCHISE AGREEMENT, ANY ATTACHED EXHIBIT, SCHEDULE OR ADDENDUM OR THE FRANCHISE DISCLOSURE DOCUMENT.

Please select one: ☐ **I Agree** ☐ **I Disagree**

If you disagree, please comment:_____

10. I understand that the success or failure of my REAL PROPERTY MANAGEMENT Business will depend in large part upon my skills and experience, my business acumen, my location, the local market for products under the REAL PROPERTY MANAGEMENT trademarks, interest rates, the economy, inflation, taxes, the number of employees I hire and their compensation, the extent to which I follow established systems, policies and guidelines, the cost of capital and the extent to which I finance the business operations, my contractual arrangements with suppliers, landlords and professional advisors, competition and other economic and business factors. Further, I understand that the economic and business factors that exist at the time I open my REAL PROPERTY MANAGEMENT Business may change.

Please select one: ☐ **I Agree** ☐ **I Disagree**

If you disagree, please comment:_____

11. I understand that I am bound by the non-compete covenants (both in-term and post-term) and that an injunction is an appropriate remedy to protect the interest of the REAL PROPERTY MANAGEMENT system if I violate the covenant(s). Further, I understand that any actions in violation of the covenants by those holding any interest in the franchisee entity may result in an injunction, default and termination of the Franchise Agreement.

Please select one: ☐ **I Agree** ☐ **I Disagree**

If you disagree, please comment:_____

12. I understand that any training, support, guidance or tools Real Property Management SPV LLC provides to me as part of the franchise are for the sole purpose of protecting the REAL PROPERTY MANAGEMENT brand and Marks and the Intellectual Property associated with the System and to assist me in the operation of my business and not for the purpose of controlling or in any way intended to exercise or exert control over my decisions or day-to-day operations of my business, including my sole responsibility for the hiring, wages and other compensation (including benefits), training, supervision and termination of my employees and all other employment and employee related matters.

Please select one: ☐ **I Agree** ☐ **I Disagree**

If you disagree, please comment:_____

13. ~~On~~The individuals identified on the receipt pages of my Disclosure Document ~~I identified~~ _____ _____ _____ _____ _____ as the franchise sellers ~~involved in this~~are the only franchise ~~sales process (these are~~sellers (i.e. the company representatives who offered me my franchise)~~. The~~ involved in this franchise ~~sellers identified above are the only franchise sellers involved with this transaction~~sales process.

Please select one: ☐ **I Agree** ☐ **I Disagree**

If you disagree, please ~~comment~~identify any additional franchise sellers involved in this franchise sales process: _____ _____ _____

14. I have been advised to seek professional assistance, to have legal, financial and/or other professional advisors review the documents, and to consult with other franchise owners regarding the risks associated with the purchase of the franchise.

Please select one: ☐ **I Agree** ☐ **I Disagree**

If you disagree, please comment: _____ _____ _____

IF MORE SPACE IS NEEDED TO RESPOND TO ANY REPRESENTATION, CONTINUE ON A SEPARATE SHEET AND ATTACH.

I UNDERSTAND THAT MY ANSWERS ARE IMPORTANT AND THAT REAL PROPERTY MANAGEMENT SPV LLC WILL RELY ON THEM. BY SIGNING THIS ADDENDUM, I REPRESENT THAT I HAVE CONSIDERED EACH REPRESENTATION CAREFULLY AND RESPONDED FULLY AND TRUTHFULLY.

NOTE: IF THE RECIPIENT IS A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY, EACH OF ITS PRINCIPAL OWNERS MUST EXECUTE THIS ACKNOWLEDGMENT.

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 any applicable law that prohibits releases, estoppels or waivers of liability under such law. Should one or more clauses of this Addendum be held void or unenforceable for any reason by any court of competent jurisdiction, such clause or clauses will be deemed to be separable in such jurisdiction and the remainder of this Addendum shall be valid and in full force and effect. **Do not sign** this Acknowledgement if you are a resident of Maryland or the franchise is to be operated in Maryland.

FRANCHISEE:

_____

_____, individually

_____

Date

Schedule E to the Franchise Agreement

TELEPHONE NUMBER AND INTERNET AGREEMENT

_____
(Name of Telephone Company)

_____
(Address)

_____
(City, State, Zip)

This TELEPHONE NUMBER AND INTERNET AGREEMENT, ASSIGNMENT AND POWER OF ATTORNEY ("Assignment") is made pursuant to the terms of the Franchise Agreement dated _____ ("Agreement") by and between REAL PROPERTY MANAGEMENT SPV LLC ("Franchisor") and _____ ("Franchisee"), authorizing Franchisee to use Franchisor's Marks and System in the operation of a business providing property management services, including but not limited to maintenance and repair management services, tenant placement, and rent collection (the "Franchised Business") in and for the Territory. Capitalized terms used herein without a definition shall have the meaning assigned to them in the Agreement.

For value received, Franchisee hereby irrevocably assigns to Franchisor all telephone listings and numbers at any time used by Franchisee in any printed or internet telephone directory in connection with the operation of the Franchised Business in the Territory, whether now-existing or adopted by Franchisee in the future, (collectively "Telephone Listings") and all email addresses, domain names, social media accounts and comparable electronic identities that use the Marks or any portion of them at any time used by Franchisee in connection with any Internet directory, website or similar item in connection with the operation of the Franchised Business, whether now-existing or adopted by Franchisee in the future, (collectively "Internet Listings") (collectively referred to herein as "Listings"). From time to time upon Franchisor's request, Franchisee agrees to promptly provide a complete list of all Listings to Franchisor (in such format and level of detail as required by Franchisor).

Franchisee shall have the right to use the Listings only in connection with advertising and promoting the Franchised Business in the Territory. Franchisee agrees to pay all amounts pertaining to the use of the Listings incurred by it when due. Upon expiration or termination of the Agreement for any reason, Franchisee's right of use of the Listings shall terminate. In the event of termination or expiration of the Agreement, Franchisee agrees to pay all amounts owed in connection with the Listings, including all sums owed under existing contracts for telephone directory advertising and to immediately at Franchisor's request, (i) take any other action as may be necessary to transfer the Listings and numbers to Franchisor or Franchisor's designated agent, (ii) install and maintain, at Franchisee's sole expense, an intercept message, in a form and manner acceptable to Franchisor, on any or all of the Listings; (iii) disconnect the Listings; and/or (iv) cooperate with Franchisor or its designated agent in the removal or relisting of any telephone directory or directory assistance listing, Internet directory, website, social media account or advertising, whether published or online.

Franchisee agrees that Franchisor may require that all telephone numbers and telephone and internet equipment and service must be owned or provided by Franchisor or a supplier approved by Franchisor and that Franchisor has the right to require Franchisee to "port" or transfer to Franchisor or an approved call routing and tracking vendor all phone numbers associated with the Franchised Business or

published in any print or online directory, advertisement, marketing or promotion associated with the Marks.

Franchisee appoints Franchisor as Franchisee's attorney-in-fact, to act in Franchisee's place, for the purpose of assigning any Listings covered by this Assignment to Franchisor or Franchisor's designated agent or taking any other actions required of Franchisee under this Assignment. Franchisee grants Franchisor full authority to act in any manner proper or necessary to the exercise of the foregoing powers, including full power of substitution and execution or completion of any documents required or requested by any telephone or other company to transfer such Listings, and Franchisee ratifies every act that Franchisor may lawfully perform in exercising those powers. This power of attorney shall be effective for a period of two (2) years from the date of expiration, cancellation or termination of Franchisee's rights under the Agreement for any reason. Franchisee intends that this power of attorney be coupled with an interest. Franchisee declares this power of attorney to be irrevocable and renounces all rights to revoke it or to appoint another person to perform the acts referred to in this instrument. This power of attorney shall not be affected by the subsequent incapacity of Franchisee. This power of attorney is created to secure performance of a duty to Franchisor and is for consideration.

FRANCHISEE:

_____

_____, individually

_____

Date

Schedule F to the Franchise Agreement

CONFIDENTIALITY AGREEMENT

This **CONFIDENTIALITY AGREEMENT** is entered into by the undersigned, _____ ("you"), for the benefit of **REAL PROPERTY MANAGEMENT SPV LLC**, a Delaware limited liability company, having its principal place of business at 1010 North University Parks Drive, Waco, Texas 76707 ("Franchisor"), and _____ ("Franchisee").

WHEREAS, you are associated with Franchisee as a spouse or owner of Franchisee;

WHEREAS, Franchisor intends to enter into a Franchise Agreement (the "Franchise Agreement") pursuant to which Franchisor will grant Franchisee (or a legal entity owned and/or controlled by Franchisee) a license to use Franchisor's trademarks, services marks, logos and other indicia of origin (the "Marks") and Franchisor's methods of operation (the "System") in connection with the operation of a business providing property management services, including but not limited to maintenance and repair management services, tenant placement, and rent collection, and related services (the "Franchise") in and for a specified geographical area described in the Franchise Agreement. (Capitalized terms used herein without a definition shall have the same meaning as assigned to them in the Franchise Agreement); and

WHEREAS, Franchisor has undertaken, at considerable effort and expense, to create the System which will be revealed to Franchisee pursuant to the Franchise Agreement and you either will be involved in the operation of the franchise, or, if a spouse of Franchisee, may not intend to hold an ownership interest in the Franchise or be actively involved in the operation of the Franchise but through your relationship with Franchisee, will be exposed to and learn many procedures, techniques and other matters that are identified and treated by Franchisor as confidential, proprietary or trade secret, including, without limitation, information regarding the operational, sales, and marketing methods and techniques of Franchisor, which are beyond your skills and experience ("Confidential Information"); and

WHEREAS, ~~Y~~you agree that you will receive material benefit from Franchisor entering into the Franchise Agreement with Franchisee. In exchange for that good consideration, you agree to execute and be bound by this Agreement, including the noncompetition covenant set forth herein.

NOW, THEREFORE, you hereby agree as follows:

1. Acknowledgement of Confidentiality Obligation. You acknowledge that through your association or relationship with Franchisee, you will receive valuable Confidential Information that provides a competitive advantage in the development of the Franchise. You acknowledge and agree that the Confidential Information and any Operations Manual are confidential and proprietary in nature and contain trade secrets belonging to Franchisor and that all such tangible evidence of Confidential Information is a property right of great value to Franchisor. You hereby agree to be bound by the provisions of the Franchise Agreement related to confidentiality and protection of trade secrets, including but not limited to Section 5.H of the Franchise Agreement, to the same extent as if a party to the Franchise Agreement.

2. Non-Use. You agree not to (a) use Confidential Information without prior written approval from Franchisor or as otherwise permitted by the Franchise Agreement, or (b) do or perform any other act injurious to the goodwill associated with the Marks and the System.

3. Non-Disclosure. Without prior written approval from Franchisor, you agree not to disclose, communicate or divulge any Confidential Information for your benefit or for the benefit of any other third party, including, without limitation, a competitor of the Franchise and/or Franchisor.

4. Exclusions. Confidential Information does not include and this Agreement does not apply to information that you can establish by reliable documentary evidence (a) was previously known by you, (b) is or becomes part of the public domain other than through your wrongful act, (c) is otherwise lawfully in your hands by a means other than breach of this Agreement or (to your knowledge) third party's breach of its confidentiality obligation to Franchisor, or (d) is sought pursuant to a subpoena or written discovery ("Process"); provided that Franchisor shall be immediately notified of the receipt of the Process, whereupon Franchisor has the right to request that Franchisee and/or you delete the Confidential Information from the scope thereof, and if Franchisee or you refuse, then Franchisor may seek any and all available remedies, including, without limitation, commencing proceedings to enjoin the disclosure of Confidential Information or intervening impending proceedings to seek the entry of protective orders or other appropriate relief. Nothing in this Agreement shall be construed to interfere with a party's obligations to comply with lawful court orders; however, no disclosure of Confidential Information by a party pursuant thereto shall be deemed to place the Confidential Information in the public domain or to relieve the party from the future performance of all its confidentiality obligations under this Agreement, absent express orders of the court to the contrary.

5. Covenant Not to Compete. Except as otherwise approved in writing by Franchisor, you may not, directly or indirectly, through, on behalf of, or in conjunction with, any other person, partnership, or legal entity, own, maintain, operate, or engage or participate in, inure benefit to, or have any financial interest, either as an officer, agent, employee, principal, partner, director, shareholder or any other individual or representative capacity, in any corporation, partnership or other legal entity that engages in any business that is the same as or similar to the Franchise, or is otherwise in competition with the business of Franchisor or Franchisor's franchisees, that engages in the distribution of similar products, services and/or equipment and that is located (a) anywhere, while the Franchise Agreement is in effect or (b) (i) within the territory specified on the Data Sheet to the Franchise Agreement, (ii) within a 25-mile radius of the outer boundary of such territory, or (iii) inside the territory of another REAL PROPERTY MANAGEMENT business, in each case during a period of two (2) years commencing with the earlier of the termination of the Franchise Agreement or the date on which you cease to be associated with Franchisee (or the individual who is the principal of a legal entity identified as Franchisee) whether because of a termination of an employment arrangement or marriage or otherwise, which period shall be extended by any period of non-compliance. You further agree that upon Franchisor's request you shall make his/her personal and business records available for inspection by Franchisor to determine your compliance with this provision.

6. Customer Non-Solicitation Covenant. In addition, you agree that during the term of the Franchise Agreement and for a period of one year commencing with the earlier of the termination of the Franchise Agreement or the date on which you cease to be associated with Franchisee (or the individual who is the principal of a legal entity identified as Franchisee) whether because of a termination of an employment arrangement or marriage or otherwise, you will not, without our prior written consent, directly or indirectly, for yourself or on behalf of any other person divert, or attempt to divert, any business or customer of the Business or any other REAL PROPERTY MANAGEMENT Business to any competitor by direct or indirect inducement.

7. Scope of Covenants. The parties agree that each of the foregoing covenants in Section 5 and Section 6 will be construed as independent of any other covenant or provision of this Agreement. To the extent anyone successfully contests the validity or enforceability of any part of Section 5 or Section 6 in its present form predicated upon the scope of coverage, this provision will not be deemed invalid or unenforceable, but will instead be deemed modified, so as to be valid and enforceable, to provide coverage for the maximum scope that any court of competent jurisdiction or arbitrator will deem reasonable and necessary to protect Franchisor's legitimate interests.

8. Choice of Law and Jurisdiction. This Agreement shall be governed by the internal laws of the State of Texas, without regard to conflicts of laws provisions. You agree that any litigation or legal action to enforce or relating to this Agreement shall be filed in Waco, McLennan County, Texas. You hereby consent to the jurisdiction of such Courts and further agree to waive any rights or objections to the jurisdiction or venue of any such actions when filed in such Courts.

9. Legal Fees and Costs. Any unauthorized disclosure following execution of this Agreement may be cause for suit for injunctive relief and damages. If you breach this Agreement, you shall pay reasonable attorney's fees and other costs incurred by Franchisor and/or Franchisee in enforcing the provisions of this Agreement. If any legal proceeding is commenced to enforce or interpret any provision of this Agreement, the prevailing party will be entitled to recover reasonable attorney's fees and all costs and disbursements allowed by law.

10. Defend Trade Secrets Act of 2016 Disclosure. 18 U.S.C. § 1833(b) states: "An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that—(A) is made—(i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." Accordingly, the Parties to this Agreement have the right to disclose in confidence trade secrets to Federal, State, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. The Parties also have the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure. Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b).

11. Entire Agreement. This Agreement sets forth the entire understanding among you, Franchisor and Franchisee with respect to its subject matter and cannot be changed except by written instrument signed by you, Franchisor and Franchisee. There are no representations of any kind except as contained herein. This Agreement will be binding upon and inure to the benefit of the parties, their legal representatives, successors, and assigns.

_____
Signature, individually

_____
Date

Schedule G to the Franchise Agreement

PROMISSORY NOTE AND SECURITY AGREEMENT

DATE: _____

DEBTOR: _____

DEBTOR'S MAILING ADDRESS: _____

SECURED PARTY: Real Property Management SPV LLC
a Delaware limited liability company
doing business as Real Property Management,
or its successors or assigns

SECURED PARTY'S MAILING ADDRESS: 1010 North University Parks Drive, Waco, Texas 76707

PRINCIPAL: _____ AND 00/100 DOLLARS ($____.__)

INTEREST: _____ percent (____%) per annum on unmatured, unpaid PRINCIPAL beginning thirty (30) days before the due date of the first payment and the maximum legal rate of interest on matured, unpaid amounts from the date of maturity.

TERMS OF PAYMENT:

The principal and interest of this note shall be payable in monthly installments of _____ **AND** 00/100 **DOLLARS ($_____)** each, beginning on _____ and continuing on the first day of each month thereafter until _____, on which date the entire principal balance, any accrued, unpaid interest and all other amounts payable under this document are due in full. By execution of the ACH Form attached to the Franchise Agreement entered into by and between DEBTOR and SECURED PARTY (the "Franchise Agreement"), DEBTOR authorizes SECURED PARTY and the financial institution named thereon to make the foregoing payments from DEBTOR'S account until DEBTOR cancels such automatic draft in accordance with the terms of the Authorization or this note is paid in full.

DEBTOR promises to pay PRINCIPAL and INTEREST according to the above TERMS OF PAYMENT to the order of SECURED PARTY. This note may be prepaid in any amount at any time before maturity without penalty. Installments shall continue to be payable regularly after any partial payment unless and until this note has been fully paid. INTEREST shall be calculated on the unpaid PRINCIPAL to the date of any payment or prepayment, with that payment or prepayment being credited first to pay the accrued INTEREST and then to reduce the PRINCIPAL.

If DEBTOR defaults in the payment of any indebtedness or the performance of any obligations under this document or any document collateral to it, including, without limitation, the Franchise Agreement, or DEBTOR sells, assigns or transfers the Franchise Agreement or any interest therein or in the franchise granted thereunder to a third party, SECURED PARTY may declare the entire unpaid PRINCIPAL, earned INTEREST and any other amounts payable under this document immediately due. DEBTOR and each surety, endorser and guarantor waive all demands for payment, presentations for payment, notices of intention to accelerate, notices of acceleration, protests and notices of protest to the extent permitted by law.

If this document or any document collateral to it, including, without limitation, the Franchise Agreement, is given to an attorney for collection or enforcement, is collected or enforced after suit is brought for that purpose or is collected or enforced through probate, bankruptcy or other judicial proceeding, DEBTOR shall pay SECURED PARTY all costs of collection and enforcement (including, without limitation, reasonable attorney's fees and court costs) in addition to amounts due. Reasonable attorney's fees shall be ten percent (10%) of all amounts due unless plead otherwise.

Interest on any indebtedness under this document or any document collateral to it shall not exceed the maximum amount of nonusurious interest that may be contracted for, taken, reserved, charged or received under law. Any interest in excess of that maximum amount shall be credited on the principal of the indebtedness or, if that has been paid, refunded. Any such excess resulting from any acceleration or prepayment shall be canceled automatically or, if already paid, credited on the unpaid principal of the indebtedness or, if the principal of the indebtedness has been paid, refunded. This provision overrides other provisions in this and all other instruments related hereto.

If any installment of this note is not paid within thirty (30) days of its due date, a late charge in the amount of TEN AND NO/100 DOLLARS ($10.00) per payment per day will be paid by DEBTOR upon demand as compensation for any expense or inconvenience incurred in collecting that delinquent installment. DEBTOR is not hereby authorized to be delinquent in paying any installment. Any demand for a late charge shall not affect any other remedies available.

If any draft or check is returned by DEBTOR'S financial institution for insufficient funds or any other reason, SECURED PARTY is entitled to reimbursement from DEBTOR in the amount of TWENTY FIVE AND 00/100 DOLLARS ($25.00) per draft or check. Any demand for reimbursement shall not in any manner affect any other remedies available.

COLLATERAL:

All right, title and interest of DEBTOR to all fixtures, furniture, leasehold improvements, furnishings, materials, supplies, equipment, goods, machinery, general intangibles, money, accounts, inventory, chattel paper, documents, instruments, commercial tort claims, deposit accounts, investment property, letter-of-credit rights, letters of credit and other personal property of any kind whatsoever, whether now or hereafter existing, arising, acquired or used by DEBTOR in any manner in connection with the REAL PROPERTY MANAGEMENT franchise operated by DEBTOR under the Franchise Agreement or any other business which has provided or is providing services in any manner related to property management, including but not limited to maintenance and repair management services, tenant placement, and rent collection, and performing related services and selling related products; and all replacements, betterments, substitutions, renewals, additions, products and proceeds thereto or therefrom.

GRANT OF SECURITY INTEREST:

DEBTOR grants SECURED PARTY a security interest in the COLLATERAL to secure the payment of all indebtedness owed and the performance of all obligations performable by DEBTOR to or for SECURED PARTY (including, without limitation, all indebtedness and obligations under this document or any document collateral to it).

SECURED PARTY's sole duty with respect to the custody, safekeeping and physical preservation of COLLATERAL in its possession or under its control will be to use reasonable care in the custody and preservation of such COLLATERAL. DEBTOR agrees that SECURED PARTY will be deemed to have used reasonable care in the custody and preservation of COLLATERAL if SECURED PARTY deals with such COLLATERAL in the same manner as SECURED PARTY deals with similar property for its own

account and, to the extent permitted by applicable law. SECURED PARTY need not take any steps to preserve rights against any other person or entity. Neither SECURED PARTY nor any of its directors, officers, managers, members, employees or agents will be liable for failure to demand, collect or realize upon the COLLATERAL or will be under any obligation to sell or otherwise dispose of any COLLATERAL.

DEBTOR confirms that value has been given, that DEBTOR has rights in the COLLATERAL, and that DEBTOR and SECURED PARTY have not agreed to postpone the time for attachment of the security interest to any of the COLLATERAL. In respect of COLLATERAL which is acquired after the execution date of this Promissory Note and Security Agreement, the time for attachment will be the time when DEBTOR acquires such COLLATERAL.

SECURED PARTY may (and DEBTOR hereby authorizes SECURED PARTY to) execute and file such financing statements and other documents as SECURED PARTY may at any time deem appropriate to perfect the foregoing security interest. Without limiting the generality of the foregoing, DEBTOR authorizes SECURED PARTY to file financing statements designating the collateral as "all personal property" or "all assets" of DEBTOR, and authorizes, ratifies, and approves any financing statement filed by SECURED PARTY on or prior to the date of this document.

DEBTOR'S WARRANTIES AND COVENANTS:

DEBTOR warrants, represents and covenants that: 1) No financing statement covering the COLLATERAL is filed in any public office; 2) DEBTOR is validly existing and in good standing under the laws of the state of its jurisdiction of organization, and the execution and delivery of this document by DEBTOR and the performance of its obligations hereunder have been duly authorized by all necessary action in accordance with applicable laws; 3) DEBTOR owns the COLLATERAL, free and clear of all liens other than liens in favor of SECURED PARTY, and has the authority to grant this security interest; 4) none of the COLLATERAL is or will be affixed to real estate, an accession to any goods, commingled with other goods, or a fixture, accession or part of a product or mass with other goods; 5) all information about DEBTOR'S financial condition provided to SECURED PARTY was accurate when submitted, as will be any information subsequently provided; 6) DEBTOR will defend the COLLATERAL against all claims and demands adverse to SECURED PARTY'S interest in it; 7) the COLLATERAL will remain in DEBTOR'S possession or control at all times; 8) DEBTOR will maintain the COLLATERAL in good condition and protect it against misuse, abuse, waste and deterioration except for ordinary wear and tear resulting from its intended use; 9) DEBTOR will insure the COLLATERAL in accordance with SECURED PARTY'S reasonable requirements regarding choice of carrier, casualties insured against and amount of coverage; 10) insurance policies will be written in favor of DEBTOR and SECURED PARTY according to their respective interests or according to SECURED PARTY'S other requirements; 11) all insurance policies shall provide that the SECURED PARTY will receive at least ten (10) days' notice before cancellation, and the policies or certificates evidencing them will be provided to SECURED PARTY when issued; 12) DEBTOR assumes all risk of loss or damage to the COLLATERAL to the extent of any deficiency in insured coverage; 13) DEBTOR irrevocably appoints SECURED PARTY as DEBTOR'S attorney-in-fact to collect on DEBTOR'S behalf any returned unearned premiums and proceeds of any insurance on the COLLATERAL and to endorse any draft or check deriving from the policies and made payable to DEBTOR; 14) DEBTOR will pay all expenses incurred by SECURED PARTY in negotiating, obtaining, preserving, perfecting, defending and enforcing this document, any document collateral to it or the COLLATERAL (expenses for which DEBTOR is liable include, without limitation, taxes, assessments, reasonable attorney's fees and other legal expenses, these expenses will bear interest from the dates of payments at the highest legal rate of interest, and DEBTOR will pay SECURED PARTY this interest on demand at a time and place reasonably specified by SECURED PARTY); 15) DEBTOR will sign any papers that SECURED PARTY considers necessary to obtain, maintain and perfect this security interest or

to comply with any relevant law, including, without limitation, such documents as may be required to have the security interest granted hereunder properly noted on a certificate of title; 16) DEBTOR will immediately notify SECURED PARTY in writing of any material change in the COLLATERAL, of any change in DEBTOR'S name, address or location, of any change in any matter warranted or represented in this document or any document collateral to it, of any change that may affect the security interest in the COLLATERAL, or perfection thereof, and of any event of default; 17) without SECURED PARTY'S prior written consent, DEBTOR will not sell, transfer or encumber any of the COLLATERAL other than sales of inventory in the ordinary course of business; 18) DEBTOR will maintain accurate books and records covering the COLLATERAL; and 19) DEBTOR will furnish SECURED PARTY any requested information related to the COLLATERAL and DEBTOR will allow SECURED PARTY, at any time and place, to inspect the COLLATERAL and all records describing or related to the COLLATERAL.

RIGHTS AND REMEDIES OF SECURED PARTY:

Regardless of whether or not DEBTOR is in default hereunder, SECURED PARTY may: 1) release any COLLATERAL in SECURED PARTY'S possession to any debtor, temporarily or otherwise; 2) take control of any proceeds generated by the COLLATERAL, such as refunds from and proceeds of insurance, and reduce any part of the owed indebtedness accordingly or permit DEBTOR to use such funds to repair or replace damaged/destroyed COLLATERAL; 3) contact account debtors directly to verify information furnished by DEBTOR; 4) notify obligors on the COLLATERAL to pay SECURED PARTY directly and reduce any part of the owed indebtedness accordingly; and 5) as DEBTOR'S agent, endorse any documents or chattel paper that is COLLATERAL or that represents proceeds of COLLATERAL.

SECURED PARTY has no obligation to collect any account and will not be liable for failure to collect any account or for any act or omission on the part of SECURED PARTY or SECURED PARTY'S officers, agents or employees, except willful misconduct. If DEBTOR fails to maintain insurance as required, SECURED PARTY may purchase single-interest insurance coverage that will protect only SECURED PARTY. If SECURED PARTY purchases this insurance, the insurance premiums will become part of the indebtedness owed by DEBTOR to SECURED PARTY under this document.

EVENTS OF DEFAULT:

Each of the following conditions is an event of default: 1) if DEBTOR defaults in the timely payment or performance of any indebtedness, obligation, covenant or liability in this document, in any document collateral to it, including, without limitation, the Franchise Agreement, or in any other agreement between DEBTOR and SECURED PARTY and fails to cure the same within the applicable cure period (if any); 2) if any warranty, covenant or representation made to SECURED PARTY by or on behalf of DEBTOR proves to have been false or incomplete in any material respect when made; 3) if a receiver is appointed for DEBTOR or any of the COLLATERAL or if the COLLATERAL is assigned for the benefit of creditors or, to the extent permitted by law, if bankruptcy or insolvency proceedings are commenced against or by DEBTOR, any partnership of which DEBTOR is a general partner or any maker, drawer, acceptor, endorser, guarantor, surety, accommodation party or other person liable on or for any part of the indebtedness owed or obligations performable by DEBTOR under this document or any document collateral to it; 4) if any lien attaches to any of the COLLATERAL other than any lien granted in favor of secured party; and 5) if any of the COLLATERAL is lost, stolen, damaged or destroyed, unless it is promptly restored or replaced with collateral of like quality.

REMEDIES OF SECURED PARTY ON DEFAULT:

During the existence of any event of default, SECURED PARTY may declare the unpaid PRINCIPAL and earned INTEREST and all other amounts payable under this document immediately due

in whole or part, enforce the payment of indebtedness and performance of obligations by DEBTOR under this document and any document collateral to it and exercise any rights and remedies granted by this document, any document collateral to it or by applicable law (including, without limitation, the Texas Uniform Commercial Code), including, without limitation, the following: 1) require DEBTOR to deliver to SECURED PARTY all books and records relating to the COLLATERAL; 2) require DEBTOR to assemble the COLLATERAL and make it available to SECURED PARTY at a place reasonably convenient to both parties; 3) take possession of any of the COLLATERAL and for this purpose enter any premises where it is located; 4) sell, lease or otherwise dispose of any of the COLLATERAL in accord with the rights, remedies and duties of a secured party under Chapters 2 and 9 of the Texas Uniform Commercial Code after giving notice as required by those chapters; 5) surrender any insurance policies covering the COLLATERAL and receive the unearned premium; 6) apply any proceeds from disposition of the COLLATERAL after default in the manner specified in Chapter 9 of the Texas Uniform Commercial code, including, without limitation, payment of SECURED PARTY'S reasonable attorney's fees and court expenses; and 7) if disposition inadequate, collect the deficiency.

GENERAL PROVISIONS:

1. SECURED PARTY'S rights under this document shall inure to the benefit of its successors and assigns.

2. Neither delay in exercise nor partial exercise of any of SECURED PARTY'S remedies or rights shall waive further exercise of those remedies or rights. SECURED PARTY'S failure to exercise remedies or rights does not waive subsequent exercise of those remedies or rights. SECURED PARTY'S waiver of any default does not waive further default. SECURED PARTY may remedy any default without waiving the default. The rights, remedies, powers, and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers, and privileges provided by law.

3. If DEBTOR fails to perform any of DEBTOR'S obligations, SECURED PARTY may perform those obligations and be reimbursed by DEBTOR on demand for any sums so paid (including, without limitation, attorney's fees and other legal expenses) plus interest on those sums from the dates of payment at the maximum legal rate of interest. The sum to be reimbursed shall be secured by the security interest under this document.

4. This document constitutes the entire contract between DEBTOR and SECURED PARTY with respect to the subject matter hereof and supersedes all previously executed agreements and understandings, oral or written, with respect thereto. No provisions of this document shall be modified or limited except by written agreement executed by both parties.

5. The unenforceability of any provision will not affect the enforceability or validity of any other provision.

6. This document and the agreement evidenced hereby is to be construed according to Texas laws. All indebtedness is payable and all obligations are performable in Waco, McLennan County, Texas.

7. A carbon, photographic, electronic or other reproduction of this Promissory Note and Security Agreement or any financing statement covering the COLLATERAL is sufficient as a financing statement.

8. If the COLLATERAL is sold after default, recitals in the transfer document will be prima facie evidence of their truth, and all prerequisites to the sale specified herein and by the Texas UCC will be presumed satisfied.

9. The security interest under this document shall neither affect nor be affected by any other security for any of the indebtedness owed or obligations performable by DEBTOR under this document or any document collateral to it. Neither extensions of any of that indebtedness or those obligations nor releases of any of the COLLATERAL will affect the priority or validity of the security interest under this document.

10. Foreclosure of the security interest under this document by suit shall not limit SECURED PARTY'S remedies, including, without limitation, the right to sell the COLLATERAL. All remedies of SECURED PARTY may be exercised at the same or different times, and no remedy shall be a defense to any other. SECURED PARTY'S rights and remedies include all those granted in this document, by law or otherwise.

11. DEBTOR'S appointment of SECURED PARTY as DEBTOR'S attorney-in-fact or agent is coupled with an interest and will specifically survive any death or disability of DEBTOR.

12. As used in this document and unless the context requires another construction, the masculine, feminine and neuter gender shall each include the others and the singular and plural case shall each include the other.

13. DEBTOR acknowledges receipt of an executed copy of this document. DEBTOR waives the right to receive any amount that it may now or hereafter be entitled to receive (whether by way of damages, fine, penalty, or otherwise) by reason of the failure of SECURED PARTY to deliver to DEBTOR a copy of any financing statement or any statement issued by any entity that confirms registration of a financing statement.

FRANCHISEE:

_____

_____, individually

_____

Date

Schedule H to the Franchise Agreement

FRANCHISE BROKERAGE AGREEMENT

This FRANCHISE BROKERAGE AGREEMENT (this "Agreement") is made this ___ day of _____, 20___ (the "Effective Date"), by and between _____, a _____ ("Franchisee"), _____, a _____ ("Broker"), and Real Property Management SPV LLC, a Delaware limited liability company ("Franchisor"). Individually, Franchisee, Broker and Franchisor are sometimes referred to herein as a "Party", and collectively as the "Parties".

RECITALS

A. Franchisee is a provider of property management services to its clients and is required to operate (under local law and/or Franchisor's operational requirements for its franchisees) to have a licensed broker as its agent/representative in the state where Franchisee is organized and/or operating.

B. Franchisee has been granted certain franchise rights from Franchisor pursuant to a separate written franchise agreement (the "Franchise Agreement").

C. Broker is a licensed broker in the state where Franchisee's property management franchise business is located and is willing to act as agent/representative of the Franchisee in its property management activities on terms and conditions agreed to between Broker and Franchisee in a certain brokerage agreement, drafted and entered into in accordance with applicable law (the "Franchisee Brokerage Agreement").

D. The Parties wish to provide the terms and conditions pursuant to which, among others, Broker will protect the confidentiality of Franchisor's intellectual property and continue acting as an agent/representative of the Franchisor after the termination or expiration of the Franchise Agreement.

AGREEMENT

For good and valuable consideration as more fully described herein, the receipt and sufficiency of which is hereby acknowledged and agreed to, the Parties agree as follows.

1. STATUS OF THE PARTIES. The Parties agree that Broker is not an employee or agent of Franchisor. Thus, Broker will not be treated as an employee for federal tax (or any other) purposes. Franchisor shall not have any responsibility for withholding, reporting, or paying Broker's federal, state, or local taxes (including but not limited to federal income tax, social security and unemployment taxes or insurance), or any amounts or sums due Broker, all of which shall be paid according to the Franchisee Brokerage Agreement between Franchisee and Broker.

2. FRANCHISEE'S RESPONSIBILITIES. Franchisee agrees to, and to generally cause Broker pursuant to the Franchisee Brokerage Agreement to, generally promote the image of the Parties by establishing and maintaining (whether formally or informally) rules, policies and procedures regarding (1) office use, (2) business days and hours that Franchisee's office(s) will be open for business to the public, (3) advertising and/or marketing, (4) general property management procedures, (5) referrals, leads, and opportunities for potential Account contracts, (6) use of office equipment and materials, and (7) other matters directly or indirectly related to the management of real estate and the operation of the franchise

pursuant to the terms of the Franchise Agreement and the Franchisee Brokerage Agreement (collectively, the "Rules and Procedures"). Franchisee acknowledges that, in the event of any conflict between the terms of the Franchisee Brokerage Agreement and the Franchise Agreement, the terms of the Franchise Agreement shall control. The Parties further acknowledge that, in the event of any conflict between the terms of the Franchise Agreement or the terms of the Franchisee Brokerage Agreement, as the case may be, and this Agreement, the terms of this Agreement shall control to the greatest extent permitted by applicable law.

3. BROKER'S RESPONSIBILITIES.

(i) Third-Party Beneficiary. Franchisee and Broker hereby agree that, to the greatest extent permitted by applicable law, Franchisor shall be deemed a third-party beneficiary of the Franchisee Brokerage Agreement and has the right but not the obligation to enforce the terms of the Franchisee Brokerage Agreement against the Broker or the Franchisee, as the case may be. Unless otherwise required by applicable law, Franchisee and Broker may not amend, terminate, or waive the applicability of any term or the Franchisee Brokerage Agreement without Franchisor's written consent.

(ii) Accounts and Records. Each of Broker and Franchisee acknowledge that the relationships with clients, property owners, and customers to which Franchisee provides services under the Franchise Agreement, and all other sources of revenue of Franchisee under the Franchise Agreement (collectively, the "Accounts") belong to Franchisor to the greatest extent permitted by applicable law and that, if the rights granted by Franchisor under the Franchise Agreement expire or are terminated, Franchisor or its designated third party may, in Franchisor's sole discretion, take over the service provider relationship for those Accounts.

(iii) Intellectual Property. Any use of any logo, trademark, copyright or other intellectual or proprietary property of Franchisor (collectively, the "Intellectual Property"), without the prior written consent of Franchisor and all other applicable, entities, individuals, owners or controllers of same is strictly prohibited. Franchisee shall cause Broker to, and Broker shall, use all such Intellectual Property in strict accordance with any terms, conditions, provisions, restrictions or limitations set forth in the Franchise Agreement or other such prior written consent. Franchisee and Broker shall defend, indemnify, and hold Franchisor and its affiliates and parent companies, and all employees, agents, managers, directors, members, and representatives of each of the foregoing, harmless from any and all claims against Franchisor or any of its affiliates or parent companies, or any employees, agents, managers, directors, members, or representatives of any of the foregoing, arising from and/or relating to any such wrongful or non-permissive use of any Intellectual Property. The Intellectual Property includes, without limitation, the Accounts.

(iv) Other Conflicting Relationships. During the term of this Agreement and/or the Franchisee Brokerage Agreement, and for a period of at least one (1) year thereafter, Broker shall not directly or indirectly solicit or encourage any Account to terminate or alter its then-existing relationship with Franchisee or Franchisor. This Section 3(iv) shall survive the termination or expiration of the Agreement.

(v) Preserve Reputation of Franchisor. Broker hereby understands and acknowledges that its actions and deeds may reflect (either positively or negatively) on Franchisor and its affiliates and/or parent companies. Therefore, Broker shall not perform any act, or do anything, to impair, hurt, harm, damage, or undermine the good will, reputation, and public

esteem of Franchisor or any of its affiliates, subsidiaries, or parent companies, or any of the employees, directors, managers, agents, contractors, or representatives of any of the foregoing. Broker shall, during the term of this Agreement, perform all services, deeds and acts, in its capacity as an independent contractor, with the highest standards of professionalism, dignity, respect, honesty, and integrity. Franchisee's Rules and Procedures may, at Franchisor's option, include standards and/or guidelines of practice or professionalism intended to preserve Franchisor's reputation. Broker agrees to adhere to all such standards and/or guidelines as may be adopted by Franchisor and Franchisee from time to time.

4. NO AUTHORITY TO ACT FOR OR BIND FRANCHISOR. The Parties hereby agree that Broker shall not, in any event, have any authority, power or authorization, either express or implied, to sign any agreements for, act on behalf of, or otherwise bind Franchisor. Broker shall not represent to any other third party that Broker has any such authority, power or authorization.

5. INDEMNIFICATION OF BROKERAGE. In addition to the other indemnifications provided by Broker to Franchisor as set forth herein, Broker further agrees that Broker shall indemnify, save, defend and hold Franchisor and its affiliates and parent companies, and all employees, agents, managers, directors, members, and representatives of each of the foregoing, harmless for all costs and expenses pertaining to any and all claims arising from or relating to Broker's conduct, including, without limitation, Broker's failure to comply with any of the terms of this Agreement.

6. TERM AND TERMINATION; ASSIGNMENT TO FRANCHISOR.

(i) The term of this Agreement begins when the Franchisee Brokerage Agreement becomes effective and expires upon the expiration or termination of the Franchisee Brokerage Agreement between Franchisee and Broker. Upon the expiration or termination of this Agreement, any rights, if any, that Broker had to use any of the Intellectual Property shall immediately and automatically be cancelled and terminated, except to the extent stated in Section 6(ii) below. Broker warrants, represents and agrees that Broker will not use, in any way whatsoever except as stated in Section 6(ii), any Intellectual Property after this Agreement is terminated. The terms of this Section 6(i) shall survive any termination or expiration of this Agreement.

(ii) Each of Broker and Franchisee agree that, if the Franchise Agreement expires or is terminated, to the greatest extent permitted by applicable law, if Franchisor requests, Franchisee shall assign all rights and obligations under that certain Franchisee Brokerage Agreement to Franchisor, and Broker shall consent to such assignment. Without limiting the previous sentence, Broker agrees that it will continue to act as an agent/representative to Franchisor or its designated third party on the same terms and conditions contained in the Franchisee Brokerage Agreement until the earlier of (i) one year after such assignment or (ii) such time as Franchisor is able to retain another licensed real estate broker, unless Broker and Franchisor or its designated third-party agree to another time period in writing.

7. DUTY TO MEDIATE/ARBITRATE. The Parties each agree that any claims or disputes arising out of or related to this Agreement which cannot be resolved between themselves (including disputes arising after termination of this Agreement) shall be submitted to and resolved in accordance with Franchisor's mediation/arbitration procedures, a copy of which is attached hereto as Exhibit A to the greatest extent permitted by applicable law. As more fully set forth in Exhibit A, any mediation or

arbitration is mandatory and the decision is binding. All Parties hereby agree, to the fullest extent permitted under applicable law, to waive any rights to any trial, litigation, or other court proceeding.

8. CONFIDENTIAL INFORMATION. Broker agrees that, during the term of this Agreement and for a period of five (5) years after termination or cancellation of this Agreement, Broker will safeguard and not use or disclose to anyone any of Franchisor's proprietary or confidential information ("Confidential Information") acquired by Broker while working under this Agreement. Such Confidential Information includes, without limitation, the terms of this Agreement, names, addresses and telephone or other contact numbers/information of potential and actual Accounts; mailing lists; manuals; forms; procedural information, processes and other records developed by Franchisor; business plans; trade secrets; computer programs; memoranda or other communications (whether in hard copy or computer storage) between the Parties or any personnel of the brokerage or Franchisee, or any prospective or actual Account. The disclosure of any of Franchisor's Confidential Information, or removal or copying of same, by Broker without prior written permission of Franchisor shall be grounds for the issuance by an appropriate court of injunctive relief preventing Broker's use of any such Confidential Information, in addition to the exercise by Franchisor of all other rights and remedies available under the law. Broker acknowledges and agrees that the Confidential Information described above is deemed proprietary by Franchisor and shall also be considered, for all purposes under this Agreement, Intellectual Property. As such, in addition to the obligations, duties, and responsibilities described in this Section 8, Broker shall perform and satisfy all of the obligations, duties, and responsibilities described in Section 3(iii) with respect to the Confidential Information. The provisions of this Section 8 shall survive the termination or cancellation of this Agreement.

9. NO ASSIGNMENT BY BROKER. The Parties acknowledge and agree that Franchisee and Franchisor are contracting under this Agreement and the Franchisee Brokerage Agreement specifically for the services of Broker and that Broker's services cannot necessarily be adequately provided by an assignee or other successor in interest to Broker. Broker therefore agrees that it shall not assign its interests under this Agreement to any party without Franchisor's prior written approval, which Franchisor may give or withhold in its sole and absolute discretion. Subject to Broker's agreement not to assign without prior approval, the Parties agree that this Agreement shall inure to the benefit of and shall be binding upon any successor in interest to Broker, Franchisee or Franchisor, as applicable.

10. ENTIRE AGREEMENT. This Agreement, the Franchisee Brokerage Agreement, and the Franchise Agreement contain the entire understanding between the Parties and supersede any prior understanding and agreements between them.

11. AMENDMENTS. This Agreement may be amended only in writing, signed by each of the Parties.

12. BINDING EFFECT. Except as otherwise provided in this Agreement, every covenant, term and provision of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, legal representative, successors and all persons hereafter holding or having an interest in this Agreement.

13. CONSTRUCTION. Every covenant, term and provision of this Agreement shall be construed simply according to its fair meaning and not strictly for or against any one Party.

14. HEADINGS AND PRONOUNS. Section and other headings contained in this Agreement are for reference purposes only and are not intended to describe, interpret, define, or limit the scope, extent, or intent of this Agreement or any provision hereof. All pronouns and any variations of

them shall be deemed to refer to masculine, feminine, neuter, singular or plural, as required for the identification of the applicable person or persons, firm or firms, corporation or corporations.

15. SEVERABILITY. Every provision of this Agreement is intended to be severable. If any term or provision is found to be illegal, invalid or unenforceable for any reason whatsoever, then, at Franchisor's option either (i) such illegality, invalidity, or unenforceability shall have no effect on the remainder of the Agreement, and it shall be enforced to the full extent permitted by law, or (ii) Franchisor may terminate this Agreement.

16. WAIVER. The consent, approval or waiver of any covenant, term or condition of this Agreement by either Party shall not be construed as consent, approval or waiver of a subsequent similar act or breach of the same covenant, term or condition.

17. GOVERNING LAW. The laws of the state in which the Franchisee's franchise is located, without regard to conflicts of law principles, shall govern the validity of this Agreement, the construction of its terms, and the interpretation and construction of this Agreement.

18. NO THIRD PARTY BENEFICIARY INTENT. The promises, duties, obligations, and rights set forth between the Parties in this Agreement are intended for each Party's sole benefit and not for the benefit of any third party, including without limitation any owner, tenant or prospective tenant, nor for the benefit of any other brokerage or broker.

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the Effective Date.

FRANCHISEE:
_____

By: _____

Name: _____

Title: _____

BROKER:
_____

By: _____
Name:_____
Title: _____

FRANCHISOR:
Real Property Management SPV LLC a Delaware limited liability company

By: _____
Jeffrey Pepperney
President

EXHIBIT A TO FRANCHISEE BROKERAGE AGREEMENT

ALTERNATIVE DISPUTE RESOLUTION

A. **Alternative Dispute Resolution Requirement**. The Parties each agree that any claims or disputes of any kind between or among any or all of the Parties (collectively, "Disputes", and individually, a "Dispute") shall be subject to required alternative dispute resolution procedures as set forth below, which procedures shall be binding and shall be in lieu of any right of any of the Parties to litigation, trial, or other court procedures or proceedings.

B. **Alternative Dispute Resolution Procedure**.

(1) Notice of Dispute. The applicable Party with a Dispute must first provide the applicable other Parties with written notice of any Disputes ("Notice of Dispute"). The Notice of Dispute will detail the alleged disputes and positions of the Party providing the Notice of Dispute in sufficient detail that the other Parties can address all such issues.

(2) Right to Respond. Each of the Parties receiving a Notice of Dispute shall have a reasonable time period (and not less than 15 days) after the receipt of the Notice of Dispute to respond to such Notice of Dispute, by either (i) denying the Dispute in writing or, (ii) if the applicable Party or Parties so elects, curing the Dispute or otherwise making the Party providing the Notice of Dispute whole in any manner requested in the Notice of Dispute.

(3) Mediation. If, after the procedures set forth in Sections B(1) and B(2) above have been satisfied, any Dispute still exists, then such Dispute shall be submitted to a mediator reasonably agreed to by the Parties involved in the Dispute. If the Parties involved in the Dispute cannot agree on a mediator, then any Party may petition a court of competent jurisdiction in the location of the brokerage for appointment of a mediator. The mediation shall occur in the jurisdiction where the brokerage is located, and shall be subject to the laws of that jurisdiction. All mediation fees and expenses shall be shared equally by the Parties involved in the Dispute; provided, however, the mediator may, in his or her reasonable judgment cause any Party(ies) to pay any or all of the attorneys' fees or mediation costs of the other Party(ies). The Parties agree in good faith to attempt to resolve all Disputes in mediation.

(4) Arbitration. In the event that the Parties cannot resolve their dispute through mediation, then any Party may request that the Dispute be settled through binding arbitration in accordance with the American Arbitration Association's rules, regulations and procedures. Such binding arbitration shall occur in the same jurisdiction as the mediation (as set forth above in Section B(3) above).

Schedule I to the Franchise Agreement

ROLL-IN ADDENDUM

This ROLL-IN ADDENDUM (the "Addendum") is entered into by and between **REAL PROPERTY MANAGEMENT SPV LLC**, a Delaware limited liability company with its principal business located at 1010 North University Parks Drive, Waco, Texas 76707 ("we" or "us" or "Franchisor"), and _____, individually, having an address of _____ _____ ("you" or "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 or temporarily waive certain fees payable by you under the Agreement with respect to the Roll-In Services, as more particularly provided herein.

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:

1. **Roll-In.** This Addendum documents a Roll-In, which is defined as the assignment to the Franchised Business of all of your rights and obligations to perform Roll-In Services to customers with respect to the following real properties listed by specific address (each a "Roll-In Property", collectively "Roll-In Properties"):_____

_____

2. **Assignment of Customers.** You hereby assign or have caused your affiliate to assign (as applicable) to the Franchised Business all Customers and Customer Information associated with the Roll-In Properties.

3. **Initial Franchise Fee~~; License Fees~~.** Anything in the Agreement to the contrary notwithstanding, Franchisee shall receive a discount on the Initial Franchise Fee ~~and on the License Fees for the period up to 24 months after joining Real Property Management in connection with any Roll-In Services provided set forth in the table below starting at the time of joining Real Property Management. After the initial 24 month period, License Fees will revert to the standard License Fees established in the Agreement.~~as follows:

Range of Properties being Rolled-In	Percent Discount on Initial Franchise Fee	~~License Fee Rate for the first 24 months~~
20-50	20%	~~Non-maintenance – 6%~~ ~~Maintenance – 2%~~

Range of Properties being Rolled-In	Percent Discount on Initial Franchise Fee	~~License Fee Rate for the first 24 months~~
51-100	30%	~~Non-maintenance – 6%~~ ~~Maintenance – 2%~~
101-150	40%	~~Non-maintenance – 6%~~ ~~Maintenance – 2%~~
150+	50%	~~Non-maintenance – 6%~~ ~~Maintenance – 2%~~

~~For avoidance of doubt, the reduced License Fee rate for the first 24 months shall not apply to any MAP Fees or any other fees due for the Roll-In Properties.~~

4. **MAP Fees**. Anything in the Agreement to the contrary notwithstanding, you shall pay MAP Fees with respect to the Roll-In Services (including, without limitation, with respect to all Roll-In Properties during the initial term of the Franchise Agreement) in the amount set forth on the Data Sheet.

5. **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.

6. **Inspections; Audits.** If, after the date hereof, you (directly or through an affiliate) continue to operate the Existing Business, other than the Roll-In Services that become part of the Franchised Business (such remaining Existing Business, the "Separate Business"), you shall make and if applicable shall cause your affiliate to make the books and records (including all electronic records) for the Separate Business available to us for inspection and audit, upon reasonable prior notice, so that we may verify your compliance with the requirements of this Addendum. In addition, the provisions of Section 8.I of the Agreement regarding audits shall apply in all respects to the Separate Business, and we, in our reasonable business judgment, shall have the same rights to access (including remotely) and audit the books and records of the Separate Business, and to require payment for the audit if the audit reveals that you did not comply with the requirements of this Addendum, in addition to any other remedies available to us hereunder or under the law.

7. **Franchisee's Representations and Warranties.** You hereby represent and warrant to us that you have all necessary power and authority to execute this Addendum, to bind the Existing Business to the terms hereof and to perform and comply with all of your obligations hereunder. There is no agreement or understanding (and you 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.

8. **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.

[*Signature page follows*]

FRANCHISEE:

_____
_____, individually

_____
Date

FRANCHISOR:

REAL PROPERTY MANAGEMENT SPV LLC
A Delaware Limited Liability Company

BY: _____
Jeffrey Pepperney, President

_____
Date

Schedule J to the Franchise Agreement

State Addendum

EXHIBIT B

AGENCIES/AGENTS FOR SERVICE OF PROCESS

This list includes the names, addresses and telephone numbers of state agencies having responsibility for franchising disclosure/registration laws, and serving as our agents for service of process (to the extent that we are registered in their states). This list also includes the names, addresses and telephone numbers of other agencies, companies or entities serving as our agents for service of process.

State	State Agency	Agent for Service of Process
CALIFORNIA	California Department of Financial Protection & Innovation 320 West 4th Street, Suite 750 Los Angeles, CA 90013 (213) 576-7500 Toll-free (866-275-2677)	Commissioner of Department of Financial Protection & Innovation
HAWAII	Department of Commerce and Consumer Affairs Business Registration Division Commissioner of Securities King Kalakaua Building 335 Merchant Street, Room 205 Honolulu, HI 96813 (808) 586-2722	Hawaii Commissioner of Securities
ILLINOIS	Franchise Division Office of Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-1090	Illinois Attorney General
INDIANA	Securities Commissioner Indiana Securities Division 302 West Washington St., Room E-111 Indianapolis, IN 46204 (317) 232-6681	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, IN 46204
MARYLAND	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Maryland Securities Commissioner
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Attn: Franchise Section 525 W. Ottawa Street G. Mennen Williams Bldg. 1st Floor Lansing, MI 48933 (517) 373-7117	Michigan Department of Commerce Corporations and Securities Bureau

State	State Agency	Agent for Service of Process
MINNESOTA	Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101-2198 (651)-539-1600	Minnesota Commissioner of Commerce
NEW YORK	NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, NY 10005-1495 (212) 416-8222	Attention: New York Secretary of State New York Department of State One Commerce Plaza, 99 Washington Avenue, 6th Floor Albany, NY 12231-0001 (518) 473-2492
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard, 5th Floor State Capitol, Fifth Floor Bismarck, ND 58505-0510 (701) 328-4712	North Dakota Securities Commissioner
RHODE ISLAND	Rhode Island Department of Business Regulation Division of Securities 1511 Pontiac Avenue John O. Pastore Complex – Bldg. 69-1 Cranston, RI 02920 (401) 462-9500 x5	Director of Rhode Island Department of Business Regulation
SOUTH DAKOTA	South Dakota Division of Insurance Securities Regulation 124 S Euclid, Suite 104 Pierre, SD 57501 (605) 773-3563	Director of the South Dakota Division of Securities
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, VA 23219 (804) 371-9051	Clerk of the State Corporation Commission Tyler Building, 1st Floor 1300 E. Main Street Richmond, VA 23219 804-371-9051
WASHINGTON	Department of Financial Institutions Securities Division ~~150 Israel Rd S.W.~~ PO Box 41200 ~~Tumwater~~Olympia, WA ~~98501~~ 98504-1200~~(360) 902-8760~~	Director of Washington Financial Institutions Securities Division 150 Israel Rd S.W. Tumwater, WA 98501 (360) 902-8760
WISCONSIN	Department of Financial Institutions Division of Securities 4822 Madison Yards Way, North Tower Madison, WI 53705 (608) 266-0448	Wisconsin Commissioner of Securities
OTHER STATES	N/A	Grayson Brown 1010 N. University Parks Drive Waco, TX 76707

EXHIBIT C

FINANCIAL STATEMENTS

Neighborly Assetco LLC and Subsidiaries

Combined Financial Statements
As of December 31, 2024 and 2023 and
for the years ended December 31, 2024 and 2023

Neighborly Assetco LLC and Subsidiaries

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Building a better working world

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Report of Independent Auditors

To the Board of Directors and Stockholders of
Neighborly Assetco LLC and Subsidiaries

Opinion

We have audited the combined financial statements of Neighborly Assetco LLC and subsidiaries (the Company), which comprise the combined balance sheets as of December 31, 2024 and 2023, and the related combined statements of operations and comprehensive income, changes in member's equity and cash flows for the years then ended, and the related notes (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company at 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 for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 the Company 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 the 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 of 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, that raise substantial doubt about the Company's ability to continue as a going concern for 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 of 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 GAAS 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 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 GAAS, 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 the Company'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.

Ernst & Young LLP

Dallas, Texas
March 31, 2025

Neighborly Assetco LLC and Subsidiaries

Combined Balance Sheets
($000's)

As of December 31,		**2024**		2023
Assets				
Current assets				
Cash	**$**	**2,499**	$	3,171
Restricted Cash		**4,037**		1,566
Trade accounts receivable - net		**24,255**		23,826
Trade notes receivable, current portion – net		**7,445**		9,530
Inventories		**1,783**		989
Prepaid selling expenses, current		**7,940**		6,935
Other current assets		**3,321**		2,597
Total current assets		**51,280**		48,614
Property and equipment – net		**16,721**		18,779
Prepaid selling expenses, less current portion		**51,495**		42,479
Trade notes receivable, less current portion - net		**13,332**		15,221
Intangible assets - net		**1,251,674**		1,341,184
Goodwill		**1,731,288**		1,732,653
Total assets	**$**	**3,115,790**	**$**	3,198,930
Liabilities and Member's Equity				
Current liabilities				
Accrued liabilities	**$**	**2,998**	$	3,908
Deferred revenue, current		**14,745**		13,631
Total current liabilities		**17,743**		17,539
Deferred Revenue, less current portion		**70,787**		70,176
Contingencies (Note 9)				
Member's Equity				
Additional paid-in equity	**$**	**2,531,790**	$	2,780,580
Accumulated earnings		**494,774**		335,404
Accumulated other comprehensive income/(loss)		**696**		(4,769)
Total Member's Equity		**3,027,260**		3,111,215
Total liabilities and member's equity	**$**	**3,115,790**	$	3,198,930

See accompanying notes to combined financial statements.

Neighborly Assetco LLC and Subsidiaries

Combined Statements of Operations and Comprehensive Income
($000's)

For the years ended December 31,		2024	2023
Revenues and income			
Franchise service fees	$	180,984	169,842
Synthetic royalties and master license fees		28,242	28,705
Franchise sales fees		33,680	36,783
Sales of products and services		140,458	143,807
Advertising and promotional fund revenue		47,800	42,404
Other revenue		30,502	30,338
Total revenues and income		461,666	451,879
Cost of Sales			
Products and services		72,612	68,752
Gross Profit		389,054	383,127
Selling expense		15,364	6,939
General and administrative expense		17,967	18,705
Advertising and promotional fund expense		49,981	47,365
Depreciation and amortization		95,532	97,290
Management expenses		47,126	44,075
Bad debt expense		3,714	2,283
Net income	$	159,370	166,470
Other comprehensive income			
Foreign currency translation adjustment		5,465	18,104
Comprehensive income	$	164,835	184,574

See accompanying notes to combined financial statements.

Neighborly Assetco LLC and Subsidiaries

Combined Statements of Changes in Member's Equity
($000's)

	Member's Equity
Balance – December 31, 2022	**$ 3,090,123**
Adoption of accounting principle	506
Equity contribution	101,756
Distributions	(265,744)
Net income	166,470
Foreign currency translation adjustment	18,104
Balance – December 31, 2023	**$ 3,111,215**
Distributions	(248,790)
Net income	159,370
Foreign currency translation adjustment	5,465
Balance – December 31, 2024	**$ 3,027,260**

See accompanying notes to combined financial statements.

Neighborly Assetco LLC and Subsidiaries

Combined Statements of Cash Flows
($000's)

For the years ended December 31,	2024	2023
Operating activities		
Net income	$ 159,370	$ 166,470
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	95,532	97,290
Bad debt expense	3,714	2,283
Trade notes issued	(14,803)	(15,050)
Collections of notes receivable	17,158	16,293
Changes in assets and liabilities:		
Trade accounts receivable	(2,524)	(464)
Inventories	(794)	883
Prepaid selling expenses and other assets	(3,646)	(11,464)
Accrued liabilities	(1,361)	198
Deferred revenue	1,725	11,195
Net cash provided by operating activities	254,371	267,634
Investing activities		
Purchase of equipment and other assets	(3,782)	(2,893)
Net cash used in investing activities	(3,782)	(2,893)
Financing activities		
Distributions paid	(248,790)	(265,744)
Net cash used in financing activities	(248,790)	(265,744)
Net increase (decrease) in cash and restricted cash	1,799	(1,003)
Cash and restricted cash - Beginning of period	4,737	5,740
Cash and restricted cash - End of period	$ 6,536	$ 4,737
Supplemental cash flow disclosures:		
Non-cash contribution of equity	$ -	$ 101,756

See accompanying notes to combined financial statements.

1. Description of Business and Significant Accounting Policies

Organization and Description of Business

Neighborly Assetco LLC ("we", "our" and the "Company") is an infinite-lived single-member special purpose Delaware limited liability company and was organized on November 13, 2020, with no operations until March 25, 2021. The Company is a direct, wholly owned subsidiary of Neighborly Issuer LLC (the "Issuer"), which is a special purpose Delaware limited liability company and a direct, wholly owned subsidiary of Neighborly SPV Guarantor LLC (the "SPV Guarantor"), which is a special purpose Delaware limited liability company that is an indirect, wholly owned subsidiary of Neighborly Company (the "Manager"). All of the issued and outstanding limited liability company interests of the Company are directly owned by the Issuer, upon an initial $1.00 capital contribution. The Company is a bankruptcy remote entity that owns substantially all of the US intellectual property including tradenames, franchise agreements, national account relationships and systems-in-place, as well as the United Kingdom (the "UK") tradenames of the Manager. The Company conducts transactions with affiliated parties under common control, and as such, results of operations may not be indicative of operations on a stand-alone basis, without those transactions with related parties. The Company has no employees and relies on the Manager for continued operations.

As of March 25, 2021 the Company's subsidiaries were comprised of a number of franchisors and related supporting businesses operating in the United States (the "US") and internationally and include the following businesses: Aire Serv SPV LLC, Mr. Electric SPV LLC, The Grounds Guys SPV LLC, Rainbow International SPV LLC, Glass Doctor SPV LLC, Mr. Appliance SPV LLC, Mr. Rooter SPV LLC, Molly Maid SPV LLC, Mr. Handyman SPV LLC, Five Star Painting SPV LLC, Window Genie SPV LLC, Real Property Management SPV LLC, Mosquito Joe SPV LLC, HouseMaster SPV LLC, Dryer Vent Wizard SPV LLC, ShelfGenie SPV LLC, and Precision Door Service SPV LLC (each an "SPV Franchisor" and together the "SPV Franchisors") and ProTradeNet SPV LLC, Back Office SPV LLC and G-O Manufacturing SPV LLC (each a "Non-Franchisor SPV Entity" and together the "Non-Franchisor SPV Entities"), each of which is a direct, wholly owned subsidiary of the Company.

In June 2021, assets of Neighborly Services Solutions SPV LLC, a Non-Franchisor SPV entity, were contributed to the Company.

In January 2022, assets of Zorware SPV LLC, NBLY Co Ops CO SPV LLC, and Trench Right SPV LLC were contributed to the Company and intangible assets were acquired by Pimlico SPV Limited, all Non-Franchisor entities. In March 2022, additional assets of NBLY Co Ops CO SPV LLC as well as assets of NBLY Co Ops AZ SPV, both Non-Franchisor entities, were contributed to the Company. In December 2022, intangible assets of Greensleeves Limited were contributed to the Company.

In January 2023, assets of NBLY Co Ops IN SPV LLC, NBLY Logistics SPV LLC, Lawn Pride SPV LLC, and Junk King SPV LLC, were contributed to the Company.

The Company holds all the equity interests in the SPV Franchisors and the Non-Franchisor SPV Entities, certain intellectual property, certain license agreements and certain vendor agreements. Each SPV Franchisor holds the tradenames and the franchise agreements related to such brand and any product supply agreements or vendor agreements related to such brand. The Non-Franchisor SPV Entities hold certain tradenames, certain product supply agreements, certain vendor agreements and the office service agreements.

The Company was formed in connection with a financing transaction (the "Securitization Transaction"), which was completed on March 25, 2021 (see Note 2). On March 25, 2021, the Manager, a Non-Securitization Entity, contributed to the Company through a series of asset transfers to the SPV Guarantor, the Issuer, the Company and its subsidiaries (the "Securitization Entities"), substantially all of its US intellectual property, including tradenames (the "Securitization IP"), franchise agreements, national account relationships and systems-in-place and the UK tradenames (collectively, the "Securitization Assets"). The Manager, certain Securitization Entities and the SPV Franchisors entered into license agreements pursuant to which they granted, respectively, to certain Non-Securitization Entities (i) a non-exclusive license to use and sublicense the Securitization IP in connection with owning and operating certain company-owned store locations, UK locations and Canadian locations and (ii) an exclusive license to use and sublicense the Securitization IP in connection with other products and services.

The contributions of the Securitization Assets are between entities under common control and are recorded at book value. No gain or loss has been realized on the transactions.

On March 25, 2021, the Securitization Entities entered into the management agreement (the "Management Agreement") with the Manager to perform certain services on behalf of the Securitization Entities, including, among other things, collecting franchisee payments, managing the operations on behalf of the Securitization Entities, and performing certain franchising, marketing, and operational and reporting services, as well as managing the intangible assets on behalf of the Securitization Entities. In exchange for providing such services, the Manager will be entitled to receive certain management fees on a weekly basis.

Basis of Presentation

The accompanying combined financial statements as of December 31, 2024 and December 31, 2023 include the accounts of the Company and its wholly owned subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation.

FASB ASC Topic 810-10, Consolidation, applies to certain entities in which equity investors do not have the characteristics of a controlling financial interest or do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support. Such an entity is referred to as a variable interest entity ("VIE"). FASB ASC Topic 810-10 requires the consolidation of a VIE by its primary beneficiary. The primary beneficiary is the entity, if any, that has the obligation to absorb losses or the right to receive benefits of the VIE that could potentially be significant to the VIE, which is the Company and its subsidiaries.

The Company has determined that the Securitization Entities qualify as VIE's and that Neighborly Company, the Manager, is the primary beneficiary, having both power and benefits, of the Securitization Entities. Accordingly, consolidation of the Company and its subsidiaries (including the SPV Franchisors and the Non-franchisor SPVs) is precluded, and as a result, combined financial statements are presented. All intercompany transactions have been eliminated.

Acquisition of the Manager

On June 29, 2021, Kohlberg Kravis and Roberts ("KKR"), and associated co-investors formed Nest Bidco Inc. which, on September 1, 2021, purchased 100% of the shares of Balcones Holdco, Inc., the parent company of Neighborly Company, from TDG Investment Holdings, LP. Nest Bidco Inc. is an indirectly wholly owned subsidiary of Nest Holdings LP, which is the ultimate parent company of the

newly formed business. The transaction was effected to add Neighborly to KKR's investment portfolio, and allows Neighborly to gain access to KKR's capital and resources.

Use of Estimates

The preparation of combined financial statements in conformity with accounting principles generally accepted in the United States of America 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 combined financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Company is a single-member limited liability company for federal and state income tax purposes with all income tax liabilities and/or benefits of the Company being passed through to the Manager. As such, no recognition of federal or state income taxes will be provided for in the financial statements of the Company.

Revenue Recognition

The Company's primary sources of revenue are as follows:

- Franchise service fees from existing franchise owners based on a percentage of each franchise owner's gross sales. These fees generally range from 2% to 15% of the franchise owner's weekly sales, depending upon the particular franchise concept and upon various other factors;

- Synthetic royalties and master license fees from affiliated entities resulting from their use of the Company's intellectual property;

- Franchise sales fees generated from the sale of new franchise territories and the sale of additional franchise territories to existing franchise owners;

- Sales of products and services to unrelated third parties;

- Advertising and promotional revenue represents marketing, advertising and promotional ("MAP") fund fees collected from existing franchise owners. These fees are typically a percentage of each franchise owner's gross sales and vary depending upon the particular franchise concept and various other factors;

- Other revenue consists of incentives earned from services performed for unrelated third parties and interest generated from notes receivable.

Typically, franchise agreements are granted to franchise owners for an initial term of ten years with an option to renew. The respective franchisor's obligations under franchise agreements consist of providing a license of the applicable brand's intellectual property, a list of approved suppliers, certain training programs, an operations manual, and to maintain the MAP fund. These performance obligations are highly interrelated, and we do not consider them to be individually distinct, and therefore account for them as a single performance obligation, which collectively represent the

obligation to provide a license for the right to use our brand's intellectual property. Revenue related to franchise agreements is recognized on a straight-line basis over the term of the agreement, with the exception of variable or sales-based royalties, MAP fund fees collected and revenue allocated to goods and services and other variable fees which are recognized as the underlying sales occur and performance obligations are satisfied.

In the event a franchise agreement is terminated, without a corresponding agreement executed by the same franchise owner, any remaining deferred fees are recognized in the period of termination.

The Company periodically extends credit to entities for the purchase of franchises. These entities are typically controlled by individuals who operate their businesses as an owner/manager. Generally, the notes receivable are collateralized by the related franchise territory rights. The Company also extends unsecured credit to its franchise owners for unpaid franchise service fees. The Company places notes receivable on nonaccrual status when payment is ninety days past due, and ceases to recognize revenue from interest on the note until such time as the note is no longer past due. Interest on trade notes receivable is recorded as revenue when earned. Each entity's ability to perform is dependent upon the economic condition of the business. The Company maintains ongoing credit evaluations of its franchise owners.

The Company adopted ASU 2016-13, Financial Instruments - Credit Losses, on January 1, 2023, which was retroactively applied as of the first day of 2023, as further described below. This accounting standard requires companies to measure expected credit losses on financial instruments based on the total estimated amount to be collected over the lifetime of the instrument. Prior to the adoption of this accounting standard, the Company recorded incurred loss reserves against receivable balances based upon past loss experience, known and inherent risks in the accounts, adverse situations that may affect a franchise owner's ability to repay, and current economic conditions.

Expected credit losses for uncollectible receivable balances consider both current conditions and reasonable and supportable forecasts of future conditions. Current conditions considered include pre-defined aging criteria, as well as specified events that indicate the balance due is not collectible. Reasonable and supportable forecasts used in determining the probability of future collection consider publicly available macroeconomic data and whether future credit losses are expected to differ from historical losses.

Franchise service fee revenues represent sales-based royalties that are related entirely to the applicable franchisor's performance obligation under the franchise agreement and are recognized in the period in which the sales occur. Sales-based royalties are variable consideration related to our performance obligations to the franchise owners to maintain the intellectual property being licensed.

The right to collect marketing, advertising, and promotional ("MAP") fees and the obligation to maintain the MAP fund is assigned to the Manager by each SPV Franchisor, and the performance obligation and fulfillment thereof resides with the Manager. The Manager's obligation related to these funds is to administer the MAP fund, keep unused MAP fees in segregated bank accounts and use MAP fees for certain activities related to the marketing and promotion of the individual businesses. We have determined we act as the principal in the transaction related to the MAP fund contributions and expenditures. MAP fund contributions and expenditures are reported on a gross basis in the accompanying Combined Statements of Operations and Comprehensive Income. As noted above, we have concluded the advertising services provided to franchise owners are highly interrelated with the franchise rights and not a distinct performance obligation; therefore, revenues from MAP fund fees are recognized as advertising and promotion fund revenue when the related

sales occur based on the application of the sales-based royalty exception within ASC 606, Revenue from contracts with customers.

Revenues from product sales are recognized upon transfer of title, when delivered to the customer, when the work is performed, or orders are shipped. Incentives earned are recognized as services are performed.

Synthetic royalties from affiliated entities represent sales-based royalties that are related entirely to our performance obligation under intellectual property license agreements with affiliated entities and are recognized in the period in which the sales occur. These sales-based royalties are variable consideration related to our performance obligations to affiliated entities to maintain the intellectual property being licensed.

Master license and services fees from affiliated entities represent variable consideration in a series for which our performance obligation is satisfied over time, as our intellectual property is simultaneously accessed and benefits thereof consumed by affiliated entities.

Contract Balances

The contract liabilities which we classify as "deferred revenue" consist primarily of the unamortized portion of initial franchise fees that are currently being amortized into revenue, amounts related to pending agreements, or other deferred revenues not related to franchise agreements. Contract deferred franchise revenue represents our remaining performance obligations to our franchise owners, as we account for our highly interrelated obligations as a single performance obligation, which collectively represent the obligation to provide a license for the right to use our brand's intellectual property excluding amounts of variable consideration related to sale-based royalties, synthetic royalties, license fees and advertising. The other deferred revenues not related to the franchise agreements are included in current deferred revenue.

The components of the change in deferred revenue are as follows:

For the years ended December 31,	**2024**	2023
Balance at beginning of period	$ **83,807**	$ 68,226
Fees received from franchise owners	**35,141**	47,447
Franchise sales revenue recognized	**(33,680)**	(36,783)
Contributed from Manager	**-**	4,386
Other deferred revenue recognized	**264**	531
Balance at end of period	**85,532**	83,807
Less: current portion	**14,745**	13,631
Deferred revenue, noncurrent	$ **70,787**	$ 70,176

As of December 31, 2024, the deferred revenue expected to be recognized for each of the next five years, and in the aggregate, is as follows:

Years ending December 31,		
2025	$	14,745
2026		11,949
2027		11,701
2028		11,109
2029		9,829
Thereafter		26,199
	$	85,532

Direct, incremental selling expenses are reimbursed by the Company to the Manager. Such costs paid when the franchise agreement is executed are recorded as a contract asset by the Company and amortized over the life of the agreement consistent with the recognition of the deferred revenue. Contract assets are included in current and non-current prepaid selling expenses in the accompanying Combined Balance Sheets. For the year ended December 31, 2024, $24,044 of costs were incurred and expense of $14,023 was recognized. For the year ended December 31, 2023, $23,590 of costs were incurred and expense of $6,181 was recognized. The ending asset for deferred contract costs as of December 31, 2024 was $59,435, of which $7,940 was current. The ending asset for deferred contract costs as of December 31, 2023 was $49,414, of which $6,935 was current.

Advertising

The Company expenses advertising costs as incurred. Advertising expense was $12,013 and $13,353 for the years ended December 31, 2024 and 2023, respectively. Advertising expense is included in general and administrative expense in the accompanying Combined Statements of Operations and Comprehensive Income. This is separate from MAP fees which are presented on their own line in Consolidated Statements of Operations and Comprehensive Income (Loss).

Inventories

Inventories consist of products to be sold and are stated at the lower of cost (first-in, first-out method) or net realizable value.

Property and Equipment

Property and equipment is stated at cost and is depreciated using the straight-line method over the estimated useful lives of the respective assets which are generally as follows: machinery, equipment, and vehicles (5-10 years); and software (3 years). Additions, renewals, and betterments are capitalized; maintenance and repairs which do not extend the useful life of the asset are expensed as incurred.

Management evaluates long-lived assets used in operations for impairment when indicators of impairment are present. Impairment losses are recorded in the amount that carrying value exceeds fair market value when the undiscounted cash flows estimated to be generated by those assets are less than the carrying amount of the assets. No impairment losses for property and equipment were recorded for the years ended December 31, 2024 and December 31, 2023.

Goodwill

Goodwill represents the excess of the consideration transferred over the fair value of identifiable net assets acquired. The Company tests goodwill annually for impairment, or earlier if events or changes in circumstances indicate that impairment may exist. Management's impairment tests are generally performed as of October 1st annually. The Company's current goodwill balance was measured as of September 1, 2021, resulting from the acquisition of the Manager and pushdown accounting election, based on the excess of consideration over the fair value of assets acquired.

The Company performed a qualitative assessment of its goodwill as of October 1, 2024 and concluded it is not more likely than not that the fair value of its reporting unit is less than the carrying amount and, as such, a quantitative impairment test was not considered necessary. Management determined that there was no impairment of goodwill in the combined financial statements.

Intangible Assets

Intangible assets consist of tradenames, franchise relationships, national accounts, developed technology, and domain name, and are stated at their acquisition-date fair value, less subsequent amortization. The Company's intangible assets are definite lived, other than domain name, which is indefinite lived.

For definite lived intangible assets, when events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable, the Company evaluates the definite lived intangible assets for impairment by comparing the carrying value to the anticipated future undiscounted cash flows expected to be generated from the use of the intangible assets. If the carrying amount is not recoverable, a loss is recorded in the amount the carrying value exceeds the fair market value of the assets. The Company performed a qualitative assessment of its intangible assets and determined that no indicators of impairment were present for definite lived intangible assets.

Tradenames are amortized over their estimated useful life of 20 years, using the straight-line method. Franchise relationships and national accounts relationships are amortized over their estimated useful lives of 15 years, using the straight-line method. Software is amortized over its estimated useful life of 3 years, using the straight-line method.

Domain names are stated at their acquisition-date fair value, and are not amortized, as their useful lives are considered indefinite, but are subject to annual impairment testing. The Company performed a qualitative assessment of its indefinite lived intangible assets as of October 1 in each of 2024 and 2023 and concluded it is not more likely than not that the fair value of its domain names is less than the carrying amount and, as such, a quantitative impairment test was not considered necessary.

Fair Value of Financial Instruments and Non-Financial Assets

In accordance with FASB ASC 820, Fair Value Measurements, certain assets carried at fair value are categorized based on the level of judgment associated with the inputs used to measure their fair

value. The standard establishes a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels:

Level 1 - Inputs are unadjusted quoted market prices in active markets for identical assets or liabilities at the measurement date.

Level 2 - Inputs (other than quoted prices included in Level 1) are either directly or indirectly observable for the asset or liability through correlation with market data at the measurement date for the duration of the instrument's anticipated life.

Level 3 - Inputs are unobservable and therefore reflect management's best estimate of the assumptions that market participants would use in pricing the asset or liability.

The trade names, systems in place, and developed technology were valued using the relief from royalty method and the franchise relationships and national account relationships were valued using the multi-period excess earnings method in the periods acquired. The future projections and estimates used for the valuations are considered Level 3 inputs.

Foreign Currency Translation

Combined entities that have a functional currency that differs from the Company's reporting currency include our foreign subsidiaries, which are in the UK Foreign currency denominated assets and liabilities are translated using the exchange rates at the end of each reporting period. Results of foreign operations are translated at the weighted average exchange rate for each reporting period. Translation adjustments are included as a component of accumulated other comprehensive income (loss) until realized. Where amounts denominated in a foreign currency are converted into US dollars by remittance or repayment, the realized exchange differences are included in the accompanying Combined Statements of Operations and Comprehensive Income, primarily in general and administrative expense, and was immaterial in all periods presented.

Cash and Restricted Cash

Cash consists of cash held on deposit. Restricted cash includes securitized cash held on deposit in Company accounts related to the Securitization Transaction.

Cash and restricted cash consists of the following:

As of December 31,	2024	2023
Cash	$ 2,499	$ 3,171
Restricted Cash:		
Whole business securitization	4,037	1,566
Total cash and restricted cash	$ 6,536	$ 4,737

The Company maintains its cash in banks in which deposits may, from time to time, exceed federally insured limits. The Company has not experienced any losses in such accounts and believes that it is not exposed to any significant credit risks related to cash.

2. Securitization Transactions

On March 25, 2021, the Manager, a Non-Securitization Entity, contributed to the Company through a series of asset transfers to the Securitization Entities, substantially all of the US intellectual property, including tradenames, franchise agreements, national account relationships and systems-in-place and the UK tradenames. The Manager, certain Securitization Entities and the SPV Franchisors entered into license agreements pursuant to which they granted, respectively, to certain Non-Securitization Entities (i) a non-exclusive license to use and sublicense the Securitization IP in connection with owning and operating certain company-owned store locations, UK locations and Canadian locations and (ii) an exclusive license to use and sublicense the Securitization IP in connection with other products and services.

The Company received a cash capital contribution in January 2022 of $102,000 which the Company used to acquire $102,000 in intangible assets. Also in January 2022, the Company received a non-cash capital contribution of $13,456, consisting of $10,862 in property and equipment, $2,082 in intangible assets, and $512 in inventories. In March 2022, the Company received a non-cash contribution of $1,214, consisting of $1,169 in property and equipment and $45 in inventories. In December 2022, the Company received a non-cash contribution of $2,112 in intangible assets from the Manager.

In January 2023, the Company received a non-cash contribution of $101,756, consisting of $99,349 in intangible assets, $3,600 in accounts receivable, $2,241 in property and equipment, $280 in inventories, and an unearned revenue liability, net of prepaid selling expenses, of $3,714.

The contributions of the Securitization Assets are between entities under common control and are recorded at book value as of the unaudited interim date. No gain or loss has been realized on the transactions.

The Issuer is dependent on the Company for sufficient cash flows from their securitized operations to service the Series 2021-1, Series 2022-1, and Series 2023-1 Senior Notes (see Note 3), remit management fees to the Manager, and pay certain other ongoing costs related to the Securitization Transaction.

3. Debt Guarantee

In conjunction with the Securitization Transaction, on March 25, 2021, the Issuer issued $800,000 Series 2021-1 3.584% Fixed Rate Senior Secured Notes (the "Series 2021-1 Senior Notes"). The Senior Notes have an anticipated repayment date of April 30, 2028, and a final maturity date of April 30, 2051. Scheduled principal payments of $2,000 and interest are paid quarterly. As of December 31, 2024 and 2023, $772,000 and $780,000, respectively, was outstanding on the Senior Notes.

On January 19, 2022, in connection with a second securitization, the Issuer, issued $410,000 Series 2022-1 3.695% Fixed Rate Senior Secured Notes (the "Series 2022-1 Senior Notes") through a second whole business securitization transaction (the "Second Securitization Transaction"). The Series 2022-1 Senior Notes have an anticipated repayment date of January 30, 2029, and a final maturity date of January 30, 2052. Scheduled principal payments of $1,030 and interest are paid quarterly. As of December 31, 2024 and 2023, respectively, $398,725 and $402,825, was outstanding on the Series 2022-1 Senior Notes.

On February 3, 2023, in connection with a third securitization, the issuer, issued $275,000 Series 2023-1 7.308% Fixed Rate Senior Secured Notes (the "Series 2023-1 Senior Notes") through a third whole business securitization transaction (the "Third Securitization Transaction"). The Series 2023-1 Senior Notes have an anticipated repayment date of January 30, 2028, and a final maturity date of January 30, 2053. Scheduled principal payments of $687and interest are paid quarterly. As of December 31, 2024 and 2023 respectively, $270,188 and $272,938 was outstanding on the Series 2023-1 Senior Notes.

The Series 2021-1 Senior Notes, the Series 2022-1 Senior Notes, the Series 2023-1 Senior Notes, the Series 2021-1 Class A-1 Notes, the Series 2022-1 Class A-1 Notes, and the Series 2023-1 Class A-1 Notes described above issued in conjunction with the Securitization Transaction, the Second Securitization Transaction, and the Third Securitization Transaction (together, the "Securitization Transactions") are secured by substantially all assets of the Securitization Entities and guaranteed by the Securitization Entities, including the Company, each of which is a bankruptcy remote entity and which owned substantially all of the Manager's US intellectual property including tradenames, franchise agreements, national account relationships and systems-in-place, as well as the UK tradenames as of the date of issuance. The restrictions placed on the Issuer and its subsidiaries require that interest and scheduled principal payments on the Senior Notes and Class A-1 Notes be paid prior to any residual distributions to the Manager, and amounts are segregated weekly to ensure appropriate funds are reserved to pay the quarterly interest and scheduled principal amounts due. The amount of weekly cash flow that exceeds all expenses and obligations of the Issuer and its subsidiaries is generally remitted to the Manager in the form of a distribution. The Manager also receives a fee for the services it provides to the Securitization Entities that is senior to debt service. The Securitization Transaction requires, among other things, maintenance of minimum debt-service coverage ratio levels and additional incurrence of indebtedness and scheduled amortization requirements are subject to compliance with maximum leverage ratio levels. As of December 31, 2024 and 2023, the Issuer was in compliance with all debt-service coverage covenants.

4. Intangible Assets and Goodwill

On March 25, 2021, intangible assets were contributed to the Company, along with certain dates thereafter as discussed in Note 1. Each of the SPV Franchisors are wholly owned subsidiaries and there was no change in ultimate ownership. Accordingly, there has been no change in control and therefore the Company concluded that the guidance in ASC 805 Business Combinations was not applicable. Intangible assets were recorded at the carrying value from the contributing entities on the date of the contribution, as the entities are under common control. Upon the acquisition by KKR (see Note 1), and the Company's election to apply pushdown accounting, the intangible assets were recorded at their acquisition-date fair values.

Intangible assets as of December 31, 2024, consisted of the following:

	Useful Life	Gross Amount	Accumulated Amortization	Net Amount
Tradenames	20 years	$ 968,277	$ 156,717	$ 811,560
Franchise relationships	15 years	552,020	121,954	430,066
National accounts	15 years	2,530	497	2,032
Customer relationships	5 years	12,400	5,787	6,613
Developed technology	3 years	720	631	89
Total definite-lived intangibles		$ 1,535,947	285,586	$ 1,250,360

	Useful Life	Gross Amount	Accumulated Impairment	Net Amount
Domain name	Indefinite	$ 1,314	-	$ 1,314
Total indefinite-lived intangibles		$ 1,314	$ -	$ 1,314

Intangible assets as of December 31, 2023, consisted of the following:

	Useful Life	Gross Amount	Accumulated Amortization	Net Amount
Tradenames	20 years	$ 968,512	$ 107,087	$ 861,425
Franchise relationships	15 years	551,918	85,051	466,867
National accounts	15 years	2,521	320	2,201
Customer relationships	5 years	11,573	2,480	9,093
Developed technology	3 years	702	418	284
Total definite-lived intangibles		$ 1,535,226	195,356	$ 1,339,870

	Useful Life	Gross Amount	Accumulated Impairment	Net Amount
Domain name	Indefinite	$ 1,314	-	$ 1,314
Total indefinite-lived intangibles		$ 1,314	$ -	$ 1,314

Amortization expense was $89,241 and $92,198 for the years ended December 31, 2024 and 2023, respectively.

Estimated amortization expense for the subsequent five years is as follows:

Years ending December 31,	
2025	$ 87,927
2026	87,838
2027	87,011
2028	85,358
2029	85,358
Thereafter	816,868
	$ 1,250,360

Goodwill

The Company has assigned goodwill to its reporting units based on fair valuation analysis completed for the acquisition of the Manager by KKR.

The changes in the carrying amount of goodwill are as follows:

Balance as of December 31, 2022	$	1,728,584
Adjustment to goodwill for unrealized gain/loss on foreign currency		4,069
Balance as of December 31, 2023	$	**1,732,653**
Adjustment to goodwill for unrealized gain/loss on foreign currency		(1,365)
Balance as of December 31, 2024	**$**	**1,731,288**

5. Member's Equity

Neighborly Assetco LLC ("the Limited Liability Company") was formed pursuant to and in accordance with the Delaware Limited Liability Company Act (6 Del.C. §18-101, et seq.), as amended from time to time (the "Act").

The Limited Liability Company is governed by a Limited Liability Company Agreement in which management of the Company is vested in the member ("the Member"), the Manager, who has all powers, statutory or otherwise, possessed by members of a limited liability company under the laws of the State of Delaware. The Member has the authority to bind the Company.

The Member may appoint officers of the Company and may revoke delegated authorities and duties at any time by the Member.

The Limited Liability Company is capitalized with a single membership unit with a $1 per unit par value.

Pursuant to the Management Agreement, excess cash collections after distributions to the Issuer for quarterly interest and scheduled principal payments, expense reimbursements to the Manager and payment of management fees, are distributed to the Manager, as discussed in Note 8. The Member's equity is the residual of equity contributions from the Manager and income earned from operations, less distributions to the Issuer and Manager.

The Company shall dissolve, and its affairs be wound up upon the first to occur of the following: (i) the written consent of the Member, (ii) the retirement, resignation or dissolution of the Member or the occurrence of any other event which terminates the continued membership of the Member in the Company unless the business of the Company is continued in a manner permitted by the Act, or (iii) the entry of a decree of judicial dissolution under Section 18-802 of the Act.

6. Trade Notes Receivable

The Company periodically receives notes from the sale of new franchises. The rights to the related franchise territory sold generally collateralize these notes. The Company also from time-to-time

receives notes for delinquent franchise service fees. Such notes, as of December 31, 2024 and 2023, bear interest at rates typically ranging from 9% to 12% and generally require equal monthly installments over a life of one to ten years. Initial trade notes receivable for the respective SPV Franchisors were contributed to the Company as of March 31, 2021 by the Manager and subsequently at various dates thereafter. As the contribution was between entities under common control, the notes receivable transferred were recorded at their historical cost basis in the financial records of the Manager.

A summary of trade notes receivable as of December 31 is as follows:

	2024	2023
Amounts due within one year, net of allowance for credit losses of $167 and $89 as of December 31, 2024 and 2023, respectively	$ 7,445	$ 9,530
Amounts due after one year, net of allowance for credit losses of $299 and $474 as of December 31, 2024 and 2023, respectively	13,332	15,221
Total trade notes receivable, net	$ 20,777	$ 24,751

An analysis of the changes in trade notes receivable is as follows:

For the years ended December 31,	2024	2023
Balance at beginning of period	$ 25,314	$ 26,275
Notes receivable, contributed, net	-	1,652
Principal payments received	(17,158)	(16,293)
Notes issued	14,803	15,050
Net write-offs	(1,727)	(1,370)
Other	10	-
Gross trade notes receivable, at end of period	21,242	25,314
Allowance for credit losses	(465)	(563)
Net trade notes receivable, at end of period	$ 20,777	$ 24,751

An analysis of the changes in the trade notes receivable allowance is as follows:

For the years ended December 31,	2024	2023
Allowance, beginning of period	$ 563	$ 545
Provisions for bad debts	1,630	1,382
Net write-offs	(1,727)	(1,364)
Allowance, end of period	$ 465	$ 563

Scheduled future maturities of trade notes receivable are as follows:

Years ending December 31,	
2025	$ 7,612
2026	3,999
2027	2,820
2028	2,907
2029	1,980
Thereafter	1,924
	$ 21,242

7. Property and Equipment

A summary of property and equipment as of December 31 is as follows:

		2024		2023
Machinery and equipment	$	**8,448**	$	6,303
Software		**11,172**		11,035
Vehicles		**10,479**		9,614
Total property and equipment		**30,099**		26,952
Less accumulated depreciation		**(13,378)**		(8,173)
Property and equipment – net	$	**16,721**	$	18,779

Depreciation expense was $6,291 and $5,092 for the years ended December 31, 2024 and 2023, respectively.

8. Related Party Transactions

The Company has material ongoing transactions with the Manager and other direct and indirect subsidiaries of the Manager.

Related parties, some of which are outside the United States, pay the Company, or its subsidiaries, a synthetic royalty or license fee for access to and use of their intellectual property, none of which are denominated in a foreign currency. Synthetic royalties and master license fees from affiliated entities were $28,241 and $28,705 for the years ended December 31, 2024 and 2023, respectively.

As discussed in Note 2, the Securitized Entities entered into the Management Agreement with the Manager to perform certain services on behalf of the Securitized Entities. In exchange for the services, the Securitized Entities pay a management fee for each 12-month period equal to the sum of (i) an annual base management fee of $8,000, plus (ii) a fee of $12.425 for every $100 of aggregate total securitization revenues in the form of collections for the applicable period.

The Company incurred management fees of $47,126 and $44,075 for the years ending December 31, 2024 and 2023, respectively.

Costs of products and services as well as advertising and promotion fund expenses are reimbursed by the Company to the Manager.

Excess cash collections after distributions to the Issuer for quarterly interest and scheduled principal payments, expense reimbursements to the Manager and payment of management fees, are distributed to the Manager. Distributions were $248,790 and $265,744 for the years ended December 31, 2024 and 2023, respectively.

9. Contingencies

The Company is engaged in various legal proceedings incidental to its normal business activities. Management has determined that it is not probable that the Company has incurred any loss contingencies as defined in FASB ASC Topic 450, Contingencies. Accordingly, no liabilities have been accrued for these matters as of December 31, 2024 and 2023.

Management believes that the outcome of such matters will not have a material effect on the Company's combined financial statements.

10. Subsequent Events

In preparation of its financial statements, the Company considered subsequent events through March 31, 2025, which was the date the Company's financial statements were available to be issued.

Neighborly Assetco LLC and Subsidiaries

Combined Financial Statements
As of December 31, 2023 and 2022 and
for the years ended December 31, 2023 and 2022

Neighborly Assetco LLC and Subsidiaries

Combined Financial Statements

As of December 31, 2023 and 2022 and for the years ended December 31, 2023 and 2022

Neighborly Assetco LLC and Subsidiaries

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Report of Independent Auditors

To the Board of Directors and Members of Neighborly Assetco LLC and Subsidiaries

Opinion

We have audited the combined financial statements of Neighborly Assetco LLC and subsidiaries (the Company), which comprise the combined balance sheets as of December 31, 2023 and 2022, and the related combined statements of operations and comprehensive income, changes in member's equity and cash flows for the years then ended, and the related notes (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2023 and 2022, 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 for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 the Company 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.

Restatement of 2022 Financial Statements

As discussed in Note 1 to the financial statements, the 2022 financial statements have been restated to correct a misstatement in the loss recorded on the impairment of goodwill. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 of 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, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

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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 of 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 GAAS 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 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 GAAS, 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 the Company'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.

Ernst & Young LLP

Dallas, Texas
April 1, 2024

Combined Financial Statements

Neighborly Assetco LLC and Subsidiaries

Combined Balance Sheets
($000's)

As of December 31,		**2023**		(Restated) 2022
Assets				
Current assets				
Cash	**$**	**3,171**	$	2,381
Restricted Cash		**1,566**		3,359
Trade accounts receivable - net		**23,826**		21,803
Trade notes receivable, current portion – net		**9,530**		7,846
Inventories		**989**		1,592
Prepaid selling expenses, current		**6,935**		4,449
Other current assets		**2,597**		1,644
Total current assets		**48,614**		43,074
Property and equipment – net		**18,779**		18,279
Prepaid selling expenses, less current portion		**42,479**		27,556
Trade notes receivable, less current portion - net		**15,221**		17,884
Intangible assets - net		**1,341,184**		1,326,225
Goodwill		**1,732,653**		1,728,584
Total assets	**$**	**3,198,931**	**$**	3,161,602
Liabilities and Member's Equity				
Current liabilities				
Accrued liabilities	**$**	**3,908**	$	3,253
Deferred revenue, current		**13,631**		10,604
Total current liabilities		**17,539**		13,857
Deferred Revenue, less current portion		**70,176**		57,622
Contingencies (Note 9)				
Member's Equity				
Additional paid-in equity	**$**	**2,780,580**	$	2,944,568
Accumulated earnings		**335,404**		168,428
Accumulated other comprehensive income/(loss)		**(4,769)**		(22,873)
Total Member's Equity		**3,111,215**		3,090,123
Total liabilities and member's equity	**$**	**3,198,931**	$	3,161,602

See accompanying notes to combined financial statements.

Neighborly Assetco LLC and Subsidiaries

Combined Statements of Operations and Comprehensive Income
($000's)

For the years ended December 31,		2023	(Restated) 2022
Revenues and income			
Franchise service fees	$	**169,842**	152,248
Synthetic royalties and master license fees		**28,705**	22,879
Franchise sales fees		**36,783**	13,642
Sales of products and services		**143,807**	123,984
Advertising and promotional fund revenue		**42,404**	39,184
Other revenue		**30,338**	32,014
Total revenues and income		**451,879**	383,951
Cost of Sales			
Products and services		**68,752**	62,493
Gross Profit		**383,127**	321,458
Selling expense		**6,939**	8,274
General and administrative expense		**18,705**	9,033
Advertising and promotional fund expense		**47,365**	42,987
Depreciation and amortization		**97,290**	82,921
Management expenses		**44,075**	37,264
Bad debt expense		**2,283**	2,035
Net income	$	**166,470**	138,944
Other comprehensive income/(loss)			
Foreign currency translation adjustment		**18,104**	(22,873)
Comprehensive income	$	**184,574**	116,071

See accompanying notes to combined financial statements.

Neighborly Assetco LLC and Subsidiaries

Combined Statements of Changes in Member's Equity
($000's)

	Member's Equity
Balance – December 31, 2021	**$ 3,060,380**
Equity contribution	116,670
Distributions	(202,999)
Net income	138,944
Foreign currency translation adjustment	(22,873)
Balance – December 31, 2022 (Restated)	**$ 3,090,123**
Adoption of accounting principle	506
Equity contribution	101,756
Distributions	(265,744)
Net income	166,470
Foreign currency translation adjustment	18,104
Balance – December 31, 2023	**$ 3,111,215**

See accompanying notes to combined financial statements.

Neighborly Assetco LLC and Subsidiaries

Combined Statements of Cash Flows
($000's)

For the years ended December 31,	2023	(Restated) 2022
Operating activities		
Net income	$ **166,470**	$ 138,944
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	**97,290**	82,921
Bad debt expense	**2,283**	2,035
Notes received	**(15,050)**	(12,808)
Collections of notes receivable	**16,293**	13,699
Changes in assets and liabilities:		
Trade accounts receivable	**(464)**	(8,183)
Inventories	**883**	(1,035)
Prepaid selling expenses and other assets	**(11,464)**	(9,491)
Accrued liabilities	**198**	338
Deferred revenue	**11,195**	5,832
Net cash provided by operating activities	**267,634**	212,253
Investing activities		
Purchase of equipment and other assets	**(2,893)**	(7,904)
Purchase of intellectual property	**-**	(104,112)
Net cash used in investing activities	**(2,893)**	(112,016)
Financing activities		
Equity contribution	**-**	102,000
Distributions paid	**(265,744)**	(202,999)
Net cash used in financing activities	**(265,744)**	(100,999)
Net decrease in cash and restricted cash	**(1,003)**	(762)
Cash and restricted cash - Beginning of period	**5,740**	6,502
Cash and restricted cash - End of period	$ **4,737**	$ 5,740
Supplemental cash flow disclosures:		
Non-cash contribution of equity	$ **101,756**	$ 14,670

See accompanying notes to combined financial statements.

1. Description of Business and Significant Accounting Policies

Organization and Description of Business

Neighborly Assetco LLC ("we", "our" and the "Company") is an infinite-lived single-member special purpose Delaware limited liability company and was organized on November 13, 2020, with no operations until March 25, 2021. The Company is a direct, wholly owned subsidiary of Neighborly Issuer LLC (the "Issuer"), which is a special purpose Delaware limited liability company and a direct, wholly owned subsidiary of Neighborly SPV Guarantor LLC (the "SPV Guarantor"), which is a special purpose Delaware limited liability company that is an indirect, wholly owned subsidiary of Neighborly Company (the "Manager"). All of the issued and outstanding limited liability company interests of the Company are directly owned by the Issuer, upon an initial $1.00 capital contribution. The Company is a bankruptcy remote entity that owns substantially all of the US intellectual property including tradenames, franchise agreements, national account relationships and systems-in-place, as well as the United Kingdom (the "UK") tradenames of the Manager. The Company conducts transactions with affiliated parties under common control, and as such, results of operations may not be indicative of operations on a stand-alone basis, without those transactions with related parties. The Company has no employees and relies on the Manager for continued operations.

As of March 25, 2021 the Company's subsidiaries were comprised of a number of franchisors and related supporting businesses operating in the United States (the "US") and internationally and include the following businesses: Aire Serv SPV LLC, Mr. Electric SPV LLC, The Grounds Guys SPV LLC, Rainbow International SPV LLC, Glass Doctor SPV LLC, Mr. Appliance SPV LLC, Mr. Rooter SPV LLC, Molly Maid SPV LLC, Mr. Handyman SPV LLC, Five Star Painting SPV LLC, Window Genie SPV LLC, Real Property Management SPV LLC, Mosquito Joe SPV LLC, HouseMaster SPV LLC, Dryer Vent Wizard SPV LLC, ShelfGenie SPV LLC, and Precision Door Service SPV LLC (each an "SPV Franchisor" and together the "SPV Franchisors") and ProTradeNet SPV LLC, Back Office SPV LLC and G-O Manufacturing SPV LLC (each a "Non-Franchisor SPV Entity" and together the "Non-Franchisor SPV Entities"), each of which is a direct, wholly owned subsidiary of the Company.

In June 2021, assets of Neighborly Services Solutions SPV LLC, a Non-Franchisor SPV entity, were contributed to the Company.

In January 2022, assets of Zorware SPV LLC, NBLY Co Ops CO SPV LLC, and Trench Right SPV LLC were contributed to the Company and intangible assets were acquired by Pimlico SPV Limited, all Non-Franchisor entities. In March 2022, additional assets of NBLY Co Ops CO SPV LLC as well as assets of NBLY Co Ops AZ SPV, both Non-Franchisor entities, were contributed to the Company. In December 2022, intangible assets of Greensleeves Limited were contributed to the Company.

In January 2023, assets of NBLY Co Ops IN SPV LLC, NBLY Logistics SPV LLC, Lawn Pride SPV LLC, and Junk King SPV LLC, were contributed to the Company.

The Company holds all the equity interests in the SPV Franchisors and the Non-Franchisor SPV Entities, certain intellectual property, certain license agreements and certain vendor agreements. Each SPV Franchisor holds the tradenames and the franchise agreements related to such brand and any product supply agreements or vendor agreements related to such brand. The Non-Franchisor SPV Entities hold certain tradenames, certain product supply agreements, certain vendor agreements and the office service agreements.

The Company was formed in connection with a financing transaction (the "Securitization Transaction"), which was completed on March 25, 2021 (see Note 2). On March 25, 2021, the Manager, a Non-Securitization Entity, contributed to the Company through a series of asset transfers to the SPV Guarantor, the Issuer, the Company and its subsidiaries (the "Securitization Entities"), substantially all of its US intellectual property, including tradenames (the "Securitization IP"), franchise agreements, national account relationships and systems-in-place and the UK tradenames (collectively, the "Securitization Assets"). The Manager, certain Securitization Entities and the SPV Franchisors entered into license agreements pursuant to which they granted, respectively, to certain Non-Securitization Entities (i) a non-exclusive license to use and sublicense the Securitization IP in connection with owning and operating certain company-owned store locations, UK locations and Canadian locations and (ii) an exclusive license to use and sublicense the Securitization IP in connection with other products and services.

The contributions of the Securitization Assets are between entities under common control and are recorded at book value. No gain or loss has been realized on the transactions.

On March 25, 2021, the Securitization Entities entered into the management agreement (the "Management Agreement") with the Manager to perform certain services on behalf of the Securitization Entities, including, among other things, collecting franchisee payments, managing the operations on behalf of the Securitization Entities, and performing certain franchising, marketing, and operational and reporting services, as well as managing the intangible assets on behalf of the Securitization Entities. In exchange for providing such services, the Manager will be entitled to receive certain management fees on a weekly basis.

Basis of Presentation

The accompanying combined financial statements as of December 31, 2023 and December 31, 2022 include the accounts of the Company and its wholly owned subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation.

FASB ASC Topic 810-10, Consolidation, applies to certain entities in which equity investors do not have the characteristics of a controlling financial interest or do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support. Such an entity is referred to as a variable interest entity ("VIE"). FASB ASC Topic 810-10 requires the consolidation of a VIE by its primary beneficiary. The primary beneficiary is the entity, if any, that has the obligation to absorb losses or the right to receive benefits of the VIE that could potentially be significant to the VIE, which is the Company and its subsidiaries.

The Company has determined that the Securitization Entities qualify as VIE's and that Neighborly Company, the Manager, is the primary beneficiary, having both power and benefits, of the Securitization Entities. Accordingly, consolidation of the Company and its subsidiaries (including the SPV Franchisors and the Non-franchisor SPVs) is precluded, and as a result, combined financial statements are presented. All intercompany transactions have been eliminated.

Acquisition of the Manager

On June 29, 2021, Kohlberg Kravis and Roberts ("KKR"), and associated co-investors formed Nest Bidco Inc. which, on September 1, 2021, purchased 100% of the shares of Balcones Holdco, Inc., the parent company of Neighborly Company, from TDG Investment Holdings, LP. Nest Bidco Inc. is an indirectly wholly owned subsidiary of Nest Holdings LP, which is the ultimate parent company of the

newly formed business. The transaction was effected to add Neighborly to KKR's investment portfolio, and allows Neighborly to gain access to KKR's capital and resources.

Use of Estimates

The preparation of combined financial statements in conformity with accounting principles generally accepted in the United States of America 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 combined financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Company is a single-member limited liability company for federal and state income tax purposes with all income tax liabilities and/or benefits of the Company being passed through to the Manager. As such, no recognition of federal or state income taxes will be provided for in the financial statements of the Company.

Revenue Recognition

The Company's primary sources of revenue are as follows:

- Franchise service fees from existing franchise owners based on a percentage of each franchise owner's gross sales. These fees generally range from 2% to 15% of the franchise owner's weekly sales, depending upon the particular franchise concept and upon various other factors;

- Synthetic royalties and master license fees from affiliated entities resulting from their use of the Company's intellectual property;

- Franchise sales fees generated from the sale of new franchise territories and the sale of additional franchise territories to existing franchise owners;

- Sales of products and services to unrelated third parties;

- Advertising and promotional revenue represents marketing, advertising and promotional ("MAP") fund fees collected from existing franchise owners. These fees are typically a percentage of each franchise owner's gross sales and vary depending upon the particular franchise concept and various other factors;

- Other revenue consists of incentives earned from services performed for unrelated third parties and interest generated from notes receivable.

Typically, franchise agreements are granted to franchise owners for an initial term of ten years with an option to renew. The respective franchisor's obligations under franchise agreements consist of providing a license of the applicable brand's intellectual property, a list of approved suppliers, certain training programs, an operations manual, and to maintain the MAP fund. These performance obligations are highly interrelated, and we do not consider them to be individually distinct, and therefore account for them as a single performance obligation, which collectively represent the

obligation to provide a license for the right to use our brand's intellectual property. Revenue related to franchise agreements is recognized on a straight-line basis over the term of the agreement, with the exception of variable or sales-based royalties, MAP fund fees collected and revenue allocated to goods and services and other variable fees which are recognized as the underlying sales occur and performance obligations are satisfied.

In the event a franchise agreement is terminated, without a corresponding agreement executed by the same franchise owner, any remaining deferred fees are recognized in the period of termination.

The Company periodically extends credit to entities for the purchase of franchises. These entities are typically controlled by individuals who operate their businesses as an owner/manager. Generally, the notes receivable are collateralized by the related franchise territory rights. The Company also extends unsecured credit to its franchise owners for unpaid franchise service fees. The Company places notes receivable on nonaccrual status when payment is ninety days past due, and ceases to recognize revenue from interest on the note until such time as the note is no longer past due. Interest on trade notes receivable is recorded as revenue when earned. Each entity's ability to perform is dependent upon the economic condition of the business. The Company maintains ongoing credit evaluations of its franchise owners.

The Company adopted ASU 2016-13, Financial Instruments - Credit Losses, on January 1, 2023, which was retroactively applied as of the first day of 2023, as further described below. This accounting standard requires companies to measure expected credit losses on financial instruments based on the total estimated amount to be collected over the lifetime of the instrument. Prior to the adoption of this accounting standard, the Company recorded incurred loss reserves against receivable balances based upon past loss experience, known and inherent risks in the accounts, adverse situations that may affect a franchise owner's ability to repay, and current economic conditions.

Expected credit losses for uncollectible receivable balances consider both current conditions and reasonable and supportable forecasts of future conditions. Current conditions considered include pre-defined aging criteria, as well as specified events that indicate the balance due is not collectible. Reasonable and supportable forecasts used in determining the probability of future collection consider publicly available macroeconomic data and whether future credit losses are expected to differ from historical losses.

Franchise service fee revenues represent sales-based royalties that are related entirely to the applicable franchisor's performance obligation under the franchise agreement and are recognized in the period in which the sales occur. Sales-based royalties are variable consideration related to our performance obligations to the franchise owners to maintain the intellectual property being licensed.

The right to collect marketing, advertising, and promotional ("MAP") fees and the obligation to maintain the MAP fund is assigned to the Manager by each SPV Franchisor, and the performance obligation and fulfillment thereof resides with the Manager. The Manager's obligation related to these funds is to administer the MAP fund, keep unused MAP fees in segregated bank accounts and use MAP fees for certain activities related to the marketing and promotion of the individual businesses. We have determined we act as the principal in the transaction related to the MAP fund contributions and expenditures. MAP fund contributions and expenditures are reported on a gross basis in the accompanying Combined Statements of Operations and Comprehensive Income. As noted above, we have concluded the advertising services provided to franchise owners are highly interrelated with the franchise rights and not a distinct performance obligation; therefore, revenues from MAP fund fees are recognized as advertising and promotion fund revenue when the related

sales occur based on the application of the sales-based royalty exception within ASC 606, Revenue from contracts with customers.

Revenues from product sales are recognized upon transfer of title, when delivered to the customer, when the work is performed, or orders are shipped. Incentives earned are recognized as services are performed.

Synthetic royalties from affiliated entities represent sales-based royalties that are related entirely to our performance obligation under intellectual property license agreements with affiliated entities and are recognized in the period in which the sales occur. These sales-based royalties are variable consideration related to our performance obligations to affiliated entities to maintain the intellectual property being licensed.

Master license and services fees from affiliated entities represent variable consideration in a series for which our performance obligation is satisfied over time, as our intellectual property is simultaneously accessed and benefits thereof consumed by affiliated entities.

Contract Balances

The contract liabilities which we classify as "deferred revenue" consist primarily of the unamortized portion of initial franchise fees that are currently being amortized into revenue, amounts related to pending agreements, or other deferred revenues not related to franchise agreements. Contract deferred franchise revenue represents our remaining performance obligations to our franchise owners, as we account for our highly interrelated obligations as a single performance obligation, which collectively represent the obligation to provide a license for the right to use our brand's intellectual property excluding amounts of variable consideration related to sale-based royalties, synthetic royalties, license fees and advertising. The other deferred revenues not related to the franchise agreements are included in current deferred revenue.

The components of the change in deferred revenue are as follows:

For the years ended December 31,	**2023**	2022
Balance at beginning of period	$ **68,226**	$ 62,393
Fees received from franchise owners	**47,447**	24,518
Franchise sales revenue recognized	**(36,783)**	(13,642)
Contributed from Manager	**4,386**	-
Other deferred revenue recognized	**531**	(5,043)
Balance at end of period	**83,807**	68,226
Less: current portion	**13,631**	10,604
Deferred revenue, noncurrent	$ **70,176**	$ 57,622

Revenue deferred as of December 31, 2022 and recognized in the year ended December 31, 2023 was $10,385. Revenue deferred as of December 31, 2021 and recognized in the year ended December 31, 2022 was $16,912.

As of December 31, 2023, the deferred revenue expected to be recognized for each of the next five years, and in the aggregate, is as follows:

Years ending December 31,		
2024	$	13,631
2025		11,053
2026		10,857
2027		10,547
2028		9,973
Thereafter		27,746
	$	83,807

Direct, incremental selling expenses are reimbursed by the Company to the Manager. Such costs paid when the franchise agreement is executed are recorded as a contract asset by the Company and amortized over the life of the agreement consistent with the recognition of the deferred revenue. Contract assets are included in current and non-current prepaid selling expenses in the accompanying Combined Balance Sheets. For the year ended December 31, 2023, $23,590 of costs were incurred and expense of $6,181 was recognized. For the year ended December 31, 2022, $16,534 of costs were incurred and expense of $8,274 was recognized. The ending asset for deferred contract costs as of December 31, 2023 was $49,414, of which $6,935 was current. The ending asset for deferred contract costs as of December 31, 2022 was $32,005, of which $4,449 was current.

Advertising

The Company expenses advertising costs as incurred. Advertising expense was $13,353 for the year ended December 31, 2023 and $9,033 for the year ended December 31, 2022. Advertising expense is included in general and administrative expense in the accompanying Combined Statements of Operations and Comprehensive Income.

Inventories

Inventories consist of products to be sold and are stated at the lower of cost (first-in, first-out method) or net realizable value.

Property and Equipment

Property and equipment is stated at cost and is depreciated using the straight-line method over the estimated useful lives of the respective assets which are generally as follows: machinery, equipment, and vehicles (5-10 years); and software (3 years). Additions, renewals, and betterments are capitalized; maintenance and repairs which do not extend the useful life of the asset are expensed as incurred.

Management evaluates long-lived assets used in operations for impairment when indicators of impairment are present. Impairment losses are recorded in the amount that carrying value exceeds fair market value when the undiscounted cash flows estimated to be generated by those assets are

less than the carrying amount of the assets. No impairment losses for property and equipment were recorded for the years ended December 31, 2023 and December 31, 2022.

Goodwill

Goodwill represents the excess of the consideration transferred over the fair value of identifiable net assets acquired. The Company tests goodwill annually for impairment, or earlier if events or changes in circumstances indicate that impairment may exist. Management's impairment tests are generally performed as of October 1st annually. The Company's current goodwill balance was measured as of September 1, 2021, resulting from the acquisition of the Manager and pushdown accounting election, based on the excess of consideration over the fair value of assets acquired.

The Company performed a qualitative assessment of its goodwill as of October 1, 2023 and concluded it is not more likely than not that the fair value of its reporting unit is less than the carrying amount and, as such, a quantitative impairment test was not considered necessary. Management determined that there was no impairment of goodwill in the combined financial statements.

Restatement

During 2023, we determined that our prior year goodwill impairment was overstated and the goodwill balance was understated, resulting in an error in our previously issued financial statements for the period ended December 31, 2022. The overstatement of impairment expense was the result of concluding, in error, that reporting units in Assetco were the same as in the Manager. We have instead concluded that Assetco is comprised of only one consolidated reporting unit, and based on our quantitative impairment analysis performed as of December 31, 2022, we concluded that no impairment existed at Assetco. We concluded that the effect of the error on the financial statements of the prior period was material, and the correction to the prior year is reflected in the accompanying financial statements.

As a result, we recorded a $25,937 adjustment to reduce Loss on impairment of goodwill and increase Goodwill and Total assets by $25,937 in the combined balance sheet as of December 31, 2022. The correction also impacted the following financial statement line items in the related financial statements: (i) increased Accumulated other comprehensive income/(loss), Goodwill, and Total assets by $2,264 and increased Total Member's Equity and Total liabilities and member's equity by $28,201 in the combined balance sheet as of December 31, 2022; (ii) increased Net income by $25,937, increased Foreign currency translation adjustment by $2,264 and increased Comprehensive income by $28,201 in the combined statement of operations and comprehensive income for the period ended December 31, 2022; (iii) increased Net income by $25,937, increased Foreign currency translation adjustment by $2,264 and increased total Member's equity balance by $28,201 in the combined statements of changes in Member's Equity for the period ended December 31, 2022; (iv) increased Net income by $25,937 and reduced loss on impairment of goodwill by the same amount in the combined statement of cash flows for the period ended December 31, 2022; and (v) reduced the goodwill impairment by $25,937, increased the Adjustment to goodwill for unrealized gain/loss on foreign currency by $2,264, and increased the ending goodwill balance by $28,201 as of December 31, 2022 in Note 4 to the combined financial statements.

Additionally, we recorded an immaterial correction of $800 in 2022 which impacted the following financial statement line items in the related financial statements: (i) increased Trade accounts receivable – net, Total current assets, Total assets, Accumulated earnings, Total Member's Equity, and Total liabilities and member's equity by $800 in the combined balance sheet as of December

31, 2022; (ii) increased Other revenue, Total revenues and income, Gross Profit, Net income and Comprehensive income by $800 in the combined statement of operations and comprehensive income for the period ended December 31, 2022; (iii) increased Net income and total Member's equity balance by $800 in the combined statements of changes in Member's Equity for the period ended December 31, 2022; (iv) increased Net income by $800 and reduced Trade accounts receivable by the same amount in the combined statement of cash flows for the period ended December 31, 2022.

Intangible Assets

Intangible assets consist of tradenames, franchise relationships, national accounts, developed technology, and domain name, and are stated at their acquisition-date fair value, less subsequent amortization. The Company's intangible assets are definite lived, other than domain name, which is indefinite lived.

For definite lived intangible assets, when events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable, the Company evaluates the definite lived intangible assets for impairment by comparing the carrying value to the anticipated future undiscounted cash flows expected to be generated from the use of the intangible assets. If the carrying amount is not recoverable, a loss is recorded in the amount the carrying value exceeds the fair market value of the assets. The Company performed a qualitative assessment of its intangible assets and determined that no indicators of impairment were present for definite lived intangible assets.

Tradenames are amortized over their estimated useful life of 20 years, using the straight-line method. Franchise relationships and national accounts relationships are amortized over their estimated useful lives of 15 years, using the straight-line method. Software is amortized over its estimated useful life of 3 years, using the straight-line method.

Domain names are stated at their acquisition-date fair value, and are not amortized, as their useful lives are considered indefinite, but are subject to annual impairment testing. The Company performed a qualitative assessment of its indefinite lived intangible assets as of October 1 in each of 2023 and 2022 and concluded it is not more likely than not that the fair value of its domain names is less than the carrying amount and, as such, a quantitative impairment test was not considered necessary.

Fair Value of Financial Instruments and Non-Financial Assets

In accordance with FASB ASC 820, Fair Value Measurements, certain assets carried at fair value are categorized based on the level of judgment associated with the inputs used to measure their fair value. The standard establishes a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels:

Level 1 - Inputs are unadjusted quoted market prices in active markets for identical assets or liabilities at the measurement date.

Level 2 - Inputs (other than quoted prices included in Level 1) are either directly or indirectly observable for the asset or liability through correlation with market data at the measurement date for the duration of the instrument's anticipated life.

Level 3 - Inputs are unobservable and therefore reflect management's best estimate of the assumptions that market participants would use in pricing the asset or liability.

The trade names, systems in place, and developed technology were valued using the relief from royalty method and the franchise relationships and national account relationships were valued using the multi-period excess earnings method in the periods acquired. The future projections and estimates used for the valuations are considered Level 3 inputs.

Foreign Currency Translation

Combined entities that have a functional currency that differs from the Company's reporting currency include our foreign subsidiaries, which are in the UK Foreign currency denominated assets and liabilities are translated using the exchange rates at the end of each reporting period. Results of foreign operations are translated at the weighted average exchange rate for each reporting period. Translation adjustments are included as a component of accumulated other comprehensive income (loss) until realized. Where amounts denominated in a foreign currency are converted into US dollars by remittance or repayment, the realized exchange differences are included in the accompanying Combined Statements of Operations and Comprehensive Income, primarily in general and administrative expense, and was immaterial in all periods presented.

Cash and Restricted Cash

Cash consists of cash held on deposit. Restricted cash includes securitized cash held on deposit in Company accounts related to the Securitization Transaction.

Cash and restricted cash consists of the following:

As of December 31,	2023	2022
Cash	$ 3,171	$ 2,381
Restricted Cash:		
Whole business securitization	1,566	3,359
Total cash and restricted cash	$ 4,737	$ 5,740

The Company maintains its cash in banks in which deposits may, from time to time, exceed federally insured limits. The Company has not experienced any losses in such accounts and believes that it is not exposed to any significant credit risks related to cash.

Recent Accounting Pronouncements

In June 2016, the FASB issued ASU No. 2016-13, Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments. ASU 2016-13 amends the impairment model by requiring entities to use a forward-looking approach based on expected losses to estimate credit losses on certain types of financial instruments, including trade receivables. In November 2018, the FASB issued ASU No. 2018-19, Codification Improvements to Topic 326, Financial Instruments - Credit Losses ("ASU 2018-19"), which clarifies that receivables arising from operating leases are accounted for using lease guidance and not as financial instruments. In April 2019, the FASB issued ASU No. 2019-04, Codification Improvements to Topic 326, Financial Instruments - Credit Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments ("ASU 2019-04"), which clarifies the treatment of certain credit losses. In May 2019, the FASB issued ASU No. 2019-05, Financial Instruments - Credit Losses (Topic 326): Targeted Transition Relief ("ASU 2019-05"), which provides

an option to irrevocably elect to measure certain individual financial assets at fair value instead of amortized cost. In November 2019, the FASB issued ASU No. 2019-11, Codification Improvements to Topic 326, Financial Instruments - Credit Losses ("ASU 2019-11"), which provides guidance around how to report expected recoveries. ASU 2016-13, ASU 2018-19, ASU 2019-04, ASU 2019-05 and ASU 2019-11 (collectively, "ASC 326") are effective for fiscal years beginning after December 15, 2022, with early adoption permitted.

The Company adopted ASU 2016-13 using the modified retrospective adoption method on January 1, 2023, which was retroactively applied as of the first day of 2023. Upon adoption of this guidance, the Company recognized a decrease to its allowance for credit losses of $0.5 million and a corresponding adjustment to accumulated earnings/(loss).

2. Securitization Transactions

On March 25, 2021, the Manager, a Non-Securitization Entity, contributed to the Company through a series of asset transfers to the Securitization Entities, substantially all of the US intellectual property, including tradenames, franchise agreements, national account relationships and systems-in-place and the UK tradenames. The Manager, certain Securitization Entities and the SPV Franchisors entered into license agreements pursuant to which they granted, respectively, to certain Non-Securitization Entities (i) a non-exclusive license to use and sublicense the Securitization IP in connection with owning and operating certain company-owned store locations, UK locations and Canadian locations and (ii) an exclusive license to use and sublicense the Securitization IP in connection with other products and services.

The Company received a cash capital contribution in January 2022 of $102,000 which the Company used to acquire $102,000 in intangible assets. Also in January 2022, the Company received a non-cash capital contribution of $13,456, consisting of $10,862 in property and equipment, $2,082 in intangible assets, and $512 in inventories. In March 2022, the Company received a non-cash contribution of $1,214, consisting of $1,169 in property and equipment and $45 in inventories. In December 2022, the Company received a non-cash contribution of $2,112 in intangible assets from the Manager.

In January 2023, the Company received a non-cash contribution of $101,756, consisting of $99,349 in intangible assets, $3,600 in accounts receivable, $2,241 in property and equipment, $280 in inventories, and an unearned revenue liability, net of prepaid selling expenses, of $3,714.

The contributions of the Securitization Assets are between entities under common control and are recorded at book value as of the unaudited interim date. No gain or loss has been realized on the transactions.

The Issuer is dependent on the Company for sufficient cash flows from their securitized operations to service the Series 2021-1, Series 2022-1, and Series 2023-1 Senior Notes (see Note 3), remit management fees to the Manager, and pay certain other ongoing costs related to the Securitization Transaction.

3. Debt Guarantee

In conjunction with the Securitization Transaction, on March 25, 2021, the Issuer issued $800 million Series 2021-1 3.584% Fixed Rate Senior Secured Notes (the "Series 2021-1 Senior Notes"). The Senior

Notes have an anticipated repayment date of April 30, 2028, and a final maturity date of April 30, 2051. Scheduled principal payments of $2 million and interest are paid quarterly. As of December 31, 2023 and 2022, $780 million and $788 million, respectively, was outstanding on the Senior Notes.

On January 19, 2022, in connection with a second securitization, the Issuer, issued $410 million Series 2022-1 3.695% Fixed Rate Senior Secured Notes (the "Series 2022-1 Senior Notes") through a second whole business securitization transaction (the "Second Securitization Transaction"). The Series 2022-1 Senior Notes have an anticipated repayment date of January 30, 2029, and a final maturity date of January 30, 2052. Scheduled principal payments of $1.03 million and interest are paid quarterly. As of December 31, 2023 and 2022, respectively, $402.83 million and $406.93 million, was outstanding on the Series 2022-1 Senior Notes.

On February 3, 2023, in connection with a third securitization, the issuer, issued $275 million Series 2023-1 7.308% Fixed Rate Senior Secured Notes (the "Series 2023-1 Senior Notes") through a third whole business securitization transaction (the "Third Securitization Transaction"). The Series 2023-1 Senior Notes have an anticipated repayment date of January 30, 2028, and a final maturity date of January 30, 2053. Scheduled principal payments of $687.5 and interest are paid quarterly. As of December 31, 2023, $272.94 million was outstanding on the Series 2023-1 Senior Notes.

The Series 2021-1 Senior Notes, the Series 2022-1 Senior Notes, the Series 2023-1 Senior Notes, the Series 2021-1 Class A-1 Notes, the Series 2022-1 Class A-1 Notes, and the Series 2023-1 Class A-1 Notes described above issued in conjunction with the Securitization Transaction, the Second Securitization Transaction, and the Third Securitization Transaction (together, the "Securitization Transactions") are secured by substantially all assets of the Securitization Entities and guaranteed by the Securitization Entities, including the Company, each of which is a bankruptcy remote entity and which owned substantially all of the Manager's US intellectual property including tradenames, franchise agreements, national account relationships and systems-in-place, as well as the UK tradenames as of the date of issuance. The restrictions placed on the Issuer and its subsidiaries require that interest and scheduled principal payments on the Senior Notes and Class A-1 Notes be paid prior to any residual distributions to the Manager, and amounts are segregated weekly to ensure appropriate funds are reserved to pay the quarterly interest and scheduled principal amounts due. The amount of weekly cash flow that exceeds all expenses and obligations of the Issuer and its subsidiaries is generally remitted to the Manager in the form of a distribution. The Manager also receives a fee for the services it provides to the Securitization Entities that is senior to debt service. The Securitization Transaction requires, among other things, maintenance of minimum debt-service coverage ratio levels and additional incurrence of indebtedness and scheduled amortization requirements are subject to compliance with maximum leverage ratio levels. As of December 31, 2023 and 2022, the Issuer was in compliance with all debt-service coverage covenants.

4. Intangible Assets and Goodwill

On March 25, 2021, intangible assets were contributed to the Company, along with certain dates thereafter as discussed in Note 1. Each of the SPV Franchisors are wholly owned subsidiaries and there was no change in ultimate ownership. Accordingly, there has been no change in control and therefore the Company concluded that the guidance in ASC 805 Business Combinations was not applicable. Intangible assets were recorded at the carrying value from the contributing entities on the date of the contribution, as the entities are under common control. Upon the acquisition by KKR (see Note 1), and the Company's election to apply pushdown accounting, the intangible assets were recorded at their acquisition-date fair values.

Intangible assets as of December 31, 2023, consisted of the following:

	Useful Life	Gross Amount	Accumulated Amortization	Net Amount
Tradenames	20 years	$ 968,512	$ 107,087	$ 861,425
Franchise relationships	15 years	551,918	85,051	466,867
National accounts	15 years	2,521	320	2,201
Customer relationships	5 years	11,573	2,480	9,093
Developed technology	3 years	702	418	284
Total definite-lived intangibles		$ 1,535,226	195,356	$ 1,339,870

	Useful Life	Gross Amount	Accumulated Impairment	Net Amount
Domain name	Indefinite	$ 1,314	-	$ 1,314
Total indefinite-lived intangibles		$ 1,314	$ -	$ 1,314

Intangible assets as of December 31, 2022, consisted of the following:

	Useful Life	Gross Amount	Accumulated Amortization	Net Amount
Tradenames	20 years	$ 886,322	$ 57,733	$ 828,589
Franchise relationships	15 years	542,800	48,249	494,551
National accounts	15 years	1,700	151	1,549
Developed technology	3 years	400	178	222
Total definite-lived intangibles		$ 1,431,222	106,311	$ 1,324,911

	Useful Life	Gross Amount	Accumulated Impairment	Net Amount
Domain name	Indefinite	$ 1,314	-	$ 1,314
Total indefinite-lived intangibles		$ 1,314	$ -	$ 1,314

Amortization expense was $92,198 for the year ended December 31, 2023. Amortization expense was $81,265 for the year ended December 31, 2022.

Estimated amortization expense for the subsequent five years is as follows:

Years ending December 31,	
2024	$ 88,766
2025	87,976
2026	87,887
2027	87,061
2028	85,407
Thereafter	902,773
	$ 1,339,870

Goodwill

The Company has assigned goodwill to its reporting units based on fair valuation analysis completed for the acquisition of the Manager by KKR.

The changes in the carrying amount of goodwill are as follows:

Balance as of December 31, 2021	$	1,739,192
Adjustment to goodwill for unrealized gain/loss on foreign currency		(10,608)
Balance as of December 31, 2022 (Restated)	$	1,728,584
Adjustment to goodwill for unrealized gain/loss on foreign currency		4,069
Balance as of December 31, 2023	**$**	**1,732,653**

5. Member's Equity

Neighborly Assetco LLC ("the Limited Liability Company") was formed pursuant to and in accordance with the Delaware Limited Liability Company Act (6 Del.C. §18-101, et seq.), as amended from time to time (the "Act").

The Limited Liability Company is governed by a Limited Liability Company Agreement in which management of the Company is vested in the member ("the Member"), the Manager, who has all powers, statutory or otherwise, possessed by members of a limited liability company under the laws of the State of Delaware. The Member has the authority to bind the Company.

The Member may appoint officers of the Company and may revoke delegated authorities and duties at any time by the Member.

The Limited Liability Company is capitalized with a single membership unit with a $1 per unit par value.

Pursuant to the Management Agreement, excess cash collections after distributions to the Issuer for quarterly interest and scheduled principal payments, expense reimbursements to the Manager and payment of management fees, are distributed to the Manager, as discussed in Note 8. The Member's equity is the residual of equity contributions from the Manager and income earned from operations, less distributions to the Issuer and Manager.

The Company shall dissolve, and its affairs be wound up upon the first to occur of the following: (i) the written consent of the Member, (ii) the retirement, resignation or dissolution of the Member or the occurrence of any other event which terminates the continued membership of the Member in the Company unless the business of the Company is continued in a manner permitted by the Act, or (iii) the entry of a decree of judicial dissolution under Section 18-802 of the Act.

6. Trade Notes Receivable

The Company periodically receives notes from the sale of new franchises. The rights to the related franchise territory sold generally collateralize these notes. The Company also from time-to-time receives notes for delinquent franchise service fees. Such notes, as of December 31, 2023 and 2022, bear interest at rates typically ranging from 9% to 12% and generally require equal monthly installments over a life of one to ten years. Initial trade notes receivable for the respective SPV Franchisors were contributed to the Company as of March 31, 2021 by the Manager and subsequently at various dates thereafter. As the contribution was between entities under common control, the notes receivable transferred were recorded at their historical cost basis in the financial records of the Manager.

A summary of trade notes receivable as of December 31 is as follows:

	2023	2022
Amounts due within one year, net of allowance for credit losses of $89 as of December, 31, 2023 and allowance for doubtful accounts of $166 as of December 31, 2022	$ 9,530	$ 7,846
Amounts due after one year, net of allowance for credit losses of $474 as of December 31, 2023 and allowance for doubtful accounts of $379 as of December 31, 2022	15,221	17,884
Total trade notes receivable, net	$ 24,751	$ 25,730

An analysis of the changes in trade notes receivable is as follows:

For the years ended December 31,	**2023**	2022
Balance at beginning of period	$ **26,275**	$ 28,389
Notes receivable, contributed, net	**1,652**	-
Principal payments received	**(16,293)**	(13,699)
Notes issued	**15,050**	12,808
Net write-offs	**(1,370)**	(1,223)
Gross trade notes receivable, at end of period	**25,314**	26,275
Allowance for credit losses	**(563)**	-
Allowance for doubtful accounts	**-**	(545)
Net trade notes receivable, at end of period	$ **24,751**	$ 25,730

An analysis of the changes in the trade notes receivable allowance is as follows:

For the years ended December 31,	**2023**	2022
Allowance, beginning of period	**$ 545**	$ 447
Provisions for bad debts	**1,382**	1,282
Net write-offs	**(1,364)**	(1,184)
Allowance, end of period	**$ 563**	$ 545

Scheduled future maturities of trade notes receivable are as follows:

Years ending December 31,	
2024	$ 9,619
2025	4,795
2026	3,965
2027	2,882
2028	2,085
Thereafter	1,968
	$ 25,314

7. Property and Equipment

A summary of property and equipment as of December 31 is as follows:

		2023		2022
Machinery and equipment	$	6,303	$	5,523
Software		11,035		6,831
Vehicles		9,614		8,539
Total property and equipment		26,952		20,893
Less accumulated depreciation		(8,173)		(2,614)
Property and equipment – net	$	18,779	$	18,279

Depreciation expense was $5,092 for the year ended December 31, 2023 and $1,656 for the year ended December 31, 2022.

8. Related Party Transactions

The Company has material ongoing transactions with the Manager and other direct and indirect subsidiaries of the Manager.

Related parties, some of which are outside the United States, pay the Company, or its subsidiaries, a synthetic royalty or license fee for access to and use of their intellectual property, none of which are denominated in a foreign currency. Synthetic royalties and master license fees from affiliated entities were $28,705 for the year ended December 31, 2023, and $22,879 for the year ended December 31, 2022.

As discussed in Note 2, the Securitized Entities entered into the Management Agreement with the Manager to perform certain services on behalf of the Securitized Entities. In exchange for the services, the Securitized Entities pay a management fee for each 12-month period equal to the sum of (i) an annual base management fee of $8,000, plus (ii) a fee of $12.425 for every $100 of aggregate total securitization revenues in the form of collections for the applicable period.

The Company incurred management fees of $44,075 for the year ending December 31, 2023, and $37,264 for the year ending December 31, 2022.

Costs of products and services as well as advertising and promotion fund expenses are reimbursed by the Company to the Manager.

Excess cash collections after distributions to the Issuer for quarterly interest and scheduled principal payments, expense reimbursements to the Manager and payment of management fees, are distributed to the Manager. Distributions were $265,744 for the year ended December 31, 2023, and $202,999 for the year ended December 31, 2022.

9. Contingencies

The Company is engaged in various legal proceedings incidental to its normal business activities. Management has determined that it is not probable that the Company has incurred any loss contingencies as defined in FASB ASC Topic 450, Contingencies. Accordingly, no liabilities have been accrued for these matters as of December 31, 2023 and 2022.

Management believes that the outcome of such matters will not have a material effect on the Company's combined financial statements.

10. Subsequent Events

In preparation of its financial statements, the Company considered subsequent events through April 1, 2024, which was the date the Company's financial statements were available to be issued.

Neighborly Company and Subsidiaries

Consolidated Financial Statements
As of December 31, 2024 and 2023 and
for the years ended December 31, 2024 and 2023

Neighborly Company and Subsidiaries

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Report of Independent Auditors

To the Board of Directors and Stockholders of
Neighborly Company and subsidiaries

Opinion

We have audited the consolidated financial statements of Neighborly Company and subsidiaries (the Company), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the related consolidated statements of operations and comprehensive income (loss), changes in stockholders' equity and cash flows for the years then ended, and the related notes (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company at 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 for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 the Company 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 the 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 of 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, that raise substantial doubt about the Company's ability to continue as a going concern for 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 of 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

Building a better working world

that an audit conducted in accordance with GAAS 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 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 GAAS, 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 the entity'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 entity'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 our audit.

Ernst & Young LLP

Dallas, Texas
March 31, 2025

Neighborly Company and Subsidiaries

Consolidated Balance Sheets
($000's)

	December 31, 2024	December 31, 2023
Assets		
Current Assets		
Cash	**$ 18,436**	$ 43,416
Restricted cash	**28,077**	28,636
Trade accounts receivable – net	**44,747**	44,566
Trade notes receivable - current portion – net	**7,776**	9,777
Inventories	**3,776**	4,007
Income tax receivable	**9,231**	1,880
Prepaid selling expenses - current	**4,726**	3,959
Other current assets	**6,106**	2,839
Total Current Assets	**122,875**	139,080
Property and equipment – net	**92,158**	89,137
Operating lease right of use assets	**20,221**	27,227
Prepaid selling expenses – less current portion	**19,896**	19,104
Trade notes receivable – less current portion - net	**13,577**	15,894
Intangible assets – net	**1,327,052**	1,425,724
Goodwill	**1,739,179**	1,741,101
Other non-current assets	**1,758**	2,128
Total Assets	**$ 3,336,716**	$ 3,459,395

Neighborly Company and Subsidiaries

Consolidated Balance Sheets (continued)
($000's, except share and per share amounts)

	December 31, 2024	2023
Liabilities and Stockholder's Equity		
Current Liabilities		
Trade accounts payable	**$ 17,856**	$ 15,962
Accrued liabilities	**48,074**	56,589
Deferred revenue - current	**18,215**	17,760
Current portion of long-term debt	**10,051**	10,488
Current portion of operating lease liabilities	**5,401**	6,925
Current portion of finance lease obligations	**5,941**	4,426
Total current liabilities	**105,538**	112,150
Long-term debt - less current portion	**1,571,110**	1,451,356
Operating lease obligations – less current portion	**15,639**	21,302
Finance lease obligations – less current portion	**10,278**	10,187
Deferred tax liabilities	**199,638**	220,780
Deferred revenue - less current portion	**74,718**	73,850
Other non-current liabilities	**1,616**	1,696
Commitments and Contingencies (Note 11)		
Stockholder's Equity		
Common stock-par value $0.01 per share; 100 shares authorized, issued and outstanding	**-**	-
Additional paid-in capital	**1,933,936**	2,100,435
Accumulated deficit	**(528,523)**	(489,405)
Accumulated other comprehensive loss	**(47,234)**	(42,956)
Total Stockholder's Equity	**1,358,179**	1,568,074
Total Liabilities and Stockholder's Equity	**$ 3,336,716**	$ 3,459,395

See accompanying notes to consolidated financial statements

Neighborly Company and Subsidiaries

Consolidated Statements of Operations and Comprehensive Income (Loss)
($000's)

	Year Ended December 31,	
	2024	2023
Revenues and income		
Franchise service fees	**$ 208,277**	$ 194,731
Franchise sales fees	**35,122**	38,441
Sales of products and services	**282,737**	288,146
Advertising and promotional fund revenue	**60,159**	53,320
Other revenue	**39,387**	39,026
Total revenues and income	**625,682**	613,664
Cost of products and services	**174,140**	169,627
Gross Profit	**451,542**	444,037
Selling expense	**26,173**	26,179
General and administrative expense	**206,402**	196,985
Advertising and promotional fund expense	**61,482**	58,124
Equity-based compensation expense	**3,130**	4,194
Depreciation and amortization	**123,676**	116,929
Management and board fees and expenses	**3,650**	4,638
Loss on impairment of goodwill and tradenames	**-**	428,286
Credit losses	**3,810**	2,812
Operating Income (Loss)	**23,219**	(394,110)
Interest expense	**70,278**	68,756
Loss Before Income Taxes	**(47,059)**	(462,866)
Income tax benefit	**(7,941)**	(23,790)
Net Loss	**(39,118)**	(439,076)
Other comprehensive income/(loss)		
Foreign currency translation adjustment, net of tax of $1,070 and 2,132, respectively	**(3,208)**	6,395
Total Other Comprehensive income/(loss)	**(3,208)**	6,395
Comprehensive Loss	**$ (42,326)**	$ (432,681)

See accompanying notes to consolidated financial statements.

Neighborly Company and Subsidiaries

Consolidated Statement of Changes in Stockholder's Equity
($000's, except share amounts)

	Common Stock		Additional Paid - In	Accumulated	Accumulated Other Comprehensive	
	Shares	Amount	Capital	Deficit	Income (Loss)	Total
Balance at December 31, 2022	100	$ -	$ 2,420,959	$ (50,587)	$ (51,483)	$ 2,318,889
Adoption of accounting principle	-	-	-	258	-	258
Distribution to parent	-	-	(324,718)	-	-	(324,718)
Equity-based compensation	-	-	4,194	-	-	4,194
Foreign currency translation adjustment	-	-	-	-	8,527	8,527
Net loss	-	-	-	(439,076)	-	(439,076)
Balance at December 31, 2023	100	$ -	$ 2,100,435	(489,405)	(42,956)	1,568,074
Contribution to Equity	-	-	575	-	-	575
Distribution to parent	-	-	(170,204)	-	-	(170,204)
Equity-based compensation	-	-	3,130	-	-	3,130
Foreign currency translation adjustment	-	-	-	-	(4,278)	(4,278)
Net loss	-	-	-	(39,118)	-	(39,118)
Balance at December 31, 2024	**100**	**$ -**	**$ 1,933,936**	**$ (528,523)**	**$ (47,234)**	**$ 1,358,179**

See accompanying notes to consolidated financial statements.

Neighborly Company and Subsidiaries

Consolidated Statement of Cash Flows
($000's unless otherwise noted)

	For the Year Ended December 31,	
	2024	2023
Operating activities		
Net loss	$ (39,118)	$ (439,076)
Adjustments to reconcile net loss to net cash provided by **operating activities:**		
Depreciation and amortization	123,676	116,929
Amortization of deferred financing costs	4,409	4,164
Loss on impairment of goodwill and tradenames	-	428,286
Bad debt expense	3,810	2,812
Trade notes issued	(14,978)	(15,243)
Collections of notes receivable	17,660	16,605
Deferred income taxes	(20,651)	(44,346)
Loss on disposal of assets	3,589	-
Equity-based compensation	3,130	4,194
Changes in assets and liabilities:		
Trade accounts receivable	(2,848)	(1,403)
Inventories	249	626
Prepaid selling expenses and other assets	(4,313)	3,722
Trade accounts payable	1,907	(6,249)
Accrued liabilities	(9,729)	(8,512)
Other non-current liabilities	(83)	(275)
Income tax payable	(7,352)	(1,519)
Change in operating lease assets and liabilities	(181)	3,535
Deferred revenue	1,323	11,246
Net cash provided by operating activities	60,500	75,496
Investing activities		
Purchase of property, equipment and other assets	(25,042)	(27,931)
Acquisitions of intangible assets	(677)	-
Net cash used in investing activities	(25,719)	(27,931)
Financing activities		
Equity contribution	575	-
Distributions paid	(170,204)	(324,718)
Deferred financing costs paid	(3,241)	(13,866)
Proceeds from revolving credit	158,000	25,000
Payment on revolving credit	(25,000)	-
Payments on principal portion of finance lease liabilities	(4,749)	(3,455)
Payments on long-term borrowings	(14,850)	(14,323)
Proceeds from long-term borrowings	-	275,000
Net cash used in financing activities	(59,469)	(56,362)
Effect of foreign currency translation on cash	(851)	(1,255)
Net decrease in cash and restricted cash	(25,539)	(10,052)
Cash and restricted cash - Beginning of period	$ 72,052	$ 82,104
Cash and restricted cash - End of period	$ 46,513	$ 72,052
Supplemental cash flow disclosures:		
Cash paid for income taxes, net of refunds	$ 16,770	$ 15,829
Cash paid for interest	65,052	$ 60,258

1. Organization and Description of Business

Organization and Description of Business

Neighborly Company and Subsidiaries ("we", "our", "Neighborly" and the "Company") is a Delaware corporation and is the parent company of a number of franchisors and related supporting businesses operating in the United States (the "US") and internationally which include the following companies: Mr. Rooter, Rainbow International, Mr. Electric, Aire Serv, Mr. Appliance, Glass Doctor, Grounds Guys, Molly Maid, Mr. Handyman, Five Star Painting, Mosquito Joe, Real Property Management, Window Genie, HouseMaster, Dryer Vent Wizard, ShelfGenie, Precision Door Service, Restoration 1, Junk King, Lawn Pride, ZorWare, Drain Doctor, Locatec, Countrywide, Bright and Beautiful, Dream Doors, Greensleeves, and ProTradeNet.

In addition, the Company owns and operates non-franchisor entities as follows: Portland Glass, which offers auto, home, and business glass repair and replacement through company owned stores located in Maine, Vermont, and New Hampshire; Pimlico Plumbers, which offers repair and maintenance services, concentrated in central London; Plumb Enterprises, which offers full plumbing, drain and sewer cleaning services, excavation, and repairs in Colorado; and Lawn Pride, which offers lawn care and maintenance services through the application of fertilizer, as well as pest control, in Indiana.

Acquisition of the Company

On June 29, 2021, Kohlberg Kravis and Roberts ("KKR"), and associated co-investors formed Nest Bidco Inc. which, on September 1, 2021, purchased 100% of the shares of Balcones Holdco, Inc., the parent company of Neighborly, from TDG Investment Holdings, LP. Nest Bidco Inc. is an indirectly wholly owned subsidiary of Nest Holdings LP, which is the ultimate parent company of the newly formed business. The transaction was effected to add Neighborly to KKR's investment portfolio, and allows Neighborly to gain access to KKR's capital and resources.

2. Summary of Significant Accounting Policies

Recently Issued Accounting Pronouncements

In December 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures," (ASU No. 2023-09) which requires disclosure of disaggregated information about a reporting entity's effective tax rate reconciliation as well as disclosures on income taxes paid by jurisdiction. ASU No. 2023-09 is effective for annual periods beginning after December 15, 2024. The guidance is required to be applied on a prospective basis, with the option to apply the standard retrospectively. Early adoption is permitted. Management is currently evaluating the impact of this guidance on the Company's consolidated financial statements and related disclosures.

In January 2024, the FASB issued ASU No. 2024-01, "Scope Application of Profits Interest and Similar Awards." This update clarifies that profits interests and similar awards granted to employees as compensation for services are within the scope of ASC Topic 718 (Compensation—Stock Compensation). The amendments in this update are effective for fiscal years beginning after December 15, 2024, including interim periods within those fiscal years, with early adoption permitted. The Company is required to apply these amendments on a modified retrospective basis

to awards outstanding at the beginning of the fiscal year of adoption, with cumulative-effect adjustments to retained earnings. Management is currently evaluating the impact of this guidance on the Company's consolidated financial statements and related disclosures.

Principles of Consolidation and Variable Interest Entities

The accompanying consolidated financial statements as of December 31, 2024 and 2023 include the accounts of the Company and its wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

FASB Accounting Standards Codification (ASC) Topic 810-10, Consolidation, applies to certain entities in which equity investors do not have the characteristics of a controlling financial interest or do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support. Such an entity is referred to as a variable interest entity ("VIE"). FASB ASC Topic 810-10 requires the consolidation of a VIE by its primary beneficiary. The primary beneficiary is the entity, if any, that has the power to direct activities of a VIE that most significantly impact the VIE's economic performance and has the obligation to absorb losses or the right to receive benefits of the VIE that could potentially be significant to the VIE.

Neighborly Assetco LLC ("Assetco") is a direct, wholly owned subsidiary of Neighborly Issuer LLC (the "Issuer"), which is a special purpose Delaware limited liability company and a direct, wholly owned subsidiary of Neighborly SPV Guarantor LLC (the "SPV Guarantor"), which is a special purpose Delaware limited liability company that is an indirect, wholly owned subsidiary of Neighborly (the "Manager").

Assetco's subsidiaries are comprised of a number of franchisors and related supporting businesses operating in the US and internationally and include the following businesses: Aire Serv SPV LLC, Mr. Electric SPV LLC, The Grounds Guys SPV LLC, Rainbow International SPV LLC, Glass Doctor SPV LLC, Mr. Appliance SPV LLC, Mr. Rooter SPV LLC, Molly Maid SPV LLC, Mr. Handyman SPV LLC, Five Star Painting SPV LLC, Window Genie SPV LLC, Real Property Management SPV LLC, Mosquito Joe SPV LLC, HouseMaster SPV LLC, Dryer Vent Wizard SPV LLC, ShelfGenie SPV LLC, Precision Door Service SPV LLC, Junk King SPV LLC, and Lawn Pride SPV LLC (each an "SPV Franchisor" and together the "SPV Franchisors") and ProTradeNet SPV LLC, Neighborly Service Solutions SPV LLC, Back Office SPV LLC, G-O Manufacturing SPV LLC, Zorware SPV LLC, NBLY Co Ops CO SPV LLC, NBLY Co Ops WA SPV LLC, NBLY Co Ops AZ SPV LLC, NBLY Co Ops IN SPV LLC, Trench Right SPV LLC, Trench Right WA SPV LLC, Dig Boss SPV LLC, NBLY Logistics SPV LLC, and Pimlico SPV Limited (each a "Non-Franchisor SPV Entity" and together the "Non-Franchisor SPV Entities"), each of which is a direct, wholly owned subsidiary of Assetco.

Assetco holds all the equity interests in the SPV Franchisors and the Non-Franchisor SPV Entities, certain intellectual property, certain license agreements and certain vendor agreements. Each SPV Franchisor holds the tradenames and the franchise agreements related to such brand and any product supply agreements or vendor agreements related to such brand. The Non-Franchisor SPV

Entities hold certain tradenames, certain product supply agreements, certain vendor agreements and the office service agreements.

Neighborly SPV Guarantor LLC, Neighborly Issuer LLC, and Neighborly Assetco LLC (collectively with the SPV Franchisors and the Non-Franchisor SPV Entities are referred to as "Securitization Entities")

were formed in connection with a financing transaction (the "Securitization Transaction"), which was completed on March 25, 2021 and on subsequent dates thereafter (see Note 3).

The Company has determined that the Securitization Entities qualify as VIE's and that Neighborly is the primary beneficiary, having both power and benefits, of the Securitization Entities and accordingly, consolidation is concluded.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America 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 consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition, Accounts Receivable, Notes Receivable, and Allowances

The Company's primary sources of revenue are as follows:

- Franchise service fees from existing franchise owners based on a percentage of each franchise owner's gross sales. These fees generally range from 2% to 15% of the franchise owner's gross sales, depending upon the particular franchise concept and upon various other factors;

- Franchise sales fees generated from the sale of new franchise territories and the sale of additional franchise territories to existing franchise owners;

- Sales of products and services to unrelated third parties;

- Advertising and promotional fund revenue represents marketing, advertising and promotional ("MAP") fund fees collected from existing franchise owners. These fees are typically a percentage of each franchise owner's sales and vary depending upon the particular franchise concept and various other factors;

- Other revenue consists of incentives earned from services performed for unrelated third parties and interest generated from notes receivable.

Typically, franchise agreements are granted to franchise owners for an initial term of ten years with an option to renew. Our performance obligations under franchise agreements consist of providing a license of our brand's intellectual property, a list of approved suppliers, certain training programs, an operations manual, and to maintain the MAP fund. These performance obligations are highly interrelated and we do not consider them to be individually distinct, and therefore account for them as a single performance obligation, which collectively represent the obligation to provide a license for the right to use our brand's intellectual property. Revenue related to franchise agreements is recognized on a straight-line basis over the term of the agreement, with the exception of variable or sales-based royalties, MAP fund fees collected and revenue allocated to goods and services and other variable fees which are recognized as the underlying sales occur and performance obligations are satisfied.

In the event a franchise agreement is terminated, without a corresponding agreement executed by the same franchise owner, any remaining deferred fees as well as applicable termination fees are recognized in the period of termination.

The Company periodically extends credit to entities for the purchase of franchises. These entities are typically controlled by individuals who operate their businesses as an owner/manager. Generally, the notes receivable are collateralized by the related franchise territory rights. The Company also extends unsecured credit to its franchise owners for unpaid franchise service fees. The Company places notes receivable on nonaccrual status when payment is ninety days past due, and ceases to recognize revenue from interest on the note until such time as the note is no longer past due. Interest on trade notes receivable is recorded as revenue when earned. Each entity's ability to perform is dependent upon the economic condition of the business. The Company maintains ongoing credit evaluations of its franchise owners.

The Company adopted ASU 2016-13 ASU No. 2016-13, Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments using the modified retrospective adoption method on January 1, 2023, which was retroactively applied as of the first day of 2023. This accounting standard requires companies to measure expected credit losses on financial instruments based on the total estimated amount to be collected over the lifetime of the instrument. Upon adoption of this guidance, the Company recognized a decrease to its allowance for credit losses of $200 and a corresponding adjustment to accumulated deficit, net of tax.

Expected credit losses for uncollectible receivable balances consider both current conditions and reasonable and supportable forecasts of future conditions. Current conditions considered include pre-defined aging criteria, as well as specified events that indicate the balance due is not collectible. Reasonable and supportable forecasts used in determining the probability of future collection consider publicly available macroeconomic data and whether future credit losses are expected to differ from historical losses.

Franchise service fee revenues represent sales-based royalties that are related entirely to our performance obligation under the franchise agreement and are recognized in the period in which the sales occur. Sales-based royalties are variable consideration related to our performance obligations to our franchise owners to maintain the intellectual property being licensed.

We have determined we act as the principal in the transaction related to the MAP fund contributions and expenditures. MAP fund contributions and expenditures are reported in the accompanying Consolidated Statements of Operations and Comprehensive Income (Loss). Our obligation related to these funds is to administer the MAP fund, keep unused MAP fees in segregated bank accounts which are classified as restricted cash on the Consolidated Balance Sheet and use MAP fees for certain activities related to the marketing and promotion of the individual brands. As noted above, we have concluded the advertising services provided to franchise owners are highly interrelated with the franchise rights and not a distinct performance obligation; therefore, revenues from MAP fund fees are recognized as advertising and promotion fund revenue when the related sales occur based on the application of the sales-based royalty exception within ASC 606, Revenue from Contracts with Customers.

Revenues from product sales are recognized upon transfer of title, when delivered to the customer, when the work is performed, or orders are shipped. Incentives earned are recognized as services are performed.

Contract Balances

The contract liabilities which we classify as "deferred revenue" consist primarily of the unamortized portion of initial franchise fees that are currently being recognized into revenue, amounts related to pending agreements, or other deferred revenues not related to franchise agreements. Contract deferred franchise revenue represents our remaining performance obligations to our franchise owners, as we account for our highly interrelated obligations as a single performance obligation, which collectively represent the obligation to provide a license for the right to use our brand's intellectual property excluding amounts of variable consideration related to sale-based royalties and advertising. The other deferred revenues not related to the franchise agreements are included in current deferred revenue.

The components of the change in deferred revenue are as follows:

	Year Ended December 31,	
	2024	2023
Balance at beginning of period	$ 91,610	$ 80,364
Fees received from franchise owners	37,203	49,188
Franchise sales revenue recognized	(35,122)	(38,441)
Other changes in deferred revenue	(758)	499
Balance at end of period	92,933	91,610
Less: current portion	18,215	17,760
Deferred revenue noncurrent	$ 74,718	$ 73,850

Revenue deferred as of December 31, 2023 and recognized in the period from January 1, 2024 through December 31, 2024 was $17,623. Revenue deferred as of December 31, 2022 and recognized in the period from January 1, 2023 through December 31, 2023 was $20,133.

As of December 31, 2024, the deferred revenue expected to be recognized for each of the next five years and in the aggregate is as follows:

Years ending December 31,	
2025	$ 18,215
2026	12,829
2027	12,455
2028	11,718
2029	10,267
Thereafter	27,449
	$ 92,933

Direct, incremental selling expenses incurred when the franchise agreement is executed are recorded as a contract asset and amortized over the life of the agreement consistent with the recognition of the deferred revenue. Contract assets are included in current and non-current

prepaid selling expenses in the accompanying Consolidated Balance Sheets and the amortization is included in general and administrative expense in the accompanying Consolidated Statements of Operations and Comprehensive Income (Loss). For the year ended December 31, 2024, $7,736 of costs were paid and amortization expense of $6,175 was recognized. For the year ended December 31, 2023, $8,883 of costs were paid and amortization expense of $5,845 was recognized.

The ending asset for deferred contract costs as of December 31, 2024 was $24,622, of which $4,726 was current. The ending asset for deferred contract costs as of December 31, 2023 was $23,063, of which $3,959 was current.

Advertising

The Company expenses advertising costs as incurred. Advertising expense was $23,200 and $28,772 for the years ended December 31, 2024 and 2023, respectively. Advertising expense is included in general and administrative expense in the accompanying Consolidated Statements of Operations and Comprehensive Income (Loss). This is separate from MAP fees which are presented on their own line in Consolidated Statements of Operations and Comprehensive Income (Loss).

Inventories

Inventories consist of products to be sold and are stated at the lower of cost (first-in, first-out method) or net realizable value.

Property and Equipment

With the exception of land, which is not depreciated, property and equipment is stated at cost and is depreciated using the straight-line method over the estimated useful lives of the respective assets which are generally as follows: buildings (30 years) and building improvements (5-15 years), capped at the lesser of life of the leasehold improvements or remaining lease life; machinery, equipment, and vehicles (5-10 years); furniture and fixtures (5 years); and hardware and software (3 years). Additions, renewals, and betterments are capitalized; maintenance and repairs which do not extend the useful life of the asset are expensed as incurred.

Management evaluates long-lived assets used in operations for impairment when indicators of impairment are present. Impairment losses are recorded in the amount that carrying value exceeds fair market value when the undiscounted cash flows estimated to be generated by those assets are less than the carrying amount of the assets. No impairment losses for property and equipment were recorded for the year ended December 31, 2024.

Goodwill

Goodwill represents the excess of the consideration transferred over the fair value of the identifiable net assets acquired. The Company tests goodwill annually for impairment, or earlier if events or changes in circumstances indicate that impairment may exist. Management's impairment tests are generally performed as of October 1st annually. The Company's current goodwill balance resulted from the acquisition of the Company as of September 1, 2021, and from the Company's acquisitions in the successor period, as discussed in Note 1.

The Company performed a qualitative assessment of its goodwill as of October 1, 2024 and concluded that indicators of impairment existed for certain of its reporting units, based on trends

in financial performance. Therefore, the Company performed a quantitative assessment of its goodwill for certain reporting units with indicators of impairment by measuring the fair value using present value techniques including the income approach and the market approach. The Company's weighted average cost of capital declined slightly as well as projected positive operating performance of the reporting units resulted in a fair value that exceeded carrying value with no resulting impairment. A goodwill impairment expense of $417,591 was recorded in the year ended December 31, 2023, and none in 2024.

Intangible Assets

Intangible assets consist of tradenames, franchise relationships, national accounts, insurance company relationships, customer relationships, re-acquired franchise rights, developed technology, copyrights, and domain name, and are stated at their estimated fair value as of the date of acquisition, less subsequent amortization. The Company's intangible assets are definite lived, other than domain name, which is indefinite lived.

For definite lived intangible assets, when events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable, the Company evaluates the definite lived intangible assets for impairment by comparing the carrying value to the anticipated future undiscounted cash flows expected to be generated from the use of the intangible assets. If the carrying amount is not recoverable, a loss is recorded in the amount the carrying value exceeds the fair market value of the assets. No impairment expense was recorded in the year ended December 31, 2024, and $10,695 was recorded in the year ended December 31, 2023.

Tradenames are amortized over their estimated useful life, which ranges from three years to 20 years, using the straight-line method. Franchise relationships, national accounts relationships, and insurance company relationships are amortized over their estimated useful lives of 15 years, using the straight-line method. Customer relationships are amortized over their estimated useful life of three to 10 years, using the straight-line method. Reacquired franchise rights are amortized over the remaining life of the reacquired agreements, between one to seven years, using the straight-line method. Copyrights are amortized over their estimated useful life of five years, using the straight-line method. Developed technology is amortized over their estimated useful life of three years, using the straight-line method.

Domain names are stated at their estimated fair value at the date of acquisition, and are not amortized, as their useful lives are considered indefinite, but are subject to annual impairment testing. The Company performed a qualitative assessment of its indefinite lived intangible assets as of October 1, of 2024 and 2023 and concluded it is not more likely than not that the fair value of its domain names is less than the carrying amount and, as such, a quantitative impairment test was not considered necessary.

Income Taxes

Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the consolidated financial statement carrying amounts of assets and liabilities and their respective tax basis. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in tax expense in the period that includes the enactment date.

The Company establishes valuation allowances in accordance with the provisions of FASB ASC Topic 740, Income Taxes. The Company reviews the adequacy of any valuation allowance and recognizes tax benefits only when it is more likely than not that the benefits will be realized.

The Company measures, classifies, and discloses uncertain tax benefits in accordance with FASB ASC Topic 740-10, Income Taxes-Overall. The Company has elected to classify interest and penalties related to uncertain tax benefits as a component of income tax expense.

Equity-based Compensation

The Company accounts for equity-based compensation under FASB ASC Topic 718, Compensation-Stock Compensation. This pronouncement requires the measurement of all equity-based payments to employees using a fair-value-based method and the recording of such expense in the accompanying Consolidated Statements of Operations and Comprehensive Income (Loss). The Company participates in an equity-based employee compensation plan, which is described more fully in Note 5.

Foreign Currency Translation

Consolidated entities that have a functional currency that differs from the Company's reporting currency include our foreign subsidiaries, which are in Canada, the United Kingdom (the "UK"), Germany and Austria. Foreign currency denominated assets and liabilities are translated using the exchange rates at the end of each reporting period. Results of foreign operations are translated at the weighted average exchange rate for each reporting period. Translation adjustments are included as a component of accumulated other comprehensive income (loss) until realized. Where amounts denominated in a foreign currency are converted into US dollars by remittance or repayment, the realized exchange differences are included in the accompanying Consolidated Statements of Operations and Comprehensive Income (Loss), primarily in general and administrative expense, and was immaterial in all periods presented.

Cash and Restricted Cash

The Company considers all cash and highly liquid investments purchased with an initial maturity of three months or less to be cash or cash equivalents.

Cash consists primarily of cash on hand and cash on deposit. Restricted cash includes funds held for the MAP funds and securitized cash held for principal and interest payments on deposit related to the Securitization Transaction.

Cash and restricted cash consists of the following as of December 31,:

		2024		2023
Cash	**$**	**18,436**	$	43,416
Restricted Cash:				
Whole business securitization		**23,639**		21,903
MAP funds		**4,438**		6,733
Total cash and restricted cash	**$**	**46,513**	$	72,052

The Company maintains its cash in banks in which deposits may, from time to time, exceed federally insured limits. The Company has not experienced any losses in such accounts and believes that it is not exposed to any significant credit risks related to cash.

Fair Value of Financial Instruments and Non-financial Assets

In accordance with FASB ASC 820, Fair Value Measurements, certain assets and liabilities carried at fair value are categorized based on the level of judgment associated with the inputs used to measure their fair value. The standard establishes a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels:

Level 1 - Inputs are unadjusted quoted market prices in active markets for identical assets or liabilities at the measurement date.

Level 2 - Inputs (other than quoted prices included in Level 1) are either directly or indirectly observable for the asset or liability through correlation with market data at the measurement date for the duration of the instrument's anticipated life.

Level 3 - Inputs are unobservable and therefore reflect management's best estimate of the assumptions that market participants would use in pricing the asset or liability.

The tradenames, systems in place, and developed technology were valued using the relief from royalty method and the franchise relationships, customer relationships, national account relationships, and insurance company relationships were valued using the multi-period excess earnings method in the periods acquired, except for those tradenames remeasured in 2023 as a result of impairment testing as discussed above. Rollover equity was valued using a combination of Level 2 observable inputs including EBITDA multiples and comparable public company as well as discounted cash flow analysis of future projections in the period issued. The future projections and estimates used to fair value the assets acquired in acquisitions, as well as those used in our long-lived asset and goodwill impairment testing, are considered Level 3 inputs.

3. Debt Agreements

Through its wholly owned subsidiary, Neighborly Issuer LLC (the "Issuer"), the Company entered into the Securitization Transaction which was completed on March 25, 2021. In conjunction with the Securitization Transaction, the Issuer issued $800,000 Series 2021-1 3.584% Fixed Rate Senior Secured Notes (the "Series 2021-1 Senior Notes"). The Series 2021-1 Senior Notes have an anticipated repayment date of April 30, 2028, and a final maturity date of April 30, 2051. Scheduled principal payments of $2,000 and interest are paid quarterly. As of December 31, 2024 and 2023, the Series 2021-1 Senior Notes had $772,000 and $780,000 outstanding, respectively.

Additionally, the Securitization Transaction provided for a $10,000 variable rate Delayed Draw Class A-1-LR Senior Note ("Series 2021-1 Class A-1 Notes"), with a final maturity date of April 30, 2051, which is only available for limited purposes and may not be drawn by the Issuer. Interest on draws is paid weekly at the Secured Overnight Financing Rate (SOFR) plus 300 basis points. As of December 31, 2024 and 2023, no borrowings had been made on the Series 2021-1 Class A-1 Notes.

The Securitization Transaction also provided for a $30,000 variable rate Class A-1-VFN Senior Note (the "2021 VFN facility"), with a maturity date of April 30, 2026, and two one-year extension options. Interest on borrowings is paid quarterly at SOFR, plus 266 basis points. As of December 31, 2024, $8,000 of borrowings were outstanding on the 2021 VFN facility and availability was $5,050.

For the year ended December 31, 2023, the Company had no borrowings on the facility and availability was $13,050. Issued and undrawn letters of credit under the VFN facility were $16,950 as of December 31, 2024 and 2023. Undrawn letters of credit under the VFN facility incur interest at a rate of 2.66%, which is payable quarterly. The Company considered the upcoming maturity of the 2021 VFN Facility and concluded it has the unilateral ability to extend the maturity date to April 2027, if certain conditions are met. The Company evaluated the conditions precedent and concluded they will be met throughout 2025; therefore, the Company will have the unilateral ability to extend and intends to execute the extension prior to the initial maturity date of April 30, 2026.

On January 19, 2022, the Company, through the Issuer, issued $410,000 Series 2022-1 3.695% Fixed Rate Senior Secured Notes (the "Series 2022-1 Senior Notes") through a second whole business securitization transaction (the "Second Securitization Transaction"). The Series 2022-1 Senior Notes have an anticipated repayment date of January 30, 2029, and a final maturity date of January 30, 2052. Scheduled principal payments of $1,025 and interest are paid quarterly. As of December 31, 2024 and 2023, $398,725 and $402,825 was outstanding on the Series 2022-1 Senior Notes, respectively.

Additionally, the Second Securitization Transaction provided for a $4,000 variable rate Delayed Draw Class A-1-LR Senior Note (the "Series 2022-1 Class A-1 Notes"), with a final maturity date of January 30, 2052, which is only available for limited purposes and may not be drawn by the Issuer. Interest on draws is paid weekly at a rate equal to Prime plus 300 basis points. As of December 31, 2024 and 2023, no draws had been made on the Series 2022-1 Class A-1 Notes.

In conjunction with the Second Securitization Transaction, $10,353 in transaction fees were capitalized as deferred financing costs to be amortized over the anticipated term of the notes using the straight-line method, which material approximates the effective interest rate method. For the years ended December 31, 2024 and 2023, respectively, a total of $1,494 and $1,510 of previously capitalized deferred financing costs related to the Second Securitization Transaction were amortized to interest expense on the Consolidated Statements of Operations and Comprehensive Income (Loss).

On February 3, 2023, the Company, through its indirect, wholly owned subsidiary, Neighborly Issuer LLC, issued $275,000 Series 2023-1 7.308% Fixed Rate Senior Secured Notes (the "Series 2023-1 Senior Notes") through a third whole business securitization transaction (the "Third Securitization Transaction"). The Series 2023-1 Senior Notes have an anticipated repayment date of January 30, 2028, and a final maturity date of January 30, 2053. Scheduled principal payments of $687 and interest are paid quarterly. As of December 31, 2024 and 2023, $270,188 and $272,938 was outstanding on the Series 2023-1 Senior Notes, respectively.

Additionally, the Third Securitization Transaction provided for a $5,025 variable rate Delayed Draw Class A-1-LR Senior Note (the "Series 2023-1 Class A-1 Notes"), with a final maturity date of January 30, 2053, which is only available for limited purposes and may not be drawn by the Issuer. On December 11, 2024, the Series 2023-1 Class A-1 Notes maturity date was amended to change to January 30, 2055. Interest on draws is paid weekly at a rate equal to SOFR plus 300 basis points. As of December 31, 2024, no draws had been made on the Series 2023-1 Class A-1 Notes.

The Third Securitization Transaction also provided for a $125,000 variable rate Class A-1-VFN Senior Note (the "2023 VFN facility"), with a maturity date of January 30, 2026, with two one-year extension options. Interest on borrowings is paid quarterly at SOFR, plus 350 basis points. As of December 31, 2024, the Company had borrowings outstanding of $75,000 on the 2023 VFN facility

and had $50,000 of availability. As of December 31, 2023, borrowings outstanding on the 2023 VFN facility were $25,000, and availability was $100,000. The Company considered the upcoming maturity of the 2023 VFN Facility and concluded it has the unilateral ability to extend the maturity date to January 2027, if certain conditions are met. The Company evaluated the conditions precedent and concluded they will be met throughout 2025; therefore, the Company will have the unilateral ability to extend and intends to execute the extension prior to the initial maturity date of January 30, 2026.

In conjunction with the Third Securitization Transaction, $14,177 in transaction fees were capitalized as deferred financing costs, to be amortized over the anticipated term of the notes using the effective interest method. For the years ended December 31, 2024 and 2023, $2,868 and $2,654 of previously capitalized deferred financing costs related to the Third Securitization Transaction were amortized to interest expense on the Consolidated Statements of Operations and Comprehensive Income (Loss), respectively.

On December 11, 2024, the Company, through its indirect, wholly owned subsidiary, Neighborly Issuer LLC, entered into a $75,000 variable rate Class A-1-VFN Senior Note (the "2024 VFN Facility") through a fourth whole business securitization transaction (the "Fourth Securitization Transaction"). The 2024 VFN Facility has an anticipated repayment date of January 30, 2030 with two one-year extension options. Interest on borrowings is paid quarterly at SOFR, plus 240 basis points. As of December 31, 2024, borrowings outstanding on the 2024 VFN facility were $75,000, and no availability.

In conjunction with the Fourth Securitization Transaction in 2024, $3,241 in transaction fees were capitalized as deferred financing costs in 2024, to be amortized over the anticipated term of the notes on a straight line basis which approximates the effective method. Amortization was negligible in 2024.

The Series 2023-1 Senior Notes and the 2024 VFN Facility issued in conjunction with the securitization transaction are secured by substantially all assets of the Securitization Entities and guaranteed by the Securitization Entities. Proceeds were distributed to Neighborly's parent company to extinguish debt incurred by the parent to fund the Company's acquisitions.

The Series 2021-1 Senior Notes, the Series 2022-1 Senior Notes, the Series 2023-1 Senior Notes, the Series 2021-1 Class A-1 Notes, the Series 2022-1 Class A-1 Notes, the Series 2023-1 Class A-1 Notes, and VFN facilities described above issued in conjunction with the Securitization Transaction, the Second Securitization Transaction, the Third Securitization Transaction and the Fourth Securitization Transaction (together, the "Securitization Transactions") are secured by substantially all assets of Neighborly Issuer LLC and the other Securitization Entities, and guaranteed by the Issuer and such Securitization Entities, each of which is a bankruptcy remote entity and which owned substantially all of the Company's US intellectual property including tradenames, franchise agreements, national account relationships and systems-in-place, as well as the UK tradenames as of the date of issuance. The restrictions placed on the Issuer and its subsidiaries require that interest and scheduled principal payments on the Series 2021-1 Senior Notes, Series 2022-1 Senior Notes, Series 2023-1 Senior Notes, the Series 2021-1 Class A-1 Notes, the Series 2022-1 Class A-1 Notes, and the Series 2023-1 Class A-1 Notes be paid prior to any residual distributions to the Manager, and amounts are segregated weekly to ensure appropriate funds are reserved to pay the quarterly interest and scheduled principal amounts due. The amount of weekly cash flow that exceeds all expenses and obligations of the Issuer and its subsidiaries is generally remitted to the Manager in

the form of a distribution. The Manager also receives a fee for the services it provides to the Securitization Entities that is senior to debt service. The Securitization Transactions require, among other things, maintenance of minimum debt-service coverage ratio levels and additional incurrence of indebtedness and scheduled amortization requirements are subject to compliance with maximum leverage ratio levels. As of December 31, 2024 and 2023, the Issuer was in compliance with all debt-service coverage covenants.

The Company's long-term debt and trade notes receivable bear interest at market rates. Thus, management believes their carrying amounts approximate fair value.

Debt consists of the following as of December 31:

		2024		2023
Series 2021-1 Senior Notes	**$**	**772,000**	$	780,000
Series 2022-1 Senior Notes		**398,725**		402,825
Series 2023-1 Senior Notes		**270,188**		272,938
2021 VFN Facility		**8,000**		-
2023 VFN Facility		**75,000**		25,000
2024 VFN Facility		**75,000**		-
Total carrying value of debt		**1,598,913**		1,480,763
Less: Deferred financing costs		**(17,752)**		(18,919)
Total net debt		**1,581,161**		1,461,844
Less: current portion		**(10,051)**		(10,488)
Long-term debt	**$**	**1,571,110**	$	1,451,356

Future maturities of long-term debt based on principal payments outstanding as of December 31, 2024, are as follows:

Years ending December 31,	
2025	$ 14,850
2026	14,850
2027	14,850
2028	754,850
2029	385,075
Thereafter	414,438
	$ 1,598,913

4. Intangible Assets and Goodwill

Intangible assets as of December 31, 2024, consisted of the following:

	Useful Life	Gross Amount	Accumulated Impairment	Accumulated Amortization	Net Amount
Tradenames	3-20 years	$ 996,297	$ 10,248	$ 158,895	$ 827,154
Franchise relationships	15 years	612,607	418	135,273	476,916
National accounts	15 years	3,248	148	624	2,476
Insurance company relationships	15 years	2,300	-	511	1,789
Customer relationships	3-10 years	17,834	-	7,612	10,222
Franchise rights	1-7 years	12,200	-	5,154	7,046
Developed technology	3 years	720	-	631	89
Copyrights	5 years	140	-	93	46
Total definite-lived intangibles		$ 1,645,347	$ 10,814	$ 308,793	$ 1,325,738

	Useful Life	Gross Amount	Accumulated Impairment	Net Amount
Domain name	Indefinite	$ 1,314	-	$ 1,314
Total indefinite-lived intangibles		$ 1,314	-	$ 1,314

Intangible assets as of December 31, 2023, consisted of the following:

	Useful Life	Gross Amount	Accumulated Impairment	Accumulated Amortization	Net Amount
Tradenames	3-20 years	$ 1,001,190	$ 10,248	$ 111,600	$ 879,342
Franchise relationships	15 years	613,289	418	94,631	518,240
National accounts	15 years	3,138	148	424	2,566
Insurance company relationships	15 years	2,300	-	358	1,942
Customer relationships	3-10 years	17,848	-	4,594	13,254
Franchise rights	1-7 years	12,200	-	3,495	8,705
Developed technology	3 years	720	-	436	284
Copyrights	5 years	143	-	66	77
Total definite-lived intangibles		$ 1,650,828	$ 10,814	$ 215,604	$ 1,424,410

	Useful Life	Gross Amount	Accumulated Impairment	Net Amount
Domain name	Indefinite	$ 1,314	-	$ 1,314
Total indefinite-lived intangibles		$ 1,314	-	$ 1,314

Amortization expense was $96,830 and $96,710 for the years ended December 31, 2024 and 2023, respectively. Estimated amortization expense for the subsequent five years is as follows:

Years ending December 31,	
2025	$ 95,561
2026	95,463
2027	94,618
2028	92,964
2029	91,718
Thereafter	855,410
	$ 1,325,738

Goodwill

The Company has assigned goodwill to its reporting units based on fair valuation analysis completed for the acquisition of the parent by KKR and from the Company's acquisitions on September 1, 2021, and any subsequent acquisitions.

The changes in the carrying amount of goodwill are as follows:

	December 31, 2024	2023
Balance at beginning of period	**$ 1,741,101**	$ 2,154,115
Adjustment to goodwill for unrealized gain/loss on foreign currency	**(1,922)**	4,577
Goodwill impairment	**-**	(417,591)
Balance at end of period	**$ 1,739,179**	$ 1,741,101

5. Equity-based Compensation

In September 2021, Nest Management LP, a co-investor with KKR, created a profits interest plan which provides for profits interest award grants of Nest Holdings LP and its subsidiaries. A total of 202,843,686 profits interests units were approved to be granted under the plan.

On October 27, 2021, and certain dates thereafter, Nest Management LP granted awards under the plan. The profits interests are exercisable only to the extent they are vested, and do not expire. Generally, vesting of a portion of the profits interests (50%) is subject to the passage of time; the remaining (50%) vest based on achievement of defined financial criteria upon a liquidity event of the Company. Based on continuous employment, time-based profits interest units vest 20% annually, for each of five years.

The Company accounts for equity-based compensation in accordance with ASC 718, Compensation-Stock Compensation, which requires the fair value of equity-based payments to be recognized in the consolidated statements as compensation expense over the requisite service period. For time-based awards, compensation expense is recognized on a straight-line basis, net of forfeitures which

are recognized as they occur, over the requisite service period for awards that actually vest. For performance-based awards, compensation expense is estimated based on

achievement of performance conditions and is recognized over the requisite service period for awards that actually vest. Equity-based compensation expense is recorded in the equity-based compensation line in the consolidated statements of operations.

The average grant date fair value of awards under the Nest Management LP profits interest plan was determined using Monte-Carlo simulation, and was $0.36 per unit for awards in the years ended December 31, 2024 and 2023, respectively. As of December 31, 2024 and 2023 no units were both vested and exercisable.

Equity-based compensation expense recorded for the years ended December 31, 2024 and 2023 was $3,130 and $4,194, respectively. As of December 31, 2024, unamortized stock compensation expense to be recognized in future years was $9,707.

	Number of Underlying Units
Outstanding – December 31, 2022	138,245,959
Granted	16,124,890
Forfeited	(32,158,970)
Redeemed	-
Outstanding – December 31, 2023	122,211,879
Granted	48,017,602
Forfeited	(36,223,635)
Redeemed	-
Outstanding – December 31, 2024	134,005,848
Vested and Exercisable – December 31, 2024	-

6. Trade Notes Receivable

The Company periodically receives notes from the sale of new franchises. The rights to the related franchise territory sold generally collateralize these notes. The Company also from time-to-time receives notes for delinquent franchise service fees. Such notes, as of December 31, 2024 and 2023, bear interest at rates typically ranging from 9% to 12% and generally require equal monthly installments over a life of one to ten years.

A summary of trade notes receivable as of December 31 is as follows:

	2024	2023
Amounts due within one year, net of allowance for credit losses of $1,167 and $464 as of December 31, 2024 and 2023, respectively	**$ 7,776**	$ 9,777
Amounts due after one year, net of allowance for credit losses of $2,105 and $2,155 as of December 31, 2024 and 2023, respectively	**13,577**	15,894
Total trade notes receivable, net	**$ 21,353**	$ 25,671

An analysis of the changes in trade notes receivable is as follows:

	Year Ended December 31, 2024	2023
Gross trade notes receivable, beginning of period	**$ 28,290**	$ 30,228
Principal payments received	**(17,660)**	(16,605)
Notes issued	**14,978**	15,243
Net write-offs	**(946)**	(574)
Foreign currency translation	**(37)**	(2)
Gross trade notes receivable, end of period	**24,625**	28,290
Allowance for credit losses	**(3,272)**	(2,619)
Net trade notes receivable, end of period	**$ 21,353**	$ 25,671

An analysis of the changes in the trade notes receivable allowance is as follows:

	Year Ended December 31, 2024	2023
Allowance, beginning of period	**$ 2,619**	$ 1,874
Provision for credit losses	**1,600**	1,303
Net write-offs	**(946)**	(574)
Foreign currency translation	**(1)-**	16
Allowance, end of period	**$ 3,272**	$ 2,619

Scheduled future maturities of trade notes receivable are as follows:

Years ending December 31,	
2025	$ 8,943
2026	5,208

2027	4,086
2028	2,957
2029	2,011
Thereafter	1,420
	$ 24,625

7. Property and Equipment

A summary of property and equipment as of December 31 is as follows:

	2024	2023
Land	**$ 2,561**	$ 1,720
Building and improvements	**36,403**	31,157
Machinery and equipment	**10,690**	8,843
Hardware	**8,564**	6,519
Software	**54,907**	40,940
Furniture and fixtures	**2,033**	4,234
Vehicles	**12,151**	9,428
Vehicles under financing lease	**25,150**	19,028
Total property and equipment	**152,459**	121,869
Less accumulated depreciation	**(60,301)**	(32,732)
Property and equipment – net	**$ 92,158**	$ 89,137

Depreciation expense was $26,846 and $20,219 for the years ended December 31, 2024 and 2023, respectively.

8. Leases

The Company's primary operating lease commitments consist of leases for office and retail space for its company-operated stores and corporate offices. The Company leases vehicles under financing lease agreements expiring at various dates through 2029.

We determine whether an agreement contains a lease at inception based on our right to obtain substantially all of the economic benefits from the use of the identified asset and the right to direct the use of the identified asset. The Company does not to recognize a right-of-use asset and a lease liability for leases with an initial term of twelve months or less. Lease liabilities represent the present value of future lease payments and the right-of-use (ROU) assets represent our right to use the underlying assets for the respective lease terms. The Company does not separate lease and non-lease components for new and modified leases after the adoption date, and instead accounts for each separate lease component of a contract and its associated non-lease components as a single lease component.

The operating lease liability is measured as the present value of the unpaid lease payments and the ROU asset is derived from the calculation of the operating lease liability. Other than for leased vehicles, our leases do not generally provide an implicit rate and we use our incremental borrowing rate as the discount rate to calculate the present value of lease payments. The incremental borrowing rate represents an estimate of the interest rate that would be required to borrow over a similar term, on a collateralized basis in a similar economic environment.

Rent escalations occurring during the term of the leases are included in the calculation of the future minimum lease payments and the rent expense related to these leases is recognized on a straight-line basis over the lease term. In addition to minimum lease payments, certain leases require payment of a proportionate share of real estate taxes and certain building operating expenses allocated on a percentage of sales in excess of a specified base. These variable lease costs are not included in the measurement of the ROU asset or lease liability due to unpredictability of the payment amount and are recorded as lease expense in the period incurred. The ROU asset is adjusted to account for previously recorded lease-related expenses such as deferred rent and other lease liabilities.

The components of lease cost are as follows (in thousands):

	December 31, 2024	2023
Operating lease cost	$ **7,149**	$ 7,855
Variable lease cost	**324**	272
Finance lease cost:		
Amortization of right-of-use assets	**7,849**	5,079
Interest on lease obligations	**1,088**	720
Total lease cost	$ **16,411**	$ 13,926

The table below presents additional information related to the Company's leases:

	December 31, 2024	2023
Weighted average remaining lease term (in years):		
Operating leases	**5.1**	5.2
Finance leases	**2.5**	3.2
Weighted average discount rate:		
Operating leases	**4.2**%	3.4%
Finance leases	**6.3**%	6.1%

Other information related to leases, including supplemental disclosures of cash flow information, is as follows (in thousands):

	For the Years Ended December 31, 2024	2023
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	**$ 7,359**	$ 7,857
Operating cash flows from finance leases	**861**	572
Financing cash flows from finance leases	**4,749**	3,455
Right-of-use assets obtained in exchange for operating lease liabilities	**1,876**	2,620

Maturities of lease liabilities are as follows as of December 31, 2024 (in thousands):

Years ending December 31,	Operating leases	Finance leases	Total
2025	$ 6,132	$ 6,692	$ 12,823
2026	5,057	6,941	11,998
2027	3,423	2,854	6,277
2028	2,902	1,134	4,035
2029	2,029	210	2,240
Thereafter	4,089	-	4,089
Total lease payments	$ 23,631	$ 17,831	$ 41,462
Less: Interest	2,591	1,612	4,203
Total lease liabilities	$ 21,040	$ 16,219	$ 37,258
Less: Current lease liabilities	5,401	5,941	11,342
Non-current lease liabilities	$ 15,639	$ 10,278	$ 25,917

Rent expense for operating leases was $7,149 for the year ended December 31, 2024. Total lease cost was $16,411 for the year ended December 31, 2024, including finance lease costs and variable lease costs. Rent expense for operating leases was $7,855 for the year ended December 31, 2023. Total lease cost was $13,926 for the year ended December 31, 2023, including finance lease costs and variable lease costs.

9. Income Taxes

The income tax benefit is as follows:

For the years ending December 31,	2024	2023
Current:		
Federal	**$ 10,911**	$ 16,845
State	**2,002**	2,958
Foreign	**(202)**	766
Total current	**12,710**	20,569
Deferred:		
Federal	**(18,525)**	(32,983)
State	**(979)**	(5,619)
Foreign	**(1,147)**	(5,757)
Total deferred	**(20,651)**	(44,359)
Total income tax benefit	**$ (7,941)**	$ (23,790)

A reconciliation of the income tax benefit at statutory rates to the income tax benefit at effective is as follows:

For the years ending December 31,	2024	2023
Federal income taxes at statutory rate	**$ (9,882)**	$ (97,180)
State taxes	**602**	(3,282)
Permanent differences	**1,452**	77,266
Foreign currency adjustment	**6**	55
Tax rate change	**-**	(258)
Deferred balance adjustment	**63**	1,653
Tradename sale to SPV	**-**	(914)
Other NOL	**29**	-
Payables adjustment	**(1,581)**	(1,130)
Other	**1,370**	-
Total income tax benefit	**$ (7,941)**	$ (23,790)

The Company's effective income tax rate is 16.87% and 5.14% for the years-ended December 31, 2024 and 2023, respectively. The Company's overall global effective income tax rate differs from the statutory US Federal income tax rate of 21.00% due to state income taxes and the state income

tax rate change applied to the Company's net US deferred tax liabilities, , and adjustments to the beginning of the tax period accounts.

The components of deferred income tax assets and liabilities as of December 31 are as follows:

	2024	2023
Deferred tax assets:		
Accounts receivable allowance	$ 777	$ 540
Accrued expenses	439	1,670
Notes receivable allowance	794	820
Net operating loss carryforwards	599	513
Interest expense limitation	43,200	32,083
Deferred revenue	15,342	13,850
Operating lease liability	4,669	6,569
Other	3,358	3,423
Total deferred tax assets	69,178	59,468
Deferred tax liabilities:		
Prepaid expenses	(1,052)	(562)
Property and equipment	(10,093)	(8,946)
Intangible assets and goodwill	(250,731)	(263,703)
Interest rate swap	(6)	(6)
Operating lease right-of use assets	(5,007)	(6,845)
Other	(1,927)	(186)
Total deferred tax liabilities	(268,816)	(280,248)
Net deferred tax liabilities	$ (199,638)	$ (220,780)

For the periods ended December 31, 2024 and 2023, no change was recorded for uncertain tax provisions, and the balance was ($641). As of December 31, 2024, no interest or penalty has been accrued or recognized by the Company related to ASC 740-10 Income Taxes.

The Company reported net operating losses in the following jurisdictions as of December 31:

Jurisdiction		**2024**		2022	Expiration
US Federal	**$**	**-**	$	-	Indefinite
US State		**17,100**		17,085	Various
United Kingdom		**-**		-	Indefinite
Germany		**-**		-	Indefinite
Austria		**-**		-	Indefinite
Canada		**-**		91	20 Years
Total	**$**	**17,100**	$	17,176	

The Company files a US consolidated federal income tax return for Nest Holdings, Inc. and Subsidiaries which includes Neighborly Company. State returns are filed on either a separate company or consolidated return basis. The company also files separate returns where required for the various LLC entities. The Company's subsidiaries file income tax returns in Canada, Germany, the UK and Austria.

The Company files US state income tax returns in nearly every state in the US. Many of the state return filings reflect net operating loss carryovers computed on a post-apportionment basis, while several states compute operating loss carryovers on a pre-apportionment basis. The US state income tax effect of the net operating loss carryforwards, net of federal income tax, amounted to $1,048 and $938 at December 31, 2024 and 2023, respectively. The state net operating losses have varying carryover periods. The Company expects to fully utilize all net operating loss carryovers prior to expiration.

The Company has no current or pending IRS examinations. US Federal income tax returns for years ended August 31, 2021, December 31, 2021, December 31, 2022, and December 31, 2023 remain open for examination. State income tax returns remain open for similar years, and several states having a longer statute remain open for examination. The Company has timely filed all federal and state income tax returns.

The UK entities have no prior or pending tax examinations with HMRC. The UK corporation tax process is one of self-assessment. Following filing of the tax return, HMRC has a period of (usually) 12 months in which to raise formal inquiries. These can range from simple information requests to detailed technical challenges over treatments adopted in the tax return. HMRC has made no requests. The December 31, 2023, corporate tax returns remain open for examination. The UK entities have timely filed all corporate income tax returns.

The German entities are currently under review by the BZSt. The statute of limitations for examination is four (4) years from the end of the year in which the return was filed. Tax returns for years ended December 31, 2020, and forward remain open for examination. The German entities have timely filed all corporate income tax returns.

The US and foreign entities operate under transfer pricing agreements that control the pricing of intercompany management services, interest and royalties.

The Company has both the intent and ability to reinvest foreign earnings, therefore deferred tax liabilities have not been recorded on either unremitted earnings, components of other comprehensive income, or applicable foreign withholding taxes.

10. Related Party Transactions

On September 1, 2021, a Monitoring Agreement was entered into with Kohlberg Kravis Roberts & Co and Harvest Partners under which the Company will pay certain fees and expenses under the terms of the Monitoring Agreement. For the years ended December 31, 2024 and 2023, the Company recognized management and board fees and expenses of $3,641 and $4,638, respectively, in the Management and board fees and expenses line item in the Company's consolidated statements of operations. Additionally, the Company paid $750 to a related party in the year ended December 31, 2024 for services related to the 2024 VFN Facility. These costs are included in general and administrative expenses on the Consolidated Statement of Operations.

11. Contingencies

The Company is engaged in various legal proceedings incidental to its normal business activities. Management has determined that it is not probable that the Company has incurred any loss contingencies as defined in FASB ASC Topic 450, Contingencies. Accordingly, no liabilities have been accrued for these matters as of December 31, 2024 and 2023. Management believes that the outcome of such matters will not have a material effect on the Company's consolidated financial statements.

12. Employee Benefit Plan

The Company sponsors a 401(k) plan covering the majority of its employees. Plan participants may contribute up to 70% (subject to Internal Revenue Service limitations) of their annual compensation before taxes for investment in several specified alternatives. Employees are fully vested with respect to their contributions. The Company may match a percentage of employee contributions as determined at the discretion of the Board of Directors. Company contributions recognized totaled $2,939 and $2,599 for the years ended December 31, 2024, and 2023, respectively.

13. Subsequent Events

In preparation of its financial statements, the Company considered subsequent events through March 31, 2024, which was the date the Company's financial statements were available to be issued.

Neighborly Company and Subsidiaries

Consolidated Financial Statements
As of December 31, 2023 and 2022 and
for the years ended December 31, 2023 and 2022

Neighborly Company
and Subsidiaries

Consolidated Financial Statements
As of December 31, 2023 and 2022 and
for the years ended December 31, 2023 and 2022

Neighborly Company and Subsidiaries

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Report of Independent Auditors

To the Board of Directors and Stockholders of Neighborly Company and Subsidiaries

Opinion

We have audited the consolidated financial statements of Neighborly Company and subsidiaries (the Company), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the related consolidated statements of operations and comprehensive income (loss), changes in stockholder's equity and cash flows for the years then ended, and the related notes (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2023 and 2022, 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 for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 the Company 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 the 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 of 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, that raise substantial doubt about the Company's ability to continue as a going concern for 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 of material misstatement, whether due to fraud or error, and to issue an

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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 GAAS 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 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 GAAS, 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 the Company'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.

Ernst & Young LLP

Dallas, Texas
April 1, 2024

Consolidated Financial Statements

Neighborly Company and Subsidiaries

Consolidated Balance Sheets
($000's)

As of December 31,	**2023**	2022
Assets		
Current assets		
Cash	**$ 43,416**	$ 55,741
Restricted cash	**28,636**	26,363
Trade accounts receivable – net	**44,566**	43,474
Trade notes receivable - current portion – net	**9,777**	8,461
Inventories	**4,007**	4,632
Income tax receivable	**1,880**	358
Prepaid selling expenses - current	**3,959**	3,143
Other current assets	**2,839**	8,898
Total current assets	**139,080**	151,070
Property and equipment – net	**89,137**	71,442
Operating lease right of use assets	**27,227**	27,904
Prepaid selling expenses – less current portion	**19,104**	16,882
Trade notes receivable – less current portion - net	**15,894**	19,893
Intangible assets – net	**1,425,724**	1,525,073
Goodwill	**1,741,101**	2,154,115
Other non-current assets	**2,128**	2,766
Total assets	**$ 3,459,395**	$ 3,969,145

Neighborly Company and Subsidiaries

Consolidated Balance Sheets (continued)
($000's, except share and per share amounts)

As of December 31,	**2023**	2022
Liabilities and Stockholder's Equity		
Current liabilities		
Trade accounts payable	**$ 15,962**	$ 22,199
Accrued liabilities	**56,589**	62,940
Deferred revenue - current	**17,760**	15,688
Current portion of long-term debt	**10,488**	10,627
Current portion of operating lease liabilities	**6,925**	6,681
Current portion of finance lease obligations	**4,426**	2,659
Total current liabilities	**112,150**	120,794
Long-term debt - less current portion	**1,451,356**	1,175,523
Operating lease obligations – less current portion	**21,302**	22,141
Finance lease obligations – less current portion	**10,187**	4,053
Deferred tax liabilities	**220,780**	261,098
Deferred revenue - less current portion	**73,850**	64,676
Other non-current liabilities	**1,696**	1,971
Commitments and Contingencies (Notes 8 and 11)		
Stockholder's equity		
Common stock-par value $0.01 per share; 100 shares authorized, issued and outstanding	**-**	-
Additional paid-in capital	**2,100,435**	2,420,959
Accumulated deficit	**(489,405)**	(50,587)
Accumulated other comprehensive loss	**(42,956)**	(51,483)
Total stockholder's equity	**1,568,074**	2,318,889
Total liabilities and stockholder's equity	**$ 3,459,395**	$ 3,969,145

See accompanying notes to consolidated financial statements

Neighborly Company and Subsidiaries

Consolidated Statements of Operations and Comprehensive Income (Loss) ($000's)

For the years ended December 31,	2023	2022
Revenues and income		
Franchise service fees	$ **194,731**	$ 176,281
Franchise sales fees	**38,441**	20,655
Sales of products and services	**288,146**	263,318
Advertising and promotional fund revenue	**53,320**	50,870
Other revenue	**39,026**	38,056
Total revenues and income	**613,664**	549,180
Cost of Sales		
Products and services	**169,627**	154,815
Gross Profit	**444,037**	394,365
Selling expense	**26,179**	21,506
General and administrative expense	**196,985**	172,713
Advertising and promotional fund expense	**58,124**	54,235
Equity-based compensation expense	**4,194**	3,414
Depreciation and amortization	**116,929**	104,943
Management and board fees and expenses	**4,638**	5,207
Transaction costs	**-**	3,067
Loss on impairment of goodwill and tradenames	**428,286**	51,454
Bad debt expense	**2,812**	2,398
Operating loss	**(394,110)**	(24,572)
Other expenses		
Interest expense	**68,756**	45,552
Total other expenses	**68,756**	45,552
Net loss before income taxes	**(462,866)**	(70,124)
Income tax benefit	**(23,790)**	(34,378)
Net loss	**(439,076)**	(35,746)
Other comprehensive income/(loss)		
Foreign currency translation adjustment, before tax	**8,527**	(45,261)
Income tax expense/(benefit) related to items of other comprehensive income/(loss)	**2,132**	(11,315)
Other comprehensive income/(loss), net of tax	**6,395**	(33,946)
Comprehensive loss	$ **(432,681)**	$ (69,692)

See accompanying notes to consolidated financial statements.

Neighborly Company and Subsidiaries

Consolidated Statements of Changes in Stockholder's Equity
($000's, except share amounts)

	Common Stock		*Additional Paid - In*	*Accumulated*	*Accumulated Other Comprehensive*	
	Shares	*Amount*	*Capital*	*Deficit*	*Income (Loss)*	*Total*
Balance – December 31, 2021	100	$ -	$ 2,576,318	(14,841)	$ (6,222)	$ 2,555,255
Distribution to parent	-	-	(431,965)	-	-	(431,965)
Equity contribution	-	-	241,794	-	-	241,794
Equity contribution for acquisitions	-	-	31,398	-	-	31,398
Equity-based compensation	-	-	3,414	-	-	3,414
Foreign currency translation adjustment	-	-	-	-	(45,261)	(45,261)
Net loss	-	-	-	(35,746)	-	(35,746)
Balance - December 31, 2022	**100**	**$ -**	**$ 2,420,959**	**$ (50,587)**	**$ (51,483)**	**$ 2,318,889**
Adoption of accounting principle				258		258
Distribution to parent	-	-	(324,718)	-	-	(324,718)
Equity-based compensation	-	-	4,194	-	-	4,194
Foreign currency translation adjustment	-	-	-	-	8,527	8,527
Net loss	-	-	-	(439,076)	-	(439,076)
Balance - December 31, 2023	**100**	**$ -**	**$ 2,100,435**	**$ (489,405)**	**$ (42,956)**	**$ 1,568,074**

See accompanying notes to consolidated financial statements.

Neighborly Company and Subsidiaries

Consolidated Statements of Cash Flows
($000's)

For the years ended December 31,	2023	2022
Operating activities		
Net loss	$ (439,076)	$ (35,746)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	116,929	104,943
Amortization of deferred financing costs	4,164	1,447
Loss on impairment of goodwill and tradenames	428,286	51,454
Bad debt expense	2,812	2,398
Notes received	(15,243)	(13,059)
Collections of notes receivable	16,605	13,965
Deferred income taxes	(44,346)	(44,898)
(Gain) loss on disposal of assets	-	(538)
Equity-based compensation	4,194	3,414
Changes in assets and liabilities, net of business acquisitions:		
Trade accounts receivable	(1,403)	(11,523)
Inventories	626	(1,281)
Prepaid selling expenses and other assets	3,722	(3,903)
Trade accounts payable	(6,249)	4,116
Accrued liabilities	(8,512)	8,264
Other non-current liabilities	(275)	(203)
Income tax receivable	(1,519)	(1,530)
Change in operating lease assets and liabilities	3,535	2,347
Deferred revenue	11,246	6,045
Net cash provided by operating activities	75,496	85,712
Investing activities		
Acquisitions, net of cash received	-	(254,373)
Purchase of property, equipment and other assets	(27,931)	(18,930)
Net cash used in investing activities	(27,931)	(273,303)
Financing activities		
Equity contribution	-	241,794
Distributions paid	(324,718)	(431,965)
Deferred financing costs paid	(13,866)	(9,380)
Proceeds from revolver	25,000	-
Payments on principal portion of finance lease liabilities	(3,455)	(1,773)
Payments on long-term borrowings	(14,323)	(11,679)
Proceeds from long-term borrowings	275,000	410,915
Net cash provided by/(used in) financing activities	(56,362)	197,912
Effect of foreign currency translation on cash	(1,255)	(1,002)
Net increase (decrease) in cash and restricted cash	(10,052)	9,319
Cash and restricted cash - Beginning of period	82,104	72,785
Cash and restricted cash - End of period	72,052	82,104
Supplemental cash flow disclosures:		
Cash paid (refunds received) for income taxes	$ 15,829	$ 3,734
Cash paid for interest	$ 60,258	$ 40,950
Non-cash equity contribution for acquisitions	$ -	$ 31,398

See accompanying notes to consolidated financial statements.

1. Organization and Description of Business

Organization and Description of Business

Neighborly Company and Subsidiaries ("we", "our", "Neighborly" and the "Company") is a Delaware corporation and is the parent company of a number of franchisors and related supporting businesses operating in the United States (the "US") and internationally which include the following companies: Mr. Rooter, Rainbow International, Mr. Electric, Aire Serv, Mr. Appliance, Glass Doctor, Grounds Guys, Molly Maid, Mr. Handyman, Five Star Painting, Mosquito Joe, Real Property Management, Window Genie, HouseMaster, Dryer Vent Wizard, ShelfGenie, Precision Door Service, Restoration 1, Junk King, Lawn Pride, ZorWare, Drain Doctor, Locatec, Countrywide, Bright and Beautiful, Dream Doors, Greensleeves, and ProTradeNet.

In addition, the Company owns and operates non-franchisor entities as follows: Portland Glass, which offers auto, home, and business glass repair and replacement through company owned stores located in Maine, Vermont, and New Hampshire; Pimlico Plumbers, which offers repair and maintenance services, concentrated in central London; Plumb Enterprises, which offers full plumbing, drain and sewer cleaning services, excavation, and repairs to customers in Colorado; and Lawn Pride, which offers lawn care and maintenance services through the application of fertilizer, as well as pest control, in Indiana.

Acquisition of the Company

On June 29, 2021, Kohlberg Kravis and Roberts ("KKR"), and associated co-investors formed Nest Bidco Inc. which, on September 1, 2021, purchased 100% of the shares of Balcones Holdco, Inc., the parent company of Neighborly, from TDG Investment Holdings, LP. Nest Bidco Inc. is an indirectly wholly owned subsidiary of Nest Holdings LP, which is the ultimate parent company of the newly formed business. The transaction was effected to add Neighborly to KKR's investment portfolio, and allows Neighborly to gain access to KKR's capital and resources.

Acquisitions

During 2023, the company made no acquisitions.

During 2022, the Company acquired Lawn Pride in August, Greensleeves in October and Junk King in November, and repurchased three of its previously franchised Mr. Rooter territories in March, each of which operates in the home services industry. The purchase price of the acquisitions of $290,364, comprised of $258,870 of cash, consideration payable of $96, and $31,398 of rollover equity, has been allocated to the assets acquired and liabilities assumed by the Company based on independent valuation studies and management estimates of their fair value in accordance with FASB ASC Topic 805, Business Combinations, on the date of acquisition. The Company acquired 100% ownership of these entities, or acquired certain assets, to gain control and access to the intellectual property of each.

The total purchase price was allocated as follows:		
Working capital	$	4,326
Capital lease obligations		(613)
Other long-term assets		2,507
Property and equipment		10,486
Tradenames		80,287
Developed technology		320
Franchise relationships		9,830
Franchise rights		5,400
Customer relationships		12,400
National accounts		830
Goodwill		168,868
Other long term debt		(3,712)
Deferred tax liability		(565)
Total consideration transferred	$	290,364

For the period ending December 31, 2022, the goodwill recognized is attributable to intangible assets not qualifying for separate recognition. The Company currently expects to be able to deduct goodwill of $135,695 for tax purposes. Transaction costs totaling $3,067 were incurred at closing and are included in the accompanying Consolidated Statements of Operations and Comprehensive Income (Loss).

2. Summary of Significant Accounting Policies

Recent Accounting Pronouncements

In June 2016, the FASB issued ASU No. 2016-13, Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments. ASU 2016-13 amends the impairment model by requiring entities to use a forward-looking approach based on expected losses to estimate credit losses on certain types of financial instruments, including trade receivables. In November 2018, the FASB issued ASU No. 2018-19, Codification Improvements to Topic 326, Financial Instruments - Credit Losses ("ASU 2018-19"), which clarifies that receivables arising from operating leases are accounted for using lease guidance and not as financial instruments. In April 2019, the FASB issued ASU No. 2019-04, Codification Improvements to Topic 326, Financial Instruments - Credit Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments ("ASU 2019-04"), which clarifies the treatment of certain credit losses. In May 2019, the FASB issued ASU No. 2019-05, Financial Instruments - Credit Losses (Topic 326): Targeted Transition Relief ("ASU 2019-05"), which provides an option to irrevocably elect to measure certain individual financial assets at fair value instead of amortized cost. In November 2019, the FASB issued ASU No. 2019-11, Codification Improvements to Topic 326, Financial Instruments - Credit Losses ("ASU 2019-11"), which provides guidance around how to report expected recoveries. ASU 2016-13, ASU 2018-19, ASU 2019-04, ASU 2019-05 and ASU 2019-11 (collectively, "ASC 326") are effective for fiscal years beginning after December 15, 2022, with early adoption permitted.

The Company adopted ASU 2016-13 using the modified retrospective adoption method on January 1, 2023, which was retroactively applied as of the first day of 2023. Upon adoption of this guidance, the Company recognized a decrease to its allowance for credit losses of $0.2 million and a corresponding adjustment to accumulated deficit, net of tax.

Principles of Consolidation and Variable Interest Entities

The accompanying consolidated financial statements as of December 31, 2023 and 2022 include the accounts of the Company and its wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

FASB ASC Topic 810-10, Consolidation, applies to certain entities in which equity investors do not have the characteristics of a controlling financial interest or do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support. Such an entity is referred to as a variable interest entity ("VIE"). FASB ASC Topic 810-10 requires the consolidation of a VIE by its primary beneficiary. The primary beneficiary is the entity, if any, that has the power to direct activities of a VIE that most significantly impact the VIE's economic performance and has the obligation to absorb losses or the right to receive benefits of the VIE that could potentially be significant to the VIE.

Neighborly Assetco LLC ("Assetco") is a direct, wholly owned subsidiary of Neighborly Issuer LLC (the "Issuer"), which is a special purpose Delaware limited liability company and a direct, wholly owned subsidiary of Neighborly SPV Guarantor LLC (the "SPV Guarantor"), which is a special purpose Delaware limited liability company that is an indirect, wholly owned subsidiary of Neighborly (the "Manager").

Assetco's subsidiaries are comprised of a number of franchisors and related supporting businesses operating in the US and internationally and include the following businesses: Aire Serv SPV LLC, Mr. Electric SPV LLC, The Grounds Guys SPV LLC, Rainbow International SPV LLC, Glass Doctor SPV LLC, Mr. Appliance SPV LLC, Mr. Rooter SPV LLC, Molly Maid SPV LLC, Mr. Handyman SPV LLC, Five Star Painting SPV LLC, Window Genie SPV LLC, Real Property Management SPV LLC, Mosquito Joe SPV LLC, HouseMaster SPV LLC, Dryer Vent Wizard SPV LLC, ShelfGenie SPV LLC, Precision Door Service SPV LLC, Junk King SPV LLC, and Lawn Pride SPV LLC (each an "SPV Franchisor" and together the "SPV Franchisors") and ProTradeNet SPV LLC, Neighborly Service Solutions SPV LLC, Back Office SPV LLC, G-O Manufacturing SPV LLC, Zorware SPV LLC, NBLY Co Ops CO SPV LLC, NBLY Co Ops WA SPV LLC, NBLY Co Ops AZ SPV LLC, NBLY Co Ops IN SPV LLC, Trench Right SPV LLC, Trench Right WA SPV LLC, Dig Boss SPV LLC, NBLY Logistics SPV LLC, and Pimlico SPV Limited (each a "Non-Franchisor SPV Entity" and together the "Non-Franchisor SPV Entities"), each of which is a direct, wholly owned subsidiary of Assetco.

Assetco holds all the equity interests in the SPV Franchisors and the Non-Franchisor SPV Entities, certain intellectual property, certain license agreements and certain vendor agreements. Each SPV Franchisor holds the tradenames and the franchise agreements related to such brand and any product supply agreements or vendor agreements related to such brand. The Non-Franchisor SPV Entities hold certain tradenames, certain product supply agreements, certain vendor agreements and the office service agreements.

Neighborly SPV Guarantor LLC, Neighborly Issuer LLC, and Neighborly Assetco LLC (collectively with the SPV Franchisors and the Non-Franchisor SPV Entities are referred to as "Securitization Entities") were formed in connection with a financing transaction (the "Securitization Transaction"), which was completed on March 25, 2021 and on subsequent dates thereafter (see Note 3).

The Company has determined that the Securitization Entities qualify as VIE's and that Neighborly is the primary beneficiary, having both power and benefits, of the Securitization Entities and accordingly, consolidation is concluded.

Reclassifications

Certain reclassifications have been made to conform prior year balances to the current year presentation. Payments on principal of finance lease liabilities have been included in financing activities in the accompanying Consolidated Statements of Cash Flow. None of the reclassifications affected our net loss in the prior year.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America 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 consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition, Accounts Receivable, Notes Receivable, and Allowances

The Company's primary sources of revenue are as follows:

- Franchise service fees from existing franchise owners based on a percentage of each franchise owner's gross sales. These fees generally range from 2% to 15% of the franchise owner's weekly sales, depending upon the particular franchise concept and upon various other factors;

- Franchise sales fees generated from the sale of new franchise territories and the sale of additional franchise territories to existing franchise owners;

- Sales of products and services to unrelated third parties;

- Advertising and promotional fund revenue represents marketing, advertising and promotional ("MAP") fund fees collected from existing franchise owners. These fees are typically a percentage of each franchise owner's gross sales and vary depending upon the particular franchise concept and various other factors;

- Other revenue consists of incentives earned from services performed for unrelated third parties and interest generated from notes receivable.

Typically, franchise agreements are granted to franchise owners for an initial term of ten years with an option to renew. Our performance obligations under franchise agreements consist of providing a license of our brand's intellectual property, a list of approved suppliers, certain training programs, an operations manual, and to maintain the MAP fund. These performance obligations are highly interrelated and we do not consider them to be individually distinct, and therefore account for them as a single performance obligation, which collectively represent the obligation to provide a license for the right to use our brand's intellectual property. Revenue related to franchise agreements is recognized on a straight-line basis over the term of the agreement, with the exception of variable

or sales-based royalties, MAP fund fees collected and revenue allocated to goods and services and other variable fees which are recognized as the underlying sales occur and performance obligations are satisfied.

In the event a franchise agreement is terminated, without a corresponding agreement executed by the same franchise owner, any remaining deferred fees are recognized in the period of termination.

The Company periodically extends credit to entities for the purchase of franchises. These entities are typically controlled by individuals who operate their businesses as an owner/manager. Generally, the notes receivable are collateralized by the related franchise territory rights. The Company also extends unsecured credit to its franchise owners for unpaid franchise service fees. The Company places notes receivable on nonaccrual status when payment is ninety days past due, and ceases to recognize revenue from interest on the note until such time as the note is no longer past due. Interest on trade notes receivable is recorded as revenue when earned. Each entity's ability to perform is dependent upon the economic condition of the business. The Company maintains ongoing credit evaluations of its franchise owners.

The Company adopted ASU 2016-13, Financial Instruments - Credit Losses, on January 1, 2023, which was retroactively applied as of the first day of 2023, as further described above. This accounting standard requires companies to measure expected credit losses on financial instruments based on the total estimated amount to be collected over the lifetime of the instrument. Prior to the adoption of this accounting standard, the Company recorded incurred loss reserves against receivable balances based upon past loss experience, known and inherent risks in the accounts, adverse situations that may affect a franchise owner's ability to repay, and current economic conditions.

Expected credit losses for uncollectible receivable balances consider both current conditions and reasonable and supportable forecasts of future conditions. Current conditions considered include pre-defined aging criteria, as well as specified events that indicate the balance due is not collectible. Reasonable and supportable forecasts used in determining the probability of future collection consider publicly available macroeconomic data and whether future credit losses are expected to differ from historical losses.

Franchise service fee revenues represent sales-based royalties that are related entirely to our performance obligation under the franchise agreement and are recognized in the period in which the sales occur. Sales-based royalties are variable consideration related to our performance obligations to our franchise owners to maintain the intellectual property being licensed.

We have determined we act as the principal in the transaction related to the MAP fund contributions and expenditures. MAP fund contributions and expenditures are reported on a gross basis in the accompanying Consolidated Statements of Operations and Comprehensive Income (Loss). Our obligation related to these funds is to administer the MAP fund, keep unused MAP fees in segregated bank accounts and use MAP fees for certain activities related to the marketing and promotion of the individual brands. As noted above, we have concluded the advertising services provided to franchise owners are highly interrelated with the franchise rights and not a distinct performance obligation; therefore, revenues from MAP fund fees are recognized as advertising and promotion fund revenue when the related sales occur based on the application of the sales-based royalty exception within ASC 606, Revenue from Contracts with Customers.

Revenues from product sales are recognized upon transfer of title, when delivered to the customer, when the work is performed, or orders are shipped. Incentives earned are recognized as services are performed.

Contract Balances

The contract liabilities which we classify as "deferred revenue" consist primarily of the unamortized portion of initial franchise fees that are currently being recognized into revenue, amounts related to pending agreements, or other deferred revenues not related to franchise agreements. Contract deferred franchise revenue represents our remaining performance obligations to our franchise owners, as we account for our highly interrelated obligations as a single performance obligation, which collectively represent the obligation to provide a license for the right to use our brand's intellectual property excluding amounts of variable consideration related to sale-based royalties and advertising. The other deferred revenues not related to the franchise agreements are included in current deferred revenue.

The components of the change in deferred revenue are as follows:

For the years ended December 31,		***2023***		2022
Balance at beginning of period	**$**	**80,364**	$	72,091
Fees received from franchise owners		**49,188**		26,170
Franchise sales fee revenue recognized		**(38,441)**		(20,655)
Deferred revenue from acquisitions		**-**		3,497
Other changes in deferred revenue		**499**		(739)
Balance at end of period		**91,610**		80,364
Less: current portion		**17,760**		15,688
Deferred revenue noncurrent	**$**	**73,850**	$	64,676

Revenue deferred as of December 31, 2022 and recognized in the period from January 1, 2023 through December 31, 2023 was $20,133. Revenue deferred as of December 31, 2021 and recognized in the period from January 1, 2022 through December 31, 2022 was $12,893.

As of December 31, 2023, the deferred revenue expected to be recognized for each of the next five years and in the aggregate is as follows:

Years ending December 31,		
2024	$	17,760
2025		11,841
2026		11,538
2027		11,088
2028		10,370
Thereafter		29,013
	$	91,610

Direct, incremental selling expenses incurred when the franchise agreement is executed are recorded as a contract asset and amortized over the life of the agreement consistent with the recognition of the deferred revenue. Contract assets are included in current and non-current prepaid selling expenses in the accompanying Consolidated Balance Sheets. For the year ended December 31, 2023, $8,883 of costs were paid and expense of $5,845 is included in general and administrative expense in the accompanying Consolidated Statements of Operations and Comprehensive Income (Loss). For the year ended December 31, 2022, $6,843 of costs were paid and expense of $5,584 was recognized. The ending asset for deferred contract costs as of December 31, 2023 was $23,063, of which $3,959 was current. The ending asset for deferred contract costs as of December 31, 2022 was $20,025, of which $3,143 was current.

Advertising

The Company expenses advertising costs as incurred. Advertising expense was $28,772 for the year ended December 31, 2023 and was $22,669 for the year ended December 31, 2022. Advertising expense is included in general and administrative expense in the accompanying Consolidated Statements of Operations and Comprehensive Income (Loss).

Inventories

Inventories consist of products to be sold and are stated at the lower of cost (first-in, first-out method) or net realizable value.

Property and Equipment

With the exception of land, which is not depreciated, property and equipment is stated at cost and is depreciated using the straight-line method over the estimated useful lives of the respective assets which are generally as follows: buildings (30 years) and building improvements (5-10 years), capped at the lease life for leasehold improvements; machinery, equipment, and vehicles (5-10 years); furniture and fixtures (5 years); and hardware and software (3 years). Additions, renewals, and betterments are capitalized; maintenance and repairs which do not extend the useful life of the asset are expensed as incurred.

Management evaluates long-lived assets used in operations for impairment when indicators of impairment are present. Impairment losses are recorded in the amount that carrying value exceeds fair market value when the undiscounted cash flows estimated to be generated by those assets are less than the carrying amount of the assets. No impairment losses for property and equipment were recorded for the year ended December 31, 2023.

Goodwill

Goodwill represents the excess of the consideration transferred over the fair value of the identifiable net assets acquired. The Company tests goodwill annually for impairment, or earlier if events or changes in circumstances indicate that impairment may exist. Management's impairment tests are generally performed as of October 1st annually. The Company's current goodwill balance resulted from the acquisition of the Company as of September 1, 2021, and from the Company's acquisitions in the successor period, as discussed in Note 1.

The Company performed a qualitative assessment of its goodwill as of October 1, 2023 and concluded that indicators of impairment existed for certain of its reporting units, based on trends in financial performance. Additionally, upon measurement using present value techniques including the income approach and the market approach, the Company's weighted average cost of capital increased, due to increasing interest rates, combined with operating performance, unfavorably impacting the calculated fair value of those reporting units. Accordingly, a goodwill impairment charge of $417,591 was recorded in 2023.

Intangible Assets

Intangible assets consist of tradenames, franchise relationships, national accounts, insurance company relationships, customer relationships, re-acquired franchise rights, developed technology, copyrights, and domain name, and are stated at their estimated fair value as of the date of acquisition, less subsequent amortization. The Company's intangible assets are definite lived, other than domain name, which is indefinite lived.

For definite lived intangible assets, when events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable, the Company evaluates the definite lived intangible assets for impairment by comparing the carrying value to the anticipated future undiscounted cash flows expected to be generated from the use of the intangible assets. If the carrying amount is not recoverable, a loss is recorded in the amount the carrying value exceeds the fair market value of the assets. Impairment expense of $10,695 was recorded in the year ended December 31, 2023, and none was recorded in the year ended December 31, 2022.

Tradenames are amortized over their estimated useful life, which ranges from three years to 20 years, using the straight-line method. Franchise relationships, national accounts relationships, and insurance company relationships are amortized over their estimated useful lives of 15 years, using the straight-line method. Customer relationships are amortized over their estimated useful life of three to 10 years, using the straight-line method. Reacquired franchise rights are amortized over the remaining life of the reacquired agreements, between one to seven years, using the straight-line method. Copyrights are amortized over their estimated useful life of five years, using the straight-line method. Developed technology is amortized over their estimated useful life of three years, using the straight-line method.

Domain names are stated at their estimated fair value at the date of acquisition, and are not amortized, as their useful lives are considered indefinite, but are subject to annual impairment testing. The Company performed a qualitative assessment of its indefinite lived intangible assets as of October 1, of 2023 and 2022 and concluded it is not more likely than not that the fair value of its domain names is less than the carrying amount and, as such, a quantitative impairment test was not considered necessary.

Income Taxes

Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the consolidated financial statement carrying amounts of assets and liabilities and their respective tax basis. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in tax expense in the period that includes the enactment date.

The Company establishes valuation allowances in accordance with the provisions of FASB ASC Topic 740, Income Taxes. The Company reviews the adequacy of any valuation allowance and recognizes tax benefits only when it is more likely than not that the benefits will be realized.

The Company measures, classifies, and discloses uncertain tax benefits in accordance with FASB ASC Topic 740-10, Income Taxes-Overall. The Company has elected to classify interest and penalties related to uncertain tax benefits as a component of income tax expense.

Equity-based Compensation

The Company accounts for equity-based compensation under FASB ASC Topic 718, Compensation-Stock Compensation. This pronouncement requires the measurement of all equity-based payments to employees using a fair-value-based method and the recording of such expense in the accompanying Consolidated Statements of Operations and Comprehensive Income (Loss). The Company participates in an equity-based employee compensation plan, which is described more fully in Note 5.

Foreign Currency Translation

Consolidated entities that have a functional currency that differs from the Company's reporting currency include our foreign subsidiaries, which are in Canada, the United Kingdom (the "UK"), Germany and Austria. Foreign currency denominated assets and liabilities are translated using the exchange rates at the end of each reporting period. Results of foreign operations are translated at the weighted average exchange rate for each reporting period. Translation adjustments are included as a component of accumulated other comprehensive income (loss) until realized. Where amounts denominated in a foreign currency are converted into US dollars by remittance or repayment, the realized exchange differences are included in the accompanying Consolidated Statements of Operations and Comprehensive Income (Loss), primarily in general and administrative expense, and was immaterial in all periods presented.

Cash and Restricted Cash

The Company considers all cash and highly liquid investments purchased with an initial maturity of three months or less to be cash or cash equivalents.

Cash consists primarily of cash on hand and cash on deposit. Restricted cash includes funds held for the MAP funds and securitized cash held for principal and interest payments on deposit related to the Securitization Transaction.

Cash and restricted cash as of December 31, consists of the following:

	2023	2022
Cash	**$ 43,416**	$ 55,741
Restricted Cash:		
Whole business securitization	**21,903**	17,422
MAP funds	**6,733**	8,941
Total cash and restricted cash	**$ 72,052**	$ 82,104

The Company maintains its cash in banks in which deposits may, from time to time, exceed federally insured limits. The Company has not experienced any losses in such accounts and believes that it is not exposed to any significant credit risks related to cash.

Fair Value of Financial Instruments and Non-financial Assets

In accordance with FASB ASC 820, Fair Value Measurements, certain assets and liabilities carried at fair value are categorized based on the level of judgment associated with the inputs used to measure their fair value. The standard establishes a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels:

Level 1 - Inputs are unadjusted quoted market prices in active markets for identical assets or liabilities at the measurement date.

Level 2 - Inputs (other than quoted prices included in Level 1) are either directly or indirectly observable for the asset or liability through correlation with market data at the measurement date for the duration of the instrument's anticipated life.

Level 3 - Inputs are unobservable and therefore reflect management's best estimate of the assumptions that market participants would use in pricing the asset or liability.

The tradenames, systems in place, and developed technology were valued using the relief from royalty method and the franchise relationships, customer relationships, national account relationships, and insurance company relationships were valued using the multi-period excess earnings method in the periods acquired, except for those tradenames remeasured in 2023 as a result of impairment testing as discussed above. Rollover equity was valued using a combination of Level 2 observable inputs including EBITDA multiples and public company comparables as well as discounted cash flow analysis of future projections in the period issued. The future projections and estimates used to fair value the assets acquired in acquisitions, as well as those used in our long-lived asset impairment testing, are considered Level 3 inputs.

3. Debt Agreements

Through its wholly owned subsidiary, Neighborly Issuer LLC (the "Issuer"), the Company entered into the Securitization Transaction which was completed on March 25, 2021. In conjunction with the

Securitization Transaction, the Issuer issued $800 million Series 2021-1 3.584% Fixed Rate Senior Secured Notes (the "Series 2021-1 Senior Notes"). The Series 2021-1 Senior Notes have an anticipated repayment date of April 30, 2028, and a final maturity date of April 30, 2051. Scheduled principal payments of $2 million and interest are paid quarterly. As of December 31, 2023, $780 million was outstanding on the Series 2021-1 Senior Notes. As of December 31, 2022, $788 million was outstanding on the Series 2021-1 Senior Notes.

Additionally, the Securitization Transaction provided for a $10 million variable rate Delayed Draw Class A-1-LR Senior Note ("Series 2021-1 Class A-1 Notes"), with a final maturity date of April 30, 2051, which is only available for limited purposes and may not be drawn by the Issuer. Interest on draws is paid weekly at the Secured Overnight Financing Rate (SOFR) plus 300 basis points. As of December 31, 2023, no borrowings had been made on the Series 2021-1 Class A-1 Notes.

The Securitization Transaction also provided for a $30 million variable rate Class A-1-VFN Senior Note (the "2021 VFN facility"), with a maturity date of April 30, 2026, and two one-year extension options. Interest on borrowings is paid quarterly at SOFR, plus 266 basis points. For the year ended December 31, 2023, the Company had no borrowings on the facility. As of December 31, 2023, issued and undrawn letters of credit under the VFN facility were $16.95 million. Undrawn letters of credit under the VFN facility incur interest at a rate of 2.66%, which is payable quarterly. As of December 31, 2023, availability on the VFN facility was $13.05 million, and no borrowings were outstanding. As of December 31, 2022, issued and undrawn letters of credit under the VFN facility were $11.47 million. As of December 31, 2022, availability on the VFN facility was $18.53 million, and no borrowings were outstanding.

On January 19, 2022, the Company, through the Issuer, issued $410 million Series 2022-1 3.695% Fixed Rate Senior Secured Notes (the "Series 2022-1 Senior Notes") through a second whole business securitization transaction (the "Second Securitization Transaction"). The Series 2022-1 Senior Notes have an anticipated repayment date of January 30, 2029, and a final maturity date of January 30, 2052. Scheduled principal payments of $1.03 million and interest are paid quarterly. As of December 31, 2023, $402.83 million was outstanding on the Series 2022-1 Senior Notes. As of December 31, 2022, $406.93 million was outstanding on the Series 2022-1 Senior Notes.

Additionally, the Second Securitization Transaction provided for a $4 million variable rate Delayed Draw Class A-1-LR Senior Note(the "Series 2022-1 Class A-1 Notes"), with a final maturity date of January 30, 2052, which is only available for limited purposes and may not be drawn by the Issuer. Interest on draws is paid weekly at a rate equal to Prime plus 300 basis points. As of December 31, 2023, no draws had been made on the Series 2022-1 Class A-1 Notes.

In connection with the Second Securitization Transaction, issued and undrawn letters of credit on the 2021 VFN facility increased to $11.47 million as of January 19, 2022 from $7.3 million as of December 31, 2021. In connection with the Third Securitization Transaction, issued and undrawn letters of credit on the 2021 VFN facility increased to $16.95 million as of February 3, 2023 from $11.47 million as of December 31, 2022.

In conjunction with the Second Securitization Transaction, $10,353 in transaction fees were capitalized as deferred financing costs, to be amortized over the anticipated term of the notes using the straight-line method, which material approximates the effective interest rate method. For the years ended December 31, 2023 and 2022, respectively, a total of $1,510 and $1,447 of previously capitalized deferred financing costs related to the Second Securitization Transaction were

amortized to interest expense on the Consolidated Statements of Operations and Comprehensive Income (Loss).

On February 3, 2023, the Company, through its indirect, wholly owned subsidiary, Neighborly Issuer LLC, issued $275 million Series 2023-1 7.308% Fixed Rate Senior Secured Notes (the "Series 2023-1 Senior Notes") through a third whole business securitization transaction (the "Third Securitization Transaction"). The Series 2023-1 Senior Notes have an anticipated repayment date of January 30, 2028, and a final maturity date of January 30, 2053. Scheduled principal payments of $687.5 and interest are paid quarterly. As of December 31, 2023, $272.94 million was outstanding on the Series 2023-1 Senior Notes.

Additionally, the Third Securitization Transaction provided for a $5.03 million variable rate Delayed Draw Class A-1-LR Senior Note (the "Series 2023-1 Class A-1 Notes"), with a final maturity date of January 30, 2053, which is only available for limited purposes and may not be drawn by the Issuer. Interest on draws is paid weekly at a rate equal to SOFR plus 300 basis points. As of December 31, 2023, no draws had been made on the Series 2023-1 Class A-1 Notes.

The Third Securitization Transaction also provided for a $125 million variable rate Class A-1-VFN Senior Note (the "2023 VFN facility"), with a maturity date of January 30, 2026, with two one-year extension options. Interest on borrowings is paid quarterly at SOFR, plus 350 basis points. As of December 31, 2023, borrowings outstanding on the 2023 VFN facility were $25 million, and availability was $100 million.

In conjunction with the Third Securitization Transaction, $14,177 in transaction fees were capitalized as deferred financing costs, to be amortized over the anticipated term of the notes using the effective interest method. For the year ended December 31, 2023, a total of $2,654 of previously capitalized deferred financing costs related to the Third Securitization Transaction were amortized to interest expense on the Consolidated Statements of Operations and Comprehensive Income (Loss).

The Series 2023-1 Senior Notes issued in conjunction with the securitization transaction are secured by substantially all assets of the Securitization Entities and guaranteed by the Securitization Entities. Proceeds were distributed to Neighborly's parent company to extinguish debt incurred by the parent to fund the Company's acquisitions.

The Series 2021-1 Senior Notes, the Series 2022-1 Senior Notes, the Series 2023-1 Senior Notes, the Series 2021-1 Class A-1 Notes, the Series 2022-1 Class A-1 Notes, the Series 2023-1 Class A-1 Notes, and VFN facility described above issued in conjunction with the Securitization Transaction, the Second Securitization Transaction, and the Third Securitization Transaction (together, the "Securitization Transactions") are secured by substantially all assets of Neighborly Issuer LLC and the other Securitization Entities, and guaranteed by the Issuer and such Securitization Entities, each of which is a bankruptcy remote entity and which owned substantially all of the Company's US intellectual property including tradenames, franchise agreements, national account relationships and systems-in-place, as well as the UK tradenames as of the date of issuance. The restrictions placed on the Issuer and its subsidiaries require that interest and scheduled principal payments on the Series 2021-1 Senior Notes, Series 2022-1 Senior Notes, Series 2023-1 Senior Notes, the Series 2021-1 Class A-1 Notes, the Series 2022-1 Class A-1 Notes, and the Series 2023-1 Class A-1 Notes be paid prior to any residual distributions to the Manager, and amounts are segregated weekly to ensure appropriate funds are reserved to pay the quarterly interest and scheduled principal amounts due. The amount of weekly cash flow that exceeds all expenses and obligations of the Issuer and its

subsidiaries is generally remitted to the Manager in the form of a distribution. The Manager also receives a fee for the services it provides to the Securitization Entities that is senior to debt service. The Securitization Transactions require, among other things, maintenance of minimum debt-service coverage ratio levels and additional incurrence of indebtedness and scheduled amortization requirements are subject to compliance with maximum leverage ratio levels. As of December 31, 2023 and 2022, the Issuer was in compliance with all debt-service coverage covenants.

The Company's long-term debt and trade notes receivable bear interest at market rates. Thus, management believes their carrying amounts approximate fair value.

Debt as of December 31, consists of the following:

		2023		2022
Series 2021-1 Senior Notes	**$**	**780,000**	$	788,000
Series 2022-1 Senior Notes		**402,825**		406,925
Series 2023-1 Senior Notes		**272,938**		-
Series 2021-1-VFN Senior Notes		**25,000**		-
Vehicle notes acquired		**-**		131
Deferred financing costs – net		**(18,919)**		(8,906)
Total debt		**1,461,844**		1,186,150
Less current portion		**10,488**		10,627
Long-term debt	**$**	**1,451,356**	$	1,175,523

Future maturities of long-term debt as of December 31, 2023, are as follows:

Years ending December 31,		
2024	$	10,488
2025		10,532
2026		10,577
2027		10,621
2028		13,191
Thereafter		1,406,435
	$	1,461,844

4. Intangible Assets and Goodwill

Intangible assets as of December 31, 2023, consisted of the following:

	Useful Life	Gross Amount	Accumulated Impairment	Accumulated Amortization	Net Amount
Tradenames	3-20 years	$ 1,001,190	$ 10,814	$ 111,600	$ 878,776
Franchise relationships	15 years	613,289	-	94,631	518,658
National accounts	15 years	3,138	-	424	2,714
Insurance company relationships	15 years	2,300	-	358	1,942
Customer relationships	3-10 years	17,848	-	4,594	13,254
Franchise rights	1-7 years	12,200	-	3,495	8,705
Developed technology	3 years	720	-	436	284
Copyrights	5 years	143	-	66	77
Total definite-lived intangibles		$ 1,650,628	$ 10,814	$ 215,604	$ 1,424,410

	Useful Life	Gross Amount	Accumulated Impairment	Net Amount
Domain name	Indefinite	$ 1,314	-	$ 1,314
Total indefinite-lived intangibles		$ 1,314	$ -	$ 1,314

Intangible assets as of December 31, 2022, consisted of the following:

	Useful Life	Gross Amount	Accumulated Amortization	Net Amount
Tradenames	3-20 years	$ 995,347	$ 60,525	$ 934,822
Franchise relationships	15 years	610,292	53,481	556,811
National accounts	15 years	3,121	213	2,908
Insurance company relationships	15 years	2,300	204	2,096
Customer relationships	3-10 years	17,583	1,512	16,071
Franchise rights	1-7 years	12,200	1,777	10,423
Developed technology	3 years	720	196	524
Copyrights	5 years	135	31	104
Total definite-lived intangibles		$ 1,641,698	117,939	$ 1,523,759

	Useful Life	Gross Amount	Accumulated Impairment	Net Amount
Domain name	Indefinite	$ 1,314	-	$ 1,314
Total indefinite-lived intangibles		$ 1,314	$ -	$ 1,314

Amortization expense was $96,710 for the year ended December 31, 2023 and $90,997 for the year ended December 31, 2022. Estimated amortization expense for the subsequent five years is as follows:

Years ending December 31,	
2024	$ 96,420
2025	95,598
2026	95,500
2027	94,654
2028	93,001
Thereafter	949,237
	$ 1,424,410

Goodwill

The Company has assigned goodwill to its reporting units based on fair valuation analysis completed for the acquisition of the parent by KKR and from the Company's acquisitions on September 1st 2021, and with subsequent acquisitions, as discussed in Note 1.

The changes in the carrying amount of goodwill are as follows:

For the years ending December 31,	**2023**	2022
Balance at beginning of period	**$ 2,154,115**	$ **2,069,311**
Goodwill recorded from acquisitions	**-**	**168,868**
Net goodwill adjustments from prior year acquisitions	**-**	**(5,432)**
Adjustment to goodwill for unrealized gain/loss on foreign currency	**4,577**	**(27,178)**
Goodwill impairment	**(417,591)**	**(51,454)**
Balance at end of period	**$ 1,741,101**	$ **2,154,115**

5. Equity-based Compensation

In September 2021, Nest Management LP, a co-investor with KKR, created a profits interest plan which provides for profits interest award grants of Nest Holdings LP and its subsidiaries. A total of 202,843,686 profits interests units were approved to be granted under the plan.

On October 27, 2021, and certain dates thereafter, Nest Management LP granted awards under the plan. The profits interests are exercisable only to the extent they are vested, and do not expire. Generally, vesting of a portion of the profits interests (50%) is subject to the passage of time; the remaining (50%) vest based on achievement of defined financial criteria upon a liquidity event of

the Company. Based on continuous employment, time-based profits interest units vest 20% annually, for each of five years.

The Company accounts for equity-based compensation in accordance with ASC 718, Compensation-Stock Compensation, which requires the fair value of equity-based payments to be recognized in the consolidated statements as compensation expense over the requisite service period. For time-based awards, compensation expense is recognized on a straight-line basis, net of forfeitures which are recognized as they occur, over the requisite service period for awards that actually vest. For performance-based awards, compensation expense is estimated based on achievement of performance conditions and is recognized over the requisite service period for awards that actually vest. Equity-based compensation expense is recorded in the equity-based compensation line in the consolidated statements of operations.

The average grant date fair value of awards under the Nest Management LP profits interest plan was determined using Monte-Carlo simulation, and was $0.36 per unit for awards in the year ended December 31, 2023 and was $0.35 per unit for awards in the year ended December 31, 2022. As of December 31, 2023 and 2022 no units were both vested and exercisable.

As of December 31, 2023, the weighted average remaining contractual life of outstanding time-based awards is 3.2 years. As of December 31, 2022, the weighted average remaining contractual life of outstanding time-based awards is 4.0 years. Equity-based compensation expense recorded for the year ended December 31, 2023 was $4,194, and 2022 was $3,414. As of December 31, 2023, unamortized stock compensation expense to be recognized in future years was $11,021.

	Number of Underlying Units
Outstanding – December 31, 2021	**122,030,131**
Granted	22,750,879
Forfeited	(6,535,051)
Redeemed	-
Outstanding – December 31, 2022	138,245,959
Granted	16,124,890
Forfeited	(32,158,970)
Redeemed	-
Outstanding – December 31, 2023	122,211,879
Vested and Exercisable – December 31, 2023	-

6. Trade Notes Receivable

The Company periodically receives notes from the sale of new franchises. The rights to the related franchise territory sold generally collateralize these notes. The Company also from time-to-time receives notes for delinquent franchise service fees. Such notes, as of December 31, 2023 and 2022, bear interest at rates typically ranging from 9% to 12% and generally require equal monthly installments over a life of one to ten years.

A summary of trade notes receivable as of December 31 is as follows:

	2023	2022
Amounts due within one year, net of allowance for credit losses of $117 as of December 31, 2023 and allowance for doubtful accounts of $230 as of December 31, 2022	$ 9,777	$ 8,461
Amounts due after one year, net of allowance for credit losses of $542 as of December 31, 2023 and allowance for doubtful accounts $466 as of December 31, 2022	15,894	19,893
Total trade notes receivable, net	$ 25,671	$ 28,354

An analysis of the changes in trade notes receivable is as follows:

For the years ending December 31,	2023	2022
Gross trade notes receivable, beginning of period	$ 29,050	$ 29,211
Trade notes receivable from acquisitions	-	1,982
Principal payments received	(16,605)	(13,965)
Notes issued	15,243	13,059
Net write-offs	(1,356)	(1,178)
Foreign currency translation	(2)	(59)
Gross trade notes receivable, end of period	26,330	29,050
Allowance for credit losses	(659)	-
Allowance for doubtful accounts	-	(696)
Net trade notes receivable, end of period	$ 25,671	$ 28,354

An analysis of the changes in the trade notes receivable allowance is as follows:

For the years ending December 31,	**2023**	**2022**
Allowance, beginning of period	**$ 696**	$ 441
Provision for credit losses	**1,303**	-
Provision for bad debt	**-**	1,413
Net write-offs	**(1,356)**	(1,178)
Foreign currency translation	**16**	20
Allowance, end of period	**$ 659**	$ 696

Scheduled future maturities of trade notes receivable are as follows:

Years ending December 31,	
2024	$ 9,894
2025	5,193
2026	4,125
2027	2,991
2028	2,146
Thereafter	1,981
	$ 26,330

7. Property and Equipment

A summary of property and equipment as of December 31 is as follows:

	2023	2022
Land	**$ 1,720**	$ 1,720
Building and improvements	**31,157**	32,536
Machinery and equipment	**8,843**	1,186
Hardware	**6,519**	4,616
Software	**40,940**	20,253
Furniture and fixtures	**4,234**	7,531
Vehicles	**9,428**	11,288
Vehicles under financing lease	**19,028**	7,940
Total property and equipment	**121,869**	87,070
Less accumulated depreciation	**(32,732)**	(15,628)
Property and equipment – net	**$ 89,137**	$ 71,442

Depreciation expense was $20,219 for the year ended December 31, 2023 and $13,946 for the year ended December 31, 2022.

8. Leases

The Company's primary operating lease commitments consist of leases for office and retail space for its company-owned stores and corporate offices. The Company leases vehicles under financing lease agreements expiring at various dates through 2027.

We adopted ASC 842 effective January 1, 2022 using the modified retrospective adoption method, which resulted in no adjustment to opening retained earnings.

We utilized the modified retrospective option available in ASC 842, which allowed the continued application of the legacy guidance in ASC 840, including disclosure requirements, in the comparative periods presented in the year of adoption. The Company elected not to separate lease and non-lease components for new and modified leases after the adoption date, and instead will account for each separate lease component of a contract and its associated non-lease components as a single lease component. The Company elected not to recognize a right-of-use asset and a lease liability for leases with an initial term of twelve months or less.

We determine whether an agreement contains a lease at inception based on our right to obtain substantially all of the economic benefits from the use of the identified asset and the right to direct the use of the identified asset. Lease liabilities represent the present value of future lease payments and the right-of-use (ROU) assets represent our right to use the underlying assets for the respective lease terms.

The operating lease liability is measured as the present value of the unpaid lease payments and the ROU asset is derived from the calculation of the operating lease liability. Other than for leased vehicles, our leases do not generally provide an implicit rate and we use our incremental borrowing rate as the discount rate to calculate the present value of lease payments. The incremental borrowing rate represents an estimate of the interest rate that would be required to borrow over a similar term, on a collateralized basis in a similar economic environment.

Rent escalations occurring during the term of the leases are included in the calculation of the future minimum lease payments and the rent expense related to these leases is recognized on a straight-line basis over the lease term. In addition to minimum lease payments, certain leases require payment of a proportionate share of real estate taxes and certain building operating expenses allocated on a percentage of sales in excess of a specified base. These variable lease costs are not included in the measurement of the ROU asset or lease liability due to unpredictability of the payment amount and are recorded as lease expense in the period incurred. The ROU asset is adjusted to account for previously recorded lease-related expenses such as deferred rent and other lease liabilities.

The components of lease cost are as follows (in thousands):

For the years ending December 31,	2023	2022
Operating lease cost	$ **7,855**	$ 7,406
Variable lease cost	**272**	365
Finance lease cost:		
Amortization of right-of-use assets	**5,079**	2,635
Interest on lease obligations	**720**	290
Total lease cost	$ **13,926**	$ 10,696

The table below presents additional information related to the Company's leases:

As of December 31,	2023	2022
Weighted average remaining lease term (in years):		
Operating leases	**5.2**	5.6
Finance leases	**3.2**	2.7
Weighted average discount rate:		
Operating leases	**3.4**%	3.1%
Finance leases	**6.1**%	6.0%

Other information related to leases, including supplemental disclosures of cash flow information, is as follows (in thousands):

For the years ending December 31,		**2023**	**2022**
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash flows from operating leases	$	**7,857**	6,567
Operating cash flows from finance leases		**572**	184
Financing cash flows from finance leases		**3,455**	1,773
Right-of-use assets obtained in exchange for operating lease liabilities		**2,620**	8,507

Maturities of lease liabilities are as follows as of December 31, 2023 (in thousands):

Years ending December 31,		**Operating leases**		**Finance leases**		**Total**
2024	$	7,795		5,051		12,846
2025		7,092		3,919		11,011
2026		5,031		4,953		9,985
2027		3,342		1,764		5,106
2028		2,611		465		3,075
Thereafter		5,435		-		5,435
Total lease payments	$	31,306	$	16,152	$	47,458
Less: Interest		3,079		1,539		4,618
Total lease liabilities	$	28,227	$	14,613	$	42,840
Less: Current lease liabilities		6,925		4,426		11,351
Non-current lease liabilities	$	21,302	$	10,187	$	31,489

Rent expense for operating leases was $7,855 for the year ended December 31, 2023. Total lease cost was $13,926 for the year ended December 31, 2023, including finance lease costs and variable lease costs. Rent expense for operating leases was $7,406 for the year ended December 31, 2022. Total lease cost was $10,696 for the year ended December 31, 2022, including finance lease costs and variable lease costs.

9. Income Taxes

The provision for income taxes is as follows:

For the years ending December 31,		**2023**		2022
Current:				
Federal	**$**	**16,845**	$	5,208
State		**2,958**		1,121
Foreign		**766**		4,191
Total current		**20,569**		10,520
Deferred:				
Federal		**(32,983)**		(30,205)
State		**(5,619)**		(5,763)
Foreign		**(5,757)**		(8,930)
Total deferred		**(44,359)**		(44,898)
Total tax benefit	**$**	**(23,790)**	$	(34,378)

A reconciliation of the provision for income taxes at statutory rates to the provision for income taxes at effective is as follows:

For the years ending December 31,		**2023**		**2022**
Federal income taxes at statutory rate	**$**	**(97,180)**	**$**	(14,726)
State taxes		**(3,282)**		(3,758)
Permanent differences		**77,266**		10,304
Foreign currency adjustment		**55**		(2,473)
Tax rate change		**(258)**		(1,098)
Deferred balance true-up		**1,653**		(435)
Tradename sale to SPV		**(914)**		(22,187)
Payables true-up		**(1,130)**		(40)
Other		**-**		35
Total tax benefit	**$**	**(23,790)**	**$**	(34,378)

The Company's effective income tax rate is 5.14% for the year-ended December 31, 2023. The Company's effective income tax rate is 49.03% for the year-ended December 31, 2022. The Company's overall global effective income tax rate differs from the statutory US Federal income tax rate of 21.00% due to state income taxes and the state income tax rate change applied to the Company's net US deferred tax liabilities, impairments of GAAP goodwill for which no deferred income tax assets or liabilities are provided, as well as the US deferred income tax impact of the purchase of the Pimlico tradename by a Non-Franchisor SPV Entity within the Securitization Entities from a non-securitization entity, and true-ups to the beginning of the tax period accounts.

The components of deferred income tax assets and liabilities as of December 31 are as follows:

	2023	2022
Deferred tax assets:		
Accounts receivable allowance	$ 540	$ 355
Accrued expenses	1,670	1,765
Notes receivable allowance	820	855
Net operating loss carryforwards	513	1,234
Interest expense limitation	32,083	18,462
Deferred revenue	13,850	13,084
Operating lease liability	6,569	7,912
Other	3,423	2,363
Total deferred tax assets	59,468	46,030
Deferred tax liabilities:		
Prepaid expenses	(562)	(901)
Property and equipment	(8,946)	(5,284)
Intangible assets and goodwill	(263,703)	(293,005)
Interest rate swap	(6)	(6)
Operating lease right-of use assets	(6,845)	(7,696)
Other	(186)	(236)
Total deferred tax liabilities	(280,248)	(307,128)
Net deferred tax liabilities	$ (220,780)	$ (261,098)

For the periods ended December 31, 2023 and 2022, no change was recorded for uncertain tax provisions, and the balance was ($641). As of December 31, 2022, no interest or penalty has been accrued or recognized by the Company related to ASC 740 Income Taxes.

The Company reported net operating losses in the following jurisdictions as of December 31:

Jurisdiction		2023		2022	Expiration
US Federal	$	-	$	-	Indefinite
US State		17,085		15,371	Various
United Kingdom		-		-	Indefinite
Germany		-		1,462	Indefinite
Austria		-		12	Indefinite
Canada		91		-	20 Years
Total	$	17,176	$	16,845	

The Company files a US consolidated federal income tax return for Nest Holdings, Inc. and Subsidiaries which includes Neighborly Company. State returns are filed on either a separate company or consolidated return basis. The company also files separate returns where required for the various LLC entities. The Company's subsidiaries file income tax returns in Canada, Germany, the UK and Austria.

The Company files US state income tax returns in nearly every state in the US. Many of the state return filings reflect net operating loss carryovers computed on a post-apportionment basis, while several states compute operating loss carryovers on a pre-apportionment basis. The US state income tax effect of the net operating loss carryforwards, net of federal income tax, amounted to $872 and $810 at December 31, 2023 and 2022, respectively. The state net operating losses have varying carryover periods. The Company expects to fully utilize all net operating loss carryovers prior to expiration.

The Company has no current or pending US income tax examinations. US Federal income tax returns for years ended December 31, 2020, August 31, 2021, December 31, 2021, and December 31, 2022 remain open for examination. State income tax returns remain open for similar years, and several states having a longer statute remain open for examination. The Company has timely filed all federal and state income tax returns. The Company underwent a federal income tax audit for the year ended December 31, 2014. The audit was closed during June 2018 with no adjustments reported.

The UK entities have no prior or pending income tax examinations with Her (now, His) Majesty's Revenue and Customs ("HMRC"), the UK's tax, payments and customs authority. The UK corporation income tax process is one of self-assessment. Following filing of the tax return, HMRC has a period of (usually) 12 months in which to raise formal inquiries. These can range from simple information requests to detailed technical challenges over treatments adopted in the tax return. HMRC has made no requests. The UK December 31, 2022 corporate tax returns remain open for examination. The UK entities have timely filed all corporate income tax returns.

The German entities have no prior or pending income tax examinations with Bundeszentralamt für Steuern ("BZSt"), Germany's federal tax office. The statute of limitations in Germany for examination is four years from the end of the year in which the return was filed. The Germany entities' tax returns for years ended December 31, 2019 and forward remain open for examination. The German entities have timely filed all corporate income tax returns.

As of December 31, 2019 (Predecessor), the Company maintained a valuation allowance of $2,009. The valuation allowance represented a reserve against certain UK net deferred tax assets for which the Company believed the "more likely than not" criterion for recognition purposes could not be met. For the year ended December 31, 2020 (Predecessor), the Company recorded a valuation allowance release with respect to these UK net deferred tax assets, on the basis of the Company's reassessment of the "more likely than not" criterion. As of each reporting date, the Company considers new evidence, both positive and negative, that could affect its view of the future realization of deferred tax assets. In the period from January 1, 2021 through August 31, 2021 (Predecessor) the Company began utilizing net operating losses in the UK tax jurisdiction and continued to do so in the period from September 1, 2021 through December 31, 2021 (Successor). The Company fully utilized all remaining net operating losses in the year ended December 31, 2022, and no valuation allowance remains. The net operating losses comprised the majority of the UK net deferred tax asset balance.

The US and foreign entities operate under transfer pricing agreements that control the pricing of intercompany management services, interest and royalties.

The Company has both the intent and ability to reinvest foreign earnings, therefore deferred tax liabilities have not been recorded on either unremitted earnings, components of other comprehensive income, or applicable foreign withholding taxes.

10. Related Party Transactions

On September 1, 2021, a Monitoring Agreement was entered into with Kohlberg Kravis Roberts & Co and Harvest Partners under which the Company will pay certain fees and expenses under the terms of the Monitoring Agreement. For the period ending December 31, 2023, the Company recognized fees and expenses of $4,638 which is included in board fees and expenses. For the period ending December 31, 2022, the Company recognized fees and expenses of $5,747 of which $4,517 is included in board fees and expenses and $1,230 in deferred debt issuance costs, which is a reduction to long-term debt, in the accompanying Consolidated Statements of Operations and Comprehensive Income (Loss).

11. Contingencies

The Company is engaged in various legal proceedings incidental to its normal business activities. Management has determined that it is not probable that the Company has incurred any loss contingencies as defined in FASB ASC Topic 450, Contingencies. Accordingly, no liabilities have been accrued for these matters as of December 31, 2023 and 2022. Management believes that the outcome of such matters will not have a material effect on the Company's consolidated financial statements.

12. Employee Benefit Plan

The Company sponsors a 401(k) plan covering the majority of its employees. Plan participants may contribute up to 70% (subject to Internal Revenue Service limitations) of their annual compensation before taxes for investment in several specified alternatives. Employees are fully vested with respect to their contributions. The Company may match a percentage of employee contributions as determined at the discretion of the Board of Directors. Company contributions recognized totaled $2,599 for the year ended December 31, 2023, and $2,261 for the year ended December 31, 2022.

13. Subsequent Events

In preparation of its financial statements, the Company considered subsequent events through April 1, 2024, which was the date the Company's financial statements were available to be issued.

EXHIBIT D

PARENT GUARANTEE

GUARANTEE OF PERFORMANCE

For value received, NEIGHBORLY ASSETCO LLC, a Delaware limited liability company (the "Guarantor"), located at 1010 North University Parks Drive, Waco, Texas 76707, absolutely and unconditionally guarantees to assume the duties and obligations of **Real Property Management SPV LLC, a Delaware limited liability company, located at 1010 North University Parks Drive, Waco, Texas 76707** (the "Franchisor"), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2025 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Waco, Texas on the 1st day of April, 2025.

Guarantor: NEIGHBORLY ASSETCO LLC

By:

Michael Davis, Chief Executive Officer

EXHIBIT E

CURRENT FRANCHISEES IN THE UNITED STATES
AS OF DECEMBER 31, ~~2023~~2024

Note: This list is arranged alphabetically by state and then alphabetically by cities in each state.

Territory State	Owner/ Operating Principal	Phone Number	Address	City, State Zip
Alabama	Ussery, Gordon	(205) 793-0700	1522 Montclair Road	Irondale, ~~Alabama~~AL 35209
Alabama	Barrett, Wes	(251) 345-6224	7300 Cottage Hill Road	Mobile, ~~Alabama~~AL 36695
Alaska	R. Taggart, Kassandra; C. Boltman, Erik	(907) 268-4779	200 W. 34th PMB 1100	Anchorage, ~~Alaska~~AK 99503
Arizona	Messer, Brittany; Jacobsen, Tyler	(928) 757-7368	1953 Highway 95	Bullhead City, ~~Arizona~~AZ 86442
Arizona	Hayhurst, Chuck Dale; Hayhurst, Jill Marie	(602) 361-9097	20241 North 37th Avenue	Glendale, ~~Arizona~~AZ 85308
Arizona	Tharp, Trevor Scott	(740) 755-9456	6007 West Charlotte Drive	Glendale, ~~Arizona~~AZ 85310
Arizona	Messer, Brittany; Jacobsen, Tyler	(928) 757-7368	2605 East Andy Devine (Route 66)	Kingman, ~~Arizona~~AZ 86401
Arizona	Kamogari, Andrey Keiji; Hooks, Aron William	(602) 755-9017	950 E Brown Road	Mesa, ~~Arizona~~AZ 85203
Arizona	Kamogari, Andrey Keiji; Hooks, Aron William	(480) 981-7000	950 E Brown Road	Mesa, ~~Arizona~~AZ 85203
Arizona	Kamogari, Andrey Keiji; Hooks, Aron William	(480) 981-7000	950 E Brown Road	Mesa, ~~Arizona~~AZ 85203
Arizona	Kamogari, Andrey Keiji; Hooks, Aron William	(480) 981-7000	950 E Brown Road	Mesa, ~~Arizona~~AZ 85203
Arizona	Kersten, Jeffery; Kersten, Chelsea	(503) 929-3819	1910 S. Stapley Drive, Suite 221	Mesa, AZ 85204
Arizona	Coe, Jonah; Beeson, Nora	(480) 331-6193	16165 N. 83rd Avenue	Peoria, ~~Arizona~~AZ 85382
Arizona	Kamogari, Andrey Keiji; Hooks, Aron William	(602) 368-5730	7330 N. 16th Street, Suite A320	Phoenix, ~~Arizona~~AZ 85020
Arizona	Kamogari, Andrey Keiji; Hooks, Aron William	(602) 368-5730	2310 W Mission Lane Unit 4	Phoenix, ~~Arizona~~AZ 85021
Arizona	Borchard, Lisa	(602) 358-8130	706 East Bell Road, Suite 115	Phoenix, ~~Arizona~~AZ 85022
Arizona	Bogdanov, Marymartha: Nalan Properties, LLC	(602) 805-2211	4435 E. Chandler Blvd., Suite 200	Phoenix, AZ 85048
Arizona	Judd, Erika Noble; Judd, Chet Lee	(520) 829-4500	6380 E. Tanque Verde Road	Tucson, ~~Arizona~~AZ 85715
Arizona	Judd, Erika Noble; Judd, Chet Lee	(520) 829-4500	6380 E. Tanque Verde Road	Tucson, ~~Arizona~~AZ 85715
Arizona	Judd, Erika Noble; Judd, Chet Lee	(520) 883-7368	6380 E. Tanque Verde Road, Suite 100	Tucson, ~~Arizona~~AZ 85715

Territory State	Owner/ Operating Principal	Phone Number	Address	City, State Zip
Arkansas	Criss III, John Phillip	(501) 547-8358	1210 Hot Springs Hwy, Suite C	Benton, ~~Arkansas~~AR 72019
Arkansas	Underwood, Justin	(479) 242-0791	1202 NE McClain Road, Suite 154	Bentonville, ~~Arkansas~~AR 72712
Arkansas	Underwood, Justin	(479) 582-9310	2928 N. McKee Circle, Suite 106	Fayetteville, ~~Arkansas~~AR 72703
Arkansas	Underwood, Justin	(479) 242-0791	1401 S. Waldron Road, Suite 200	Fort Smith, ~~Arkansas~~AR 72903
Arkansas	Criss, John; Criss, Beverly	(501) 701-4702	707 Pleasant Street	Hot Springs, ~~Arkansas~~AR 71901
Arkansas	Jones, Robby	(501) 834-1333	7600 Highway 107, Suite F	North Little Rock, ~~Arkansas~~AR 72120
Arkansas	Walsh, Christopher	(501) 404-0674	1100 N Maple Street	Searcy, ~~Arkansas~~AR 72143
~~California~~	~~Santiago, Juan; Gutierrez, Ilse~~	~~(714) 676-4625~~	~~1661 North Raymond Avenue, Suite 140 A~~	~~Anaheim, California 92801~~
California	Rozell, Rylan	(661) 379-6923	2008 21st Street, Suite 200	Bakersfield, ~~California~~CA 93301
California	Cha, David; Cha, Caroline	(818) 233-8789	2501 W. Burbank Boulevard Suite 201	Burbank, ~~California~~CA 91505
California	Llamas, Doji	(650) 696-1800	405 Primrose Road, Suite 208	Burlingame, ~~California~~CA 94010
California	Gangitano, Nicole; Gangitano, Anthony John	(951) 916-4328	24370 Canon Lake Drive North, Unit 6	Canyon Lake, ~~California~~CA 92587
California	Quiett, Dawania	(510) 398-8704	21666 Redwood Road, Suite C	Castro Valley, ~~California~~CA 94546
California	Myslinski, Bradley Norbert	(818) 727-0100	21000 Devonshire Street, #200	Chatsworth, ~~California~~CA 91311
California	West, Brenda; Godfrey, Barbara	(559) 324-9400	2565 Alluvial Avenue, Suite 162	Clovis, ~~California~~CA 93611
California	West, Brenda; Godfrey, Barbara	(559) 324-9400	2565 Alluvial Avenue, Suite 162	Clovis, ~~California~~CA 93611
California	Munsee, Nick	(925) 262-8145	1320 Willow Pass Road, Suite 600	Concord, ~~California~~CA 94520
California	Kadar, Thomas Joseph; Carias, Eddy Oswaldo	(949) 933-0488	3100 Bristol St., Suite 150	Costa Mesa, ~~California~~CA 92626
California	Chan, Patsy	(626) 338-6688	1370 Valley Vista Drive #200	Diamond Bar, ~~California~~CA 91765
California	Adkins, Michael; Stromberg, Greg	(310) 535-2150	115 Lomita Street	El Segundo, ~~California~~CA 90245
California	Munsee, Nick	(707) 317-9570	622 Jackson Street	Fairfield, ~~California~~CA 94533
California	Sing, Michael; Sing, Angela	(916) 850-2844	850 Iron Point Road #109	Folsom, ~~California~~CA 95630
California	Shi, Wenjue	(310) 984-9518	879 W. 190th Street, Suite 400	Gardena, ~~California~~CA 90248
California	Hastings, Matthew Ryan; Hastings, Tatiana	(510) 900-4544	3714 Mosswood Drive	Lafayette, ~~California~~CA 94549

Territory State	Owner/ Operating Principal	Phone Number	Address	City, State Zip
California	Afshar, Andre; Saeedkhoo, Shahla; Afshar, Eliya	(949) 239-1482	20472 Crescent Bay Dr #100	Lake Forest, ~~California~~CA 92630
California	Truitt, Aaron	(925) 495-4953	2155 Las Positas Court, Suite O	Livermore, ~~California~~CA 94551
California	Williams, Miles	(562) 270-1777	3450 E. Spring Street, Suite 209	Long Beach, ~~California~~CA 90806
California	Williams, Miles	(562) 270-1777	3450 Spring Street, Suite 209	Long Beach, ~~California~~CA 90806
California	Gomez, Eduardo: Vanguard Investments Corporation	(213) 408-0500	777 S. Alemda Street, Unit 2054	Los Angeles, CA 90021
California	McShan II, Edward Dean	(310) 907-5646	11601 Wilshire Boulevard #574	Los Angeles, ~~California~~CA 90025
California	Catani, Mario	(424) 292-2311	5900 Wilshire Boulevard, 26th Floor	Los Angeles, ~~California~~CA 90036
California	Aranda, Santos Eduardo; Mora, Monica	(209) 645-6152	955 W. Center Street	Manteca, ~~California~~CA 95337
~~California~~	~~Borges, Andrea; Borges, Keith~~	~~(209) 722-7761~~	~~2750 G Street, Suite A~~	~~Merced, California 95340~~
California	Rego, Abraham; Rego, Monica	(209) 572-2222	717 16th St., Suite#1	Modesto, ~~California~~CA 95354
California	Llamas, Doji	(415) 404-1544	250 Bel Marin Keys Boulevard, Suite D3	Novato, ~~California~~CA 94949
California	Quintero, Mario Javier: Kingtero Capital Holdings Inc.	(949) 202-1500	333 City Blvd. West 3rd, Suite 300	Orange, CA 92868
California	Wessel, Allen	(661) 266-1400	1113 W. Avenue M4, Suite D	Palmdale, ~~California~~CA 93551
California	White, David; White, Paul	(626) 600-2884	758 E. Colorado Boulevard, Suite 209	Pasadena, ~~California~~CA 91101
California	Rozell, Rylan	(559) 746-9030	295 W. Henderson Avenue	Porterville, ~~California~~CA 93257
California	Kadar, Thomas Joseph; Carias, Eddy Oswaldo	(951) 530-1600	4037 Merrill Avenue	Riverside, ~~California~~CA 92506
California	Munsee, Nick	(916) 238-1420	2130 Professional Drive, Suite 230	Roseville, ~~California~~CA 95661
California	Munsee, Nick	(916) 238-1420	2143 Hurley Way, Suite 103	Sacramento, ~~California~~CA 95825
California	Ponce, Sigfredo; Lopez, Doris	(831) 444-8500	1459 N. Davis Road, Suite 73	Salinas, ~~California~~CA 93907
California	Madore, Robert Gordon	(949) 503-5300	209 Avenida Del Mar, Suite 202	San Clemente, ~~California~~CA 92672
California	Glasser, Steven	(858) 997-2100	1455 Frazee Road, Suite 500	San Diego, ~~California~~CA 92108
California	Glasser, Steven	(858) 997-2100	41593 Winchester Road, Suite 200	San Diego, ~~California~~CA 92108
California	Glasser, Steven	(858) 260-1572	1455 Frazee Road, Suite 500	San Diego, ~~California~~CA 92108
California	Glasser, Steven	(951) 461-0100	1455 Frazee Road, Suite 500	San Diego, ~~California~~CA 92108

Territory State	Owner/ Operating Principal	Phone Number	Address	City, State Zip
California	Llamas, Doji	(415) 989-2000	1160 Battery St., #100	San Francisco, ~~California~~CA 94111
California	Llamas, Doji	(408) 526-0900	2033 Gateway Place, Suite 500	San Jose, ~~California~~CA 95110
California	Matthew Gullage, Gordon; McLaughlin, Jerry	(805) 540-6022	3599 Sueldo Street, Suite 100	San Luis Obispo, ~~California~~CA 93401
California	Milligan, Roger Craig; Carlos, Pamala Sue	(925) 658-5755	2010 Crow Canyon Place, Suite 100	San Ramon, ~~California~~CA 94583
California	Wessel, Allen	(661) 266-1400	18984 Soledad Canyon Road	Santa Clarita, ~~California~~CA 91351
California	Golovin, George; Golovin, Yuliana	(818) 905-7306	15130 Ventura Boulevard Suite # 206	Sherman Oaks, ~~California~~CA 91403
California	White, Paul; White, David	(626) 600-2884	2665 First Street, Suite 250	Simi Valley, ~~California~~CA 93065
California	Rego, Monica; Rego, Abraham	(209) 572-2222	343 E Main Street, Suite 819	Stockton, ~~California~~CA 95202
~~California~~	~~Madison, Lisa Ann; Madison, Brian Patrick~~	~~(805) 702-7800~~	~~275 E. Hillcrest Drive, Suite 160-124~~	~~Thousand Oaks, California 91360~~
California	Chan, Patsy	(626) 338-6688	1521 W Cameron Avenue, Suite 230	West Covina, ~~California~~CA 91790
Colorado	Bacheller, Gregory	(719) 471-7368	1155 Kelly Johnson Boulevard, Suite 111	Colorado Springs, ~~Colorado~~CO 80920
Colorado	Bacheller, Gregory	(303) 327-5650	3600 S. Yosemite Street, Suite 120	Denver, ~~Colorado~~CO 80237
Colorado	Case, Samuel	(970) 658-0410	2120 South College Avenue, Suite 5	Fort Collins, ~~Colorado~~CO 80525
Colorado	Telinde, Matthew Leaman; Schindelar, Scott	(970) 314-7123	2755 North Avenue	Grand Junction, ~~Colorado~~CO 81501
Colorado	Bacheller, Gregory	(303) 873-7368	141 Union Boulevard, Suite 200	Lakewood, ~~Colorado~~CO 80228
Colorado	Bacheller, Gregory	(970) 400-7368	100 W. 29th Street	Loveland, ~~Colorado~~CO 80538
Colorado	Dickerson, Slane; Dickerson, Lesha Christine	(719) 948-8155	421 North Main Street Suite #306	Pueblo, ~~Colorado~~CO 81003
Colorado	Bacheller, Gregory	(303) 873-7368	12110 Pecos Street, Suite 100	Westminster, ~~Colorado~~CO 80234
Connecticut	Dupervil, Paul	(203) 821-7303	1814 Dixwell Avenue	Hamden, ~~Connecticut~~CT 6514
Connecticut	Briggs, Thomas	(860) 953-2130	11 Main Street	Mystic, ~~Connecticut~~CT 6355
Connecticut	Briggs, Thomas	(860) 436-9955	705 North Mountain Road, Suite G105	Newington, ~~Connecticut~~CT 6111
Connecticut	Dupervil, Paul	(203) 821-7303	40 Richards Avenue, 3rd Floor, Suite 3	Norwalk, ~~Connecticut~~CT 6854
Delaware	Mikkelsen, Nancy; Mikkelsen, Morten	(302) 313-7700	17527 Nassau Commons Boulevard, Suite 205	Lewes, ~~Delaware~~DE 19958
District of Columbia	McKellar, Brandon James (BJ); McKellar, Nicole	(301) 547-9003	4301 50th Street N.W.	Washington, DC~~, District of Columbia~~ 20016

Territory State	Owner/ Operating Principal	Phone Number	Address	City, State Zip
District of Columbia	McKellar, Brandon James (BJ)	(202) 269-0303	2828 10th Street N.E. #3	Washington, ~~District of Columbia~~DC 20017
Florida	Aranibar, Jaime Ernesto	(786) 206-8611	20801 Biscayne Boulevard Ste 101	Aventura, ~~Florida~~FL 33180
Florida	Phillips, Emily; Phillips, Marcus	(561) 252-7363	2255 Glades Road, Suite 324 A	Boca Raton, ~~Florida~~FL 33431
Florida	Adams, Gregory Roger and Bryson, Daniel John	(941) 313-3373	5325 Lena Road, Unit 102	Bradenton, FL 34211
Florida	Rock, Stephen John; Leventry, Jerad; Bersach, Andrew	(814) 525-2706	1201 6th Avenue W. #417	Bra~~n~~denton, ~~Florida~~FL 34205
Florida	Lawrence, Jared; Bersach, Andrew	(813) 867-2667	1210 Millenium Parkway, Suite 1017	Brandon, ~~Florida~~FL 33511
Florida	Langston, Dennis; Langston, Diane	(727) 400-4722	1602 Old Coachman Road	Clearwater, ~~Florida~~FL 33765
Florida	Charles Anthony Benz	(407) 378-7611	244 Mohawk Road, Suite D	Clermont, ~~Florida~~FL 34715
Florida	Petrucci, Adriana Servidone; Petrucci, Cesare	(954) 708-1515	3301 N. University Drive	Coral Springs, ~~Florida~~FL 33065
Florida	Farthing, Michael; Farthing, Zahira	(850) 806-2263	114 Cedar Ave. PMB #12	Crestview, ~~Florida~~FL 32536
Florida	McCrary, Earl	(386) 227-5777	1700 S Ridgewood Avenue	Daytona Beach, ~~Florida~~FL 32119
Florida	O'Hara De Fuedis, Christian Bernard; Barrera Highdale, Eric	(239) 790-2840	10600 Chevrolet Way, Suite 215	Estero, ~~Florida~~FL 33928
Florida	Colucci, Julian Andrew	(954) 708-1222	501 East Las Olas Boulevard Suite 200 and 300	Fort Lauderdale, ~~Florida~~FL 33301
Florida	Lepselter, Jack David	(973) 747-5629	6750 N. Andrews Avenue, Suite 200	~~Ft.~~Fort Lauderdale, ~~Florida~~FL 33309
Florida	Sieber, Matthew Joseph; Nay, Sara Rachel; Dowsett, Mark; Jantsch, John; Heaps, Paul Jason; Heaps, Rebecca	(239) 240-8111	12811 Kenwood Lane, #102	~~Ft.~~Fort Meyers, ~~Florida~~FL 33907
Florida	Wilson-Wong, Suzanne Natalie; Wong, Gary Michael	(786) 300-9369	140 NE 27th Avenue	Homestead, ~~Florida~~FL 33033
Florida	Garbacz, Brian	(904) 572-1220	11555 Central Parkway, Suite 803	Jacksonville, ~~Florida~~FL 32224
Florida	Phillips, Emily; Phillips, Marcus	(904) 300-1100	10365 Hood Road - Suite 107	Jacksonville, ~~Florida~~FL 32257
Florida	Phillips, Emily; Phillips, Marcus	(407) 834-7600	2170 W. State Road 434, Suite 386	Longwood, ~~Florida~~FL 32779
Florida	Moore, Matthew Glen: Silver Crest Ventures, Inc	(813) 293-7333	25200 Sawyer Francis Lane, Suite 109	Lutz, FL 33559
Florida	M. Liever, Damon; Campbell, Lisa	(321) 610-8022	1751 Sarno Road, Suite 5	Melbourne, ~~Florida~~FL 32935

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Florida	Campbell, Lisa; M. Liever, Damon	(321) 610-8022	1751 Sarno Road, Suite #5	Melbourne, ~~Florida~~FL 32935
Florida	de Varona, Carlos	(305) 517-3900	8000 N.W. 31 Street, Suite 8	Miami, ~~Florida~~FL 33122
Florida	Felice, Ricardo Manuel; Boulton, Federika Teresa	(305) 731-2320	2857 SW 27th Avenue	Miami, ~~Florida~~FL 33133
Florida	Cedeno, Pedro	(305) 501-4576	12985 SW 130th Court, Suite 102-1	Miami, ~~Florida~~FL 33186
Florida	Determan, Linda	(239) 790-5719	12250 Tamiami Trail East, Suite 312	Naples, ~~Florida~~FL 34113
Florida	Hering, Ann; Hering, Kristin; Hering, Jay; Hering, Dr. Steve	(850) 916-9500	7552 Navarre Parkway, Suite 5, Harvest Village Office Complex	Navarre, ~~Florida~~FL 32566
Florida	Carnes, Joshua	(352) 233-7232	35 SE 1st Avenue Suite N	Ocala, ~~Florida~~FL 34471
Florida	Henderson, Dan; Henderson, Michelle	(352) 854-2221	7651 SW Highway 200, Suite 209	Ocala, ~~Florida~~FL 34476
Florida	Henderson, Dan; Henderson, Michelle	(352) 854-2221	7651 S.W. Highway 200, Suite 209	Ocala, ~~Florida~~FL 34476
Florida	Smith, Jonathan Paul	(904) 425-8388	1734 Kingsley Avenue, Suite 10	Orange Park, ~~Florida~~FL 32073
Florida	Lawrence, Jared; Bersach, Andrew	(407) 982-2000	5728 Major Boulevard, Suite 710	Orlando, ~~Florida~~FL 32819
Florida	Msefya, Joseph	(407) 794-7468	6900 Tavistock Lakes Boulevard, Suite 400	Orlando, ~~Florida~~FL 32827
Florida	Phillips, Emily; Phillips, Marcus	(561) 252-7363	3801 PGA Boulevard, Suite 600	Palm Beach Gardens, ~~Florida~~FL 33410
Florida	Sharma, Sonny	(954) 362-5235	15800 Pines Boulevard, Suite 336	Pembroke Pines, ~~Florida~~FL 33027
Florida	Windley, Jon Milson	(448) 400-2437	186 N Palafox #214	Pensacola, ~~Florida~~FL 32502
Florida	Jacobs, Cristina; Jacobs, Pierre	(772) 251-1169	1860 SW Fountainview Boulevard Suite 100	Port St. Lucie, ~~Florida~~FL 34986
Florida	Peltier, Alexis Leedom; Peltier, Robert Lee	(941) 309-1111	5250 17th Street, Suite 106	Sarasota, ~~Florida~~FL 34235
Florida	Michailidis, John	(941) 225-8183	8586 Potter Park Drive, Suite 102	Sarasota, ~~Florida~~FL 34238
Florida	Pannone, Dominic; Pannone, Michael Joseph	(727) 279-7779	5331 Commercial Way, Suite 114	Spring Hill, ~~Florida~~FL 34606
Florida	Gorski, Elizabeth Ann	(904) 417-8988	101 La Quinta Place	St. Augustine, ~~Florida~~FL 32084
Florida	Patel, Ankit J; Patel, Dipika	(647) 833-5616	7901 4th Street North Suite 300	St. Petersburg, ~~Florida~~FL 33702
Florida	DeThomas, Deena; Gulick, Elizabeth	(727) 202-9077	4180 Central Ave. Suite 2	St. Petersburg, ~~Florida~~FL 33711
Florida	McMurray, John	(772) 242-9094	100 SW Albany Ave. Suite 300	Stuart, ~~Florida~~FL 34994
Florida	Turlington, Jill; Turlington, Mark	(813) 445-4600	11932 Race Track Road	Tampa, ~~Florida~~FL 33626

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Florida	Dowsett, Mark; Heaps, Paul Jason	(813) 445-8280	7320 E. Fletcher Avenue, Unit 145	Tampa, ~~Florida~~FL 33637
~~Florida~~	~~Guirguis, Emmanuel; Strong, Ryan Johnathan~~	~~(416) 706-0959~~	~~73 Kimberly Avenue~~	~~Toronto, Ontario M4E 2Z4~~
Florida	Sparks, Dale Allan	(813) 867-7300	2238 Lithia Center Lane	Valrico, ~~Florida~~FL 33596
Florida	Phillips, Marcus; Phillips, Emily	(561) 252-7363	12161 Ken Adams Way, Suite 110	Wellington, ~~Florida~~FL 33414
Florida	Phillips, Emily; Phillips, Marcus	(561) 252-7363	5730 Corporate Way, Suite 120	West Palm Beach, ~~Florida~~FL 33407
Florida	De La Melena, Alex Zandro	(954) 727-8788	2200 N. Commerce Parkway, Suite 200	Weston, ~~Florida~~FL 33326
Florida	Bersach, Andrew; Lawrence, Jared	(863) 877-1078	331 W Central Avenue, Suite 230	Winter Haven, ~~Florida~~FL 33880
Florida	Gueli, Steven Salvatore	(407) 681-7802	3001 Aloma Avenue, Suite 213	Winter Park, ~~Florida~~FL 32792
Florida	Lippi, Vivian; Lippi, Roberto	(321) 972-6823	1401 Town Plaza Court, Suite 2010B	Winter Springs, ~~Florida~~FL 32708
Florida	Guirguis, Emmanuel; Strong, Ryan Johnathan	(416) 706-0959	73 Kimberly Avenue	Toronto, Ontario M4E 2Z4, Canada
Georgia	Nobles, Heather	(229) 500-0959	515 N. Westover Boulevard, Suite A-2	Albany, ~~Georgia~~GA 31707
Georgia	Osmanbasic, Azur	(770) 616-0716	2560 Hopewell Plantation Drive	Alpharetta, ~~Georgia~~GA 30004
Georgia	Shuster, Russell	(404) 905-9455	11539 Park Wood Circle, Suite 105	Alpharetta, ~~Georgia~~GA 30005
Georgia	Anderson, Kendrick David, Et AL: KKE Professional Servies LLC	(678) 761-7106	1641 Gilstrap LN NW	Atlanta, GA 30318
Georgia	Canada, Dina; Canada, Elizabeth M.	(678) 809-3477	1282 Dahlgren Lane	Atlanta, ~~Georgia~~GA 30316
Georgia	Lane, Stanley Alan	(770) 771-6102	750 Hammond Drive, Bldg. 8 Suite 350	Atlanta, ~~Georgia~~GA 30328
Georgia	Reynolds, Heather; Landis, Justin Lee	(404) 480-4820	2727 Paces Ferry Road S.E., Building One, Suite 750	Atlanta, ~~Georgia~~GA 30339
Georgia	~~Gentry, Clay Coleman; Gentry, Kimberly Amanda~~Payne, Brandon Keller and Payne, Lauren Willard: 41 North Realty Group, LLC	(~~470~~678) ~~529-3627~~680-5065	~~15 Planters Drive~~913 N.~~W.~~ Tennessee St. #101	~~Carterville, Georgia~~Cartersville, GA 30120
Georgia	Storey, Allen	(706) 864-5456	81 Crown Mountain Place, D-100	Dahlonega, ~~Georgia~~GA 30533
Georgia	Arenstam, Paul Gregory	(678) 552-1915	210 Trilith Parkway, Suite 100	Fayetteville, ~~Georgia~~GA 30214
Georgia	Walls Sr., Damond	(470) 870-6652	11555 Medlock Bridge Road, Unit 100	Johns Creek, ~~Georgia~~GA 30097
Georgia	Entinger, Michael	(678) 835-7255	440 S. Perry Street, Suite #4	Lawrenceville, ~~Georgia~~GA 30046

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Georgia	Sapp, Megan; Sapp, Benjamin David	(478) 257-7055	901-A Washington Avenue	Macon, ~~Georgia~~GA 31201
Georgia	Collins, Ann	(770) 622-5657	3535 Roswell Road, Suite 18	Marietta, ~~Georgia~~GA 30062
Georgia	Holzman, Walter	(770) 506-1237	200 Turner Street	McDonough, ~~Georgia~~GA 30253
Georgia	Grant, Paul Daniel	(706) 760-7912	6682 Alabama Highway Suite 151	Ringgold, ~~Georgia~~GA 30736
Georgia	Grizzle, John; Hunter, Beth	(678) 765-8383	1400 Buford Highway, Suite D-3	Sugar Hill, ~~Georgia~~GA 30518
Georgia	Grizzle, John; Hunter, Beth	(678) 765-8383	1400 Buford Highway, Suite D-3	Sugar Hill, ~~Georgia~~GA 30518
Hawaii	Llamas, Doji	(650) 696-1800	733 Bishop Street, Suite 2050-C	Honolulu, ~~Hawaii~~HI 96813
Hawaii	Pearson, Brian; Pearson, Gina	(808) 240-4750	2960 Kalena Street	Lihue, ~~Hawaii~~HI 96766
Idaho	McGary, Kirk Tad; McGary, Blenda	(208) 960-0660	9522 W Fairview Avenue, Suite 110	Boise, ~~Idaho~~ID 83704
Idaho	McGary, Kirk Tad; McGary, Blenda	(208) 494-1800	9522 West Fairview Avenue	Boise, ~~Idaho~~ID 83704
Idaho	~~Schmitt, Jason; Schmitt, Yvonne~~Menzies, Glori; Menzies Josiah; and Menzies, Kalyn: Veritas Enterprises, LLC	(208) 231-1964	1712 E. Sherman Avenue	Coeur ~~d~~D'Alene, ~~Idaho~~ID 83814
Idaho	McGary, Jaron; Durrant, Garret	(208) 522-2400	2052 Jennie Lee Drive, Suite 5	Idaho Falls, ~~Idaho~~ID 83404
Idaho	McGary, Jaron; Durrant, Garret	(208) 234-1000	511 W. Maple Street	Pocatello, ~~Idaho~~ID 83201
Idaho	McGary, Jaron; Durrant, Garret	(208) 734-4001	209 Shoup Avenue West	Twin Falls, ~~Idaho~~ID 83301
Illinois	Bhimji, Zeeshan; Ali, Sohail	(312) 265-0660	770 N. LaSalle Avenue, Suite 601	Chicago, ~~Illinois 60654~~IL60654
Illinois	Bhimji, Zeeshan; Ali, Sohail	(312) 265-0660	770 N. LaSalle Avenue, Suite 601	Chicago, ~~Illinois~~IL 60654
Illinois	Bhimji, Zeeshan; Ali, Sohail	(312) 265-0660	770 N. LaSalle Avenue, Suite 601	Chicago, ~~Illinois~~IL 60654
Illinois	Bhimji, Zeeshan; Ali, Sohail	(312) 265-0660	770 N. LaSalle Avenue, Suite 601	Chicago, ~~Illinois~~IL 60654
Illinois	Bhimji, Zeeshan; Ali, Sohail	(312) 265-0660	770 N. LaSalle Avenue, Suite 601	Chicago, ~~Illinois~~IL 60654
Illinois	Bhimji, Zeeshan; Ali, Sohail	(312) 265-0660	770 N. LaSalle Avenue, Suite 601	Chicago, ~~Illinois~~IL 60654
Illinois	Bhimji, Zeeshan; Ali, Sohail	(312) 265-0660	770 N. LaSalle Avenue, Suite 601	Chicago, ~~Illinois~~IL 60654
Illinois	Bhimji, Zeeshan; Ali, Sohail	(312) 265-0660	770 N. LaSalle Avenue, Suite 601	Chicago, ~~Illinois~~IL 60654
Illinois	Bhimji, Zeeshan; Ali, Sohail	(312) 265-0660	770 N. LaSalle Avenue, Suite 601	Chicago, ~~Illinois~~IL 60654

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Illinois	Filosa, Michelle; Giannini, Anthony	(847) 455-9500	2940 Commerce Street	Franklin Park, ~~Illinois~~IL 60131
Illinois	Giannini, Anthony; Filosa, Michelle	(773) 904-7700	2940 Commerce Street	Franklin Park, ~~Illinois~~IL 60131
Illinois	Bhimji, Zeeshan; Ali, Sohail	(847) 737-4800	2815 Forbs Avenue, Suite 107	Hoffman Estates, ~~Illinois~~IL 60192
Illinois	Bhimji, Zeeshan; Ali, Sohail	(630) 427-2200	450 E. 22nd Street, Suite 223	Lombard, ~~Illinois~~IL 60148
Illinois	Bhimji, Zeeshan; Ali, Sohail	(312) 265-0660	9439 W. 144th Place	Orland Park, ~~Illinois~~IL 60462
Illinois	Bhimji, Zeeshan; Ali, Sohail	(630) 393-1300	1460 Renaissance Drive, Suite 308	Park Ridge, ~~Illinois~~IL 60068
Illinois	Bhimji, Zeeshan; Ali, Sohail	(630) 393-1300	4320 Winfield Road, Suite 200	Warrenville, ~~Illinois~~IL 60555
Indiana	Stamper, Brett Michael and Stamper, Jordan: JBSTAMPER LLC	(317) 218-7800	7230 Arbuckle Commons Suite 232	Brownsburg, ~~Indiana~~IN 46112
Indiana	Lulinski, Adam	(219) 525-1277	1171 Breuckman Drive, Suite D	Crown Point, ~~Indiana~~IN 46307
Indiana	Sander, Chad	(812) 461-1676	1322 E. Division Street	Evansville, ~~Indiana~~IN 47711
~~Indiana~~	~~Norton, Shaun~~	~~(317) 420-8500~~	~~3209 W. Smith Valley Road, Suite 252~~	~~Greenwood, Indiana 46142~~
Indiana	~~Jelinek, Lisa Ann; Gilbert, Kevin Spencer; Bell, Alan Christopher~~Stamper, Brett Michael and Stamper, Jordan Leigh: JBSTAMPER LLC	(317) 484-8444	201 North Illinois Street, 16th Floor-South Tower	Indianapolis, ~~Indiana~~IN 46204
Indiana	Carpenter, Todd Eugene	(317) 219-4363	9595 Whitley Drive	Indianapolis, ~~Indiana~~IN 46240
~~Indiana~~Iowa	~~Norton, Shaun~~De Bruin, Dylan; Schabuch, Joseph	(~~317~~515) ~~610-0600~~251-8200	~~9860 Westpoint Drive, Suite #400~~2545 106th Street	~~Indianapolis, Indiana 46256~~Urbandale, IA 50322
Iowa	Kattenberg, Joshua Dean	(605) 214-5633	2702 E. Bragstad Drive	Sioux Falls, ~~South Dakota~~SD 57103
~~Iowa~~	~~De Bruin, Dylan; Schabuch, Joseph~~	~~(515) 251-8200~~	~~2545 106th Street~~	~~Urbandale, Iowa 50322~~
Kansas	~~Meade, Paul; Meade, Mary~~Wolfe, Justin Edward and Wolfe, Holly Nichole: WF Property Group, Inc.	(913) ~~782-0560~~712-4470	~~12345 W. 95th~~5950 Roe Avenue	~~Lenexa, Kansas 66215~~Mission, KS 66205
Kansas	Underwood, Justin	(316) 337-5602	940 N. Tyler Road, Suite 203	Wi~~t~~chita, ~~Kansas~~KS 67218
Kansas	Bownds, Rodney Clay and Bownds, Deborah Elaine:	(913) 782-0560	680 SE Bayberry Lane, Ste 101	Lee's Summit, MO 64063

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	Log Cabin Legacy LLC (RPMKS006)			
Kentucky	Ritchie, Dan	(859) 684-2054	2333 Alexandria Drive, Suite 131	Lexington, ~~Kentucky~~KY 40504
Kentucky	Thompson, Michelle; Thompson, Sam	(502) 290-9319	101 North 7th Street	Louisville, ~~Kentucky~~KY 40202
Louisiana	Leroux, Lance; Soulier, Justin	(225) 389-6860	5637 Superior Drive, Suite B-3	Baton Rouge, ~~Louisiana~~LA 70816
Louisiana	Leroux, Lance; Soulier, Justin	(225) 389-6860	7450 Antioch Road	Baton Rouge, ~~Louisiana~~LA 70817
Louisiana	Legar, Merrie	(337) 769-6916	114 Curran Lane	Lafayette, ~~Louisiana 70506~~LA70506
Louisiana	Duncan, Bessie; Duncan, Billy	(225) 570-8739	1210 Independence Boulevard, Suite A	Zachary, ~~Louisiana~~LA 70791
Maine	Foss, Roland	(207) 561-7482	659 Hogan Road, Suite B	Bangor, ~~Maine~~ME 4401
Maine	Wu, Man Wun; Mukiza, Pamela; and Mukiza Monia Chantal: Coastal Realty Management LLC	(207) 550-0776	400 Congress Street, Suite 300	Portland, ME 04101
Maryland	Truong, Alan V.; Chia, James K.	(301) 332-3200	Court Square Building, 200 E. Lexington Street, Suite 300	Baltimore, ~~Maryland~~MD 21202
Maryland	Hooda, Suleman	(410) 695-4701	8100 Sandpiper Circle, Suite 108F	Baltimore, ~~Maryland 21236~~MD21236
Maryland	Hooda, Suleman	(410) 695-4701	8100 Sandpiper Circle, Suite 108F	Baltimore, ~~Maryland~~MD 21236
Maryland	McKellar, Nicole; McKellar, Brandon James (BJ)	(410) 290-3285	10015 Old Columbia Road, Suite B215	Columbia, ~~Maryland 21046~~MD21046
Maryland	McKellar, Brandon James (BJ); McKellar, Nicole	(410) 290-3285	3545 Ellicott Mills Drive	Ellicott City, ~~Maryland~~MD 21043
Maryland	Anthony Vertucci, Ryan	(301) 392-2172	22099 Three Notch Road, Suite 111	Lexington Park, ~~Maryland~~MD 20653
Maryland	Houston, Taylor; Houston, Lila; Houston SR., Augustus; Houston JR., Augustus Leon	(410) 832-3138	1300 York Road, Suite 324-A	Lutherville Timonium, ~~Maryland~~MD 21093
Maryland	Lowe, Nikole Lezley; Patel, Rajiv Kantilal; Richardson, Carla Ann	(415) 503-7943	1829 Reisterstown Road, Suite 350	Pikesville, ~~Maryland~~MD 21208
Maryland	Hooda, Suleman	(301) 869-5001	7361 Calhoun Place, Suite 565	Rockville, ~~Maryland~~MD 20855
Maryland	Hooda, Suleman	(301) 869-5001	7361 Calhoun Place, Suite 565	Rockville, ~~Maryland 20855~~MD20855
Maryland	Anthony Vertucci, Ryan	(240) 607-6100	2255 Crain Highway, Suite 102	Waldorf, ~~Maryland 20601~~MD20601
Massachusetts	Grenier, Shawn Scott	(978) 979-7253	100 Cummings Center, Suite 207-P, Office 247	Beverly, ~~Massachusetts 1915~~MA 01915

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Massachusetts	Anderson, Glyn; Anderson, Janeen	(617) 299-2342	245 First Street, 18th Floor	Cambridge, ~~Massachusetts 2142~~MA 02142
Massachusetts	Mimoso, Michael	(908) 239-7579	634 State Road, Suite J	Dartmouth, ~~Massachusetts 2747~~MA 02747
Massachusetts	Hunt, John; Wells, Ana	(617) 522-0099	179 Boylston Street	Jamaica Plain, ~~Massachusetts 2130~~MA 02130
Massachusetts	Lacroix, Matthew Kenneth	(413) 514-0050	563 Center Street	Ludlow, ~~Massachusetts 1056~~MA 01056
Massachusetts	Myers, David	(508) 408-8100	154 East Central Street, Suite 205	Natick, ~~Massachusetts 1760~~MA 01760
Massachusetts	Olson, Kimberlee April and Willis, Oral R.	(413) 418-9600	118 Elm Street	Pittsfield, MA 01201
Massachusetts	Glasgow, Michael	(508) 329-6000	80-B Turnpike Road	Westborough, ~~Massachusetts 1581~~MA 01581
Massachusetts	Duffy, Jim	(508) 509-4485	293 Libbey Industrial Parkway #650	Weymouth, ~~Massachusetts 2189~~MA 02189
Michigan	Coleman, Michael and Coleman, Rebeca: Coleman Enterprises LLC	(616) 558-9148	395 100th Street SW	Byron Center, MI 49315
Michigan	Rassas, Neil Salim	(313) 400-9462	601 S Melborn	Dearborn, ~~Michigan~~MI 48124
Michigan	Shepard, Scott Joseph Mark Edward	(248) 252-6671	453 W. Forrest Avenue	Detroit, MI 48201
Michigan	Ban, Richard Frank; Shepard, Scott Joseph Mark Edward	(248) 905-1246	453 Forest Avenue, Suite 1	Detroit, ~~Michigan~~MI 48201
Michigan	Bitel, Craig Steven	(248) 554-1010	429 Livernois Suite #204	Ferndale, ~~Michigan~~MI 48220
Michigan	~~Engel, Edward John; Engel, Matthew Edward~~Sorric, Christopher Robert and Sorric, Mary Jennifer: Sorric Incorporated	(~~231~~269) ~~527-5000~~888-5717	~~802 Alpine Avenue NW~~131 S. Main Street, Suite #5	~~Grand Rapids, Michigan 49504~~Plainwell, MI 49080
~~Michigan~~	~~Engel, Edward John; Engel, Matthew Edward~~	~~(616) 419-4578~~	~~950 28th Street SE, Suite B200~~	~~Grand Rapids, Michigan 49508~~
~~Michigan~~	~~Engel, Edward John; Engel, Matthew Edward~~	~~(616) 419-4578~~	~~3800 Covington Road~~	~~Kalamazoo, Michigan 49001~~
~~Michigan~~	~~Engel, Matthew Edward; Engel, Edward John~~	~~(616) 558-9148~~	~~1657 Getty, Suite 23~~	~~Muskegon, Michigan 49442~~
Michigan	Abro, Elizabeth; Gharib (Abro), Michelle, Abro, Jennifer	(586) 992-6419	872 E. Auburn Road	Rochester Hills, ~~Michigan~~MI 48307

Territory State	Owner/ Operating Principal	Phone Number	Address	City, State Zip
Michigan	Heaps, Paul Jason	(269) 983-7764	815 Main Street	St. Joseph, ~~Michigan~~MI 49085
Michigan	Hurley, Jeff	(248) 808-6550	570 Kirts Boulevard, Suite 229	Troy, ~~Michigan~~MI 48084
Michigan	Proux, Zachary Samuel and Proux, Breanna Yachiyo: Proux Properties, LLC	(616) 808-3088	1850 44th Street SW	Wyoming, MI 49519
Minnesota	Boyer, Josh	(320) 460-7474	1417 Broadway Street, Suite 3	Alexandria, ~~Minnesota~~MN 56308
Minnesota	Fitterer, Taylor; Schwendeman, Chad James	(218) 454-7368	7153 Forthun Road, Suite 140	Baxter, ~~Minnesota~~MN 56425
Minnesota	Scribante, John Hallas	(612) 915-0100	33 10th Avenue S., Suite 100	Hopkins, ~~Minnesota~~MN 55343
Minnesota	Bartlett, Richard Allan	(844) 365-7368	30 S. Ninth Street, 7th Floor	Minneapolis, ~~Minnesota~~MN 55402
Minnesota	Heller, Peter Lucas	(952) 900-1717	8170 Old Carriage Court N., Suite 200, #220	Shakopee, ~~Minnesota~~MN 55379
~~Mississippi~~	~~Ashworth, Forrest W.~~	~~(601) 607-8202~~	~~1012 Madison Avenue, Suite B~~	~~Madison, Mississippi 39110~~
Missouri	Tatham, Eric E; Tatham, Sara Marie	(314) 931-0300	9012 Manchester Road #C	Brentwood, ~~Missouri~~MO 63144
Missouri	Butler, Scott: SCM Ventures, LLC	(573) 615-0809	2909 Falling Leaf Lane - F	Columbia, MO65201
Missouri	Bownds, Deborah; Bownds, Rodney (RPMMO009)	(816) 207-0750	684 SE Bayberry Lane, Suite 104	Lee's Summit, ~~Missouri~~MO 64063
Missouri	Bina, Jeffery Edward	(636) 542-8852	1001 Boardwalk Springs Place. Suite 111	O'Fallon, ~~Missouri~~MO 63368
Missouri	Lewis, Franklin Joseph	(816) 305-6476	17825 Elm Grove Road	Platte City, ~~Missouri~~MO 64079
Missouri	French, Adelaide; Underwood, Justin	(417) 220-4100	3271 E. Battlefield Rd., Suite 260	Springfield, ~~Missouri~~MO 65804
Missouri	French, Adelaide; Underwood, Justin	(417) 220-4102	4022 S. Lone Pine Avenue, Suite 150	Springfield, ~~Missouri~~MO 65804
Missouri	Cross Jr, Nathan	(636) 244-5959	2705 St. Peters-Howell Road	St. Peters, ~~Missouri~~MO 63376
Montana	Thayne, Stacie Morgan; Thayne, Weston Mark	(406) 586-2226	2413 W Main Street #3	Bozeman, ~~Montana~~MT 59718
Montana	Child, Robert; Child, Tara	(406) 360-2792	170 S. 2nd Street, Suite C	Hamilton, ~~Montana~~MT 59840
Montana	Burbank, Brenton	(406) 996-1196	2685 Airport Road	Helena, ~~Montana~~MT 59601
Montana	Rozell, Rylan: Bliston Heritage, LLC	(406) 309-6602	325 Central Avenue, Unit C	Whitefish, MT 59937
Nebraska	Lozinsky, Sergey	(860) 914-8100	14245 South Street	Omaha, ~~Nebraska~~NE 68137
Nebraska	Lozinsky, Sergey	(860) 914-8100	14245 South Street	Omaha, ~~Nebraska~~NE 68137

Territory State	Owner/ Operating Principal	Phone Number	Address	City, State Zip
Nebraska	Lozinsky, Sergey	(860) 914-8100	14245 South Street	Omaha, ~~Nebraska~~NE 68137
Nevada	Patchin, Thomas A.	(702) 848-2509	1180 North Town Center Drive Suite 100	Las Vegas, ~~Nevada~~NV 89144
Nevada	Kent, Kristopher C.	(775) 826-1414	1875 Plumas Street, Suite 6B	Reno, ~~Nevada~~NV 89509
New Hampshire	Beskar, Daniel Allen; Lauerman Beskar, Elizabeth Ann	(952) 905-0085	62 Tirrell Road	Bedford, ~~New Hampshire 3110~~NH 03110
New Hampshire	Comstock, Jay	(603) 343-2202	2 Washington Street, Suite 215	Dover, ~~New Hampshire 3820~~NH 03820
New Hampshire	Walls, Steve; A. Walls, Debora	(603) 627-7368	1 Leonard Avenue	Hooksett, ~~New Hampshire 3106~~NH 03106
New Hampshire	A. Walls, Debora; A. Walls, Steve	(603) 627-7368	1 Leonard Avenue	Hooksett, ~~New Hampshire 3106~~NH 03106
New Hampshire	Thayne, Weston; Thayne, Mark	(801) 589-7964	1 School Street	Lebanon, ~~New Hampshire 3766~~NH, 03766
New Hampshire	Law, Scott Brigham; Law, Parker Joseph	(603) 801-2235	2 Wellman Avenue, Suite 260	Nashua, ~~New Hampshire 3064~~NH 03064
New Jersey	Entel, Todd	(908) 955-7487	245 Main Street, Suite 100A	Chester, ~~New Jersey 7930~~NJ 07930
New Jersey	Adam, Mark Jeffrey	(201) 514-1603	560 Sylvan Avenue Suite 1122	Englewood Cliffs, ~~New Jersey 7632~~NJ 07632
New Jersey	Eid, Marwan	(848) 333-0209	513 Milltown Road	North Brunswick, ~~New Jersey 8902~~NJ 08902
New Jersey	Alvarez, Amelia	(973) 798-2400	244 Chestnut Street #203	Nutley, ~~New Jersey 7110~~NJ 07110
New Jersey	Randazzo, Thomas	(732) 289-9337	54 Broad Street, Unit L103	Red Bank, ~~New Jersey 7701~~NJ 07701
New Mexico	Wolfswinkel, Joni; Wolfswinkel, Shawn	(505) 831-8700	306 Isleta Boulevard S.W.	Albuquerque, ~~New Mexico~~NM 87105
New Mexico	Wolfswinkel, Joni; Wolfswinkel, Shawn	(505) 831-8700	306 Isleta Boulevard S.W.	Albuquerque, ~~New Mexico~~NM 87105
New Mexico	Webb, Mark	(505) 225-2812	2111 Wyoming Boulevard N.E.	Albuquerque, ~~New Mexico~~NM 87112
New York	Chirichella, Paul Anthony	(516) 443-3296	4 E. Slope Road	Bayville, ~~New York~~NY 11709
~~New York~~	~~Lawson, James~~	~~(716) 240-9477~~	~~One News Plaza, 33 Scott Street~~	~~Buffalo, New York 14203~~
New York	Jelinek, Lisa Ann; Gilbert, Kevin Spencer; Bell, Alan Christopher	(757) 714-3268	118-35 Queens Boulevard, Suite 400	Forest Hills, ~~New York~~NY 11375

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New York	Teague, William W.; Teague, Linda Cherie	(518) 612-4900	2390 Western Avenue, Suite 207B	Guilderland, ~~New York 12084~~NY12084
New York	Penister, Duane; Penister, Sheila	(845) 300-6366	7 Skyline Drive, Suite 350	Hawthorne, ~~New York~~NY 10532
New York	Hill, Ahmond Elijah	(757) 303-3832	255 Route 17K	Newburgh, ~~New York~~NY 12550
New York	George, Jason Robert	(518) 290-1448	63 Putnam Street, Suite 202	Saratoga Springs,~~, New York~~ NY 12866
New York	Look, Aaron James: Brick & Beam LLC	(315) 498-1235	7325 Thompson Road	Syracuse, NY 13212
New York	Casella, Brad	(516) 522-2859	626 RXR Plaza	Uniondale, ~~New York~~NY 11556
New York	Hoelzle, John	(516) 570-9275	70 East Sunrise Highway, Suite 500	Valley Stream, ~~New York~~NY 11581
New York	Cantamessa, Daniel	(914) 367-0273	172 South Broadway, Suite LL-1	White Plains, ~~New York~~NY 10605
~~New York~~North Carolina	~~Ronis, Michael~~Schaal, Lisa Maria: Good Move Properties, LLC	(~~347~~336) ~~457-5431~~704-0505	~~199 Cook~~2815-B S. Church Street ~~#210~~	~~Brooklyn, New York 11206~~Burlington, NC 27215
North Carolina	Kauffman, Ryan T.; Wakim, Dolly Ghassan; Lokas, Karim; Morris, Brenton V.	(704) 220-0110	8604 Cliff Cameron Drive, Suite142	Charlotte, ~~North Carolina~~NC 28269
North Carolina	Lokas, Karim; Morris, Brenton V.; Kauffman, Ryan T.; Wakim, Dolly Ghassan	(704) 230-4074	8604 Cliff Cameron Drive, Suite 142	Charlotte, ~~North Carolina~~NC 28269
North Carolina	Middlebrook, Roosevelt; Middlebrook, Shianne: Mahogany Enterprises, LLC	(336) 510-9975	2554 Lewisville Clemmons Road, Suite 302	Clemmons, NC 27012
North Carolina	Cooper, John Emerson and Cooper, Sandra Ann: Triangle Property Solutions, LLC	(571) 422-8032	3500 Westgate Drive, Building 400	Durham, NC 27707
North Carolina	Burchette, Howard Lee	(984) 666-0912	4819 Emperor Boulevard, Suite 400	Durham, ~~North Carolina~~NC 27703
North Carolina	Cooper, John Emerson; Cooper, Sandra Ann	(571) 422-8032	3500 Westgate Drive, Building 400	Durham, ~~North Carolina~~NC 27707
North Carolina	Arnold, Alan Robert and Cartee, Tarah Lin: Moose Management, LLC	(919) 505-1776	119 Commerce Pkwy., Suite 101, Room 3	Garner, NC 27529
North Carolina	Morris, Brenton; Kauffman, Ryan	(336) 355-6677	1901 Lendew Street, Suite 7	Greensboro, ~~North Carolina~~NC 27408
North Carolina	Lokas, Rami; Lokas, Karim; Daniel, Elias: Atlas Property Mangement lLC	(704) 618-4877	10020 Monroe Road, Suite 250	Matthews, NC 28105
North Carolina	Jeffrey Wade Fox	(980) 392-4048	111 E. Charlotte Avenue, Unit #1	Mount Holly, ~~North Carolina~~NC 28120

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North Carolina	Lawrence, Cameron Jarrod: Lawrence Management Group, LLC	(252) 298-5151	1425 S Glenburnie Road #3	New Bern, NC 28562
North Carolina	Draddy, Dean	(704) 919-1344	315 Main Street, Suite E	Pineville, ~~North Carolina~~NC 28134
North Carolina	Gariepy-LeBlanc, Chantel; LeBlanc, Stephane	(919) 827-1107	144 Annaron Court	Raleigh, ~~North Carolina~~NC 27603
North Carolina	Morris, Brenton; Kauffman, Ryan	(919) 747-3488	4505 Fair Meadow Lane, Suite 208	Raleigh, ~~North Carolina~~NC 27607
North Carolina	Ritter, Heather; Ritter, Michael	(919) 481-0008	8480 Honeycutt Road, Suite 200	Raleigh, ~~North Carolina~~NC 27615
North Carolina	O' Connell, Debra; O' Connell, Colin	(910) 782-4488	102 Old Eastwood Road, Suite C-3	Wilmington, ~~North Carolina~~NC 28403
North Carolina	O' Connell, Debra; O' Connell, Colin	(910) 782-4488	102 Old Eastwood Road #C-3	Wilmington, ~~North Carolina~~NC 28403
North Carolina	Kauffman, Ryan; Morris, Brenton	(336) 777-7444	163 Stratford Court, Suite 255	Winston Salem, ~~North Carolina~~NC 27103
North Dakota	Cochran, Jamie; Boyer, Josh; Lindahl, Kelsey	(701) 526-4500	225 4th Avenue N., Suite 27C	Fargo, ~~North Dakota 58102~~ND58102
North Dakota	Waldner, Tyler John; Halilovic, Nedzad	(701) 491-2908	102 W. Beaton Drive Suite 200	West Fargo, ~~North Dakota~~ND 58078
Ohio	~~Lal, Sanjiv~~Whittenburg, James Barry and Rothman, Alana Faith: Maverick Group Unlimited, LLC	(~~234~~513) ~~542-6299~~278-5050	~~1248 Weathervane Lane~~8044 Montgomery Road, Suite 700	~~Akron, Ohio 44313~~Cincinnati, OH 45236
Ohio	Thompson, Michelle; Thompson, Sam	(513) 762-9000	352 Gest Street	Cincinnati, ~~Ohio~~OH 45203
Ohio	Thompson, Michelle; Thompson, Sam	(614) 550-1022	261 W. Johnstown Road	Columbus, ~~Ohio~~OH 43230
Ohio	Thompson, Michelle; Thompson, Sam	(937) 550-1022	4031 Colonel Glenn Highway, Suite 136	Dayton, ~~Ohio~~OH 45431
Ohio	Shriver, Janis; Shriver, John	(567) 200-2320	28304 Cedar Park Boulevard, Suite A-1	Perrysburg, ~~Ohio~~OH 43551
Ohio	Ware, Ralph L.	(440) 534-6700	9329 Ravenna Road, Suite C	Twinsburg, ~~Ohio~~OH 44087
Ohio	Vargas, Raymund	(614) 405-2340	470 Olde Worthington Road, Suite 200	Worthington, ~~Ohio~~OH 43082
Oklahoma	Muse, Patricia; Muse, Mark	(405) 787-4429	8488 N.W. 39th Expressway	Bethany, ~~Oklahoma~~OK 73008
Oklahoma	Price, Kristofor Lloyd; Smith, Mark William	(405) 694-9053	17 East 1st Street	Edmond, ~~Oklahoma~~OK 73034
Oklahoma	Underwood, Justin	(405) 463-0040	3141 N.W. 63rd Street	Oklahoma City, ~~Oklahoma~~OK 73116
Oklahoma	Ziba, Stacey E.; Ziba, Richard Shane	(918) 984-4433	9500 North 129th East Avenue, Suite 230	Owasso, ~~Oklahoma~~OK 74055
Oklahoma	Nelson, Marc; Powell, Cade	(918) 895-7869	4833 S. Sheridan Road, Suite 400	Tulsa, ~~Oklahoma~~OK 74145

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Oregon	Fred, Ryan Courtney and Smith, Brian Wayne: Burn the Ships LLC	(541) 550-7002	805 SW Industrial Way, Suite 9	Bend, OR 97702
Oregon	Ojomo, Esosa Edwin: Esosa Ojomo, Inc	(971) 229-4555	825 NE 20th Avenue, Suite F	Portland, OR 97232
Oregon	Visser, Robert George	(971) 270-2600	14335 SW Allen Boulevard, Suite 208	Portland, ~~Oregon~~OR 97005
Oregon	Hayes, Lacey; Hayes, Daniel Dean; Hayes, Timothy Forn; Hayes, Angela Lou	(503) 224-3002	10725 SW Barbur Boulevard, Suite 200	Portland, ~~Oregon~~OR 97219
Oregon	Hayes, Lacey; Hayes, Daniel Dean; Hayes, Timothy Forn; Hayes, Angela Lou	(503) 341-6974	10725 SW Barbur Boulevard, Suite 222	Portland, ~~Oregon~~OR 97219
Oregon	Hayes, Lacey; Hayes, Daniel Dean; Hayes, Timothy Forn; Hayes, Angela Lou	(503) 341-6974	10725 S.W. Barbur Boulevard, Suite 200	Portland, ~~Oregon~~OR 97219
Oregon	Hayes, Lacey; Hayes, Daniel Dean; Hayes, Timothy Forn; Hayes, Angela Lou	(503) 224-3002	10725 S.W. Barbur Boulevard, Suite 200	Portland, ~~Oregon~~OR 97219
Oregon	Hayes, Lacey; Hayes, Daniel Dean; Hayes, Timothy Forn; Hayes, Angela Lou	(503) 224-3002	12700 SW Pacific Hwy	Portland, ~~Oregon~~OR 97223
Pennsylvania	Stutz, Edward; Foulkrod, Matt	(412) 265-4202	3477 Corporate Parkway, Suite 100	Center Valley, ~~Pennsylvania~~PA 18034
Pennsylvania	Foulkrod, Matt; Foulkrod, Betty	(412) 265-4202	20232 Route 19, Suite 5	Cranberry Township, ~~Pennsylvania~~PA 16066
Pennsylvania	Varanasi, Ravi Chandra	(215) 920-7284	1497 Alton Way	Downingtown, ~~Pennsylvania~~PA 19335
Pennsylvania	Bing-Zaremba, Marc Edward: Bingz Holdings LLC	(215) 770-4312	96 West Ashland Street	Doylestown, PA 18901
Pennsylvania	DeCesare, Kelly	(610) 497-2700	689 Smithbridge Road	Glen Mills, ~~Pennsylvania~~PA 19342
Pennsylvania	Liciardello, Marc Steven: LMG RPMV1 Corporation	(610) 943-5996	18 Cambus Blvd., Suite 100	Newton Square, PA 19073
Pennsylvania	Schultze, Robert	(267) 364-5785	139 N. State Street, Suite 202	Newtown, ~~Pennsylvania~~PA 18940
Pennsylvania	Burroughs, Timothy James	(412) 385-2300	1575 McFarland Road	Pittsburgh, ~~Pennsylvania~~PA 15216

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Pennsylvania	Bringhurst, Sarah; Bringhurst, Nate	(412) 600-4824	134 S Highland Avenue	Pittsburgh, ~~Pennsylvania~~PA 15221
Pennsylvania	Pfanstiel, Christopher; Pentrack, Christopher; Cynkar, Christopher	(412) 770-1234	5310 Perrysville Road	Pittsburgh, ~~Pennsylvania~~PA 15229
Rhode Island	Russo, Mark	(401) 272-3300	752 Charles Street	Providence, ~~Rhode Island~~RI 2904
South Carolina	Heaps, Paul Jason; Heugel, Christopher Charles	(843) 898-5743	215 East Bay Street #403-B	Charleston, ~~South Carolina~~SC 29401
South Carolina	Campbell, Daryl	(803) 403-8838	24 Office Park Court, Suite A	Columbia, ~~South Carolina~~SC 29223
South Carolina	Pangle, Calen	(843) 867-4433	1501 Belle Isle Avenue, #110	Mount Pleasant, ~~South Carolina~~SC 29464
South Carolina	Keith, Thomas; Doran, Tara	(843) 900-4061	1240 Winnowing Way, #102	Mt. Pleasant, ~~South Carolina~~SC 29466
South Dakota	Kattenberg, Joshua Dean	(605) 274-7373	1800 S. Alpine Avenue, Suite 103	Sioux Falls, ~~South Dakota 57108~~SD57108
Tennessee	Cramer, Mark	(901) 746-8311	2840 Summer Oaks Drive, Suite 103	Bartlett, ~~Tennessee~~TN 38134
Tennessee	Dowdy, Michelle Ann	(503) 523-7200	1701 Broad Street #517	Chattanooga, ~~Tennessee~~TN 37405
Tennessee	Randall Kenneth Green	(615) 333-6858	100 S. Mulberry Street, Suite 208	Dickson, ~~Tennessee~~TN 37055
Tennessee	Richards, Timothy Matthew	(615) 319-7150	99 E Main Street, Suite 200	Franklin, ~~Tennessee~~TN 37064
Tennessee	Kingsbury Jr., Jeffrey Lee; Kingsbury, Tammy Louis	(615) 953-8700	1529 Hunt Club Boulevard, Suite 100	Gallatin, ~~Tennessee~~TN 37066
Tennessee	Harper, Darius Abrea: Harper Legacy Enterprises LLC	(865) 265-0535	3214 Tazewell Pike Suite 103	Knoxville, TN 37918
Tennessee	Jones, Gina	(615) 900-4067	2670 Memorial Boulevard, Suite D8	Murfreesboro, ~~Tennessee~~TN 37129
Tennessee	Lott, Hasen; Kakwitch, Brett; Moyer, Kelly; Clark, Anthony	(615) 467-6281	5016 Centennial Boulevard, Suite 200	Nashville, ~~Tennessee~~TN 37209
Tennessee	Simmons, David; Simmons, James Walton	(615) 761-9400	3511 Gallatin Pike, Suite 108	Nashville, ~~Tennessee~~TN 37216
Tennessee	Cramer, Mark	(615) 810-9578	2201 Murfreesboro Pike #B203	Nashville, ~~Tennessee~~TN 37217
Texas	Knox, Kraig Orain	(806) 553-7914	6900 I40 West, Suite 180	Amarillo, ~~Texas~~TX 79106
Texas	Harris, William Raynard: Look Up Texas Enterprise LLC	(~~817~~214) ~~583-6121~~396-3983	2425 W. Pioneer Parkway	Arlington, ~~Texas~~TX 76013
Texas	Harris, William Raynard: Look Up Texas Enterprise LLC	(214) 396-3983	2425 W. Pioneer Parkway	Arlington, TX 76013

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Texas	Morella, Timothy	(512) 777-2597	106 East Sixth Street, Suite 955	Austin, ~~Texas~~TX 78701-3665
Texas	Zhang, Chi; Hu, Jie	(512) 655-2174	2500 W. William Cannon, Bldg 607-C	Austin, ~~Texas~~TX 78745
Texas	Lewis-Ross, Karen Dannette; Heaps, Cristine Lynn; Heaps, Paul Jason	(979) 204-1796	13785 Research Boulevard Ste 125	Austin, ~~Texas~~TX 78750
Texas	Lovoy, Jon	(512) 836-7368	7901 Cameron Road, Suite 2-252	Austin, ~~Texas~~TX 78754
Texas	Huylebroeck, Rudy	(512) 520-9060	8500 N. Mopac Expressway, Suite 702	Austin, ~~Texas~~TX 78759
Texas	Strand, Cindy; Strand, Jarrid Paul	(817) 502-3588	1901 Central Drive, Suite 604	Bedford, ~~Texas~~TX 76021
Texas	Reed, Matthew Brett; Reed, Mary Patricia	(210) 571-1780	606 Frey Street	Boerne, ~~Texas~~TX 78006
Texas	Ekeke, Ihechiluru Ohuoba	(817) 470-6500	5001 E FM 1187, Suite 290	Burleson, ~~Texas~~TX 76028
Texas	Huylebroeck, Rudy	(972) 949-2000	2340 E. Trinity Mills, Suite 300	Carrollton, ~~Texas~~TX 75006
Texas	Cantu, Jennifer; Cantu, Sean	(361) 885-0500	5350 South Staples Street, Suite 345B	Corpus Christi, ~~Texas~~TX 78411
Texas	Khullar, Pooja; Khullar, Nitish	(214) 257-0101	8951 Cypress Water Boulevard, Suite 160	Dallas, ~~Texas~~TX 75019
Texas	Adeyemo, Oluseyi Adebowale	(945) 218-6083	10945 Estate Lane, Suite E205	Dallas, ~~Texas~~TX 75238
Texas	Bailey, Jeffrey Charles	(940) 323-0505	608 E. Hickory Street, T118	Denton, ~~Texas~~TX 76205
Texas	Clayton, Mechelle Renea and Clayton, Charles C.: Modis Enterprises LLC	(214) 550-9311	214 S. Main Street, Suite 214	Duncanville, TX 75116
Texas	Lindloff, Kent	(214) 227-2404	14330 Midway Road, Suite 213	Farmers Branch, ~~Texas~~TX 75244
Texas	Lindloff, Kent	(214) 227-2404	14330 Midway Road, Suite 213	Farmers Branch, ~~Texas~~TX 75244
Texas	Mahan, Ryan Thomas	(817) 930-1160	4200 South Hulen Street, Suite 517	Fort Worth, ~~Texas~~TX 76109
Texas	Williamson, Michael; Williamson, Eric	(281) 984-7463	907 S. Friendswood Drive, Suite 105	Friendswood, ~~Texas~~TX 77546
Texas	Poduska, Brian; Poduska, Christine	(469) 820-0088	7460 Warren Parkway, Suite 100	Frisco, ~~Texas~~TX 75034
Texas	Johnson, Lyndel	(346) 275-3115	29810 FM 1093, Suite E	Fulshear, ~~Texas~~TX 77441
Texas	~~Lopez, Patricia~~Robertson, Ian George and Robertson, Janet	(~~214~~682) ~~396-3983~~459-9733	~~675 Town Square Boulevard~~1425 Hughes Road, Suite 200~~ Building 1A~~, Office 214	~~Garland, Texas 75040~~Grapevine, TX 76051
Texas	Nguyen, Benjamin	(832) 701-0766	1505 Bonner Street	Houston, ~~Texas~~TX 77007
Texas	McGuire, John Robert	(713) 429-0411	950 Echo Lane, Suite 200	Houston, ~~Texas~~TX 77024

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Texas	Wolfswinkel, Joni; Wolfswinkel, Shawn	(281) 894-9111	9234 F.M. 1960 Road W.	Houston, ~~Texas~~TX 77070
Texas	Nichols Jr., Joe; Nichols, D'Lea; Grey, John; Standly, Randy; Nichols Sr., Joe	(713) 830-1888	15715 Tuckerton Road	Houston, ~~Texas~~TX 77095
Texas	Neal, Todd	(713) 857-7245	9660 Hillcroft Street, Suite 200 H	Houston, ~~Texas~~TX 77096
Texas	Espenlaub, Heather; Espenlaub, Troy	(281) 570-6357	9136 Will Clayton Parkway	Humble, ~~Texas~~TX 77338
~~Texas~~	~~Hancock, Benjamin Keith~~	~~(409) 384-4337~~	~~309 Milam Street~~	~~Jasper, Texas 75951~~
Texas	Wolfswinkel, Joni; Wolfswinkel, Shawn	(832) 532-9800	535 East Fernhurst Drive	Katy, ~~Texas~~TX 77450
Texas	Boyes, Nicholas Logan; Boyes, Carolina	(512) 572-6799	7615 Desert Needle Drive	Lago Vista, ~~Texas~~TX 78645
Texas	Stusick, Matthew; Stusick, Tamyra	(940) 435-2526	109 West Main Street, #200	Lewisville, ~~Texas~~TX 75057
Texas	Mupparaju, Srinivasulu	(469) 895-9788	2601 Little Elm Pkwy Suite #402	Little Elm, ~~Texas~~TX 75068
Texas	Hiler II, James Daniel "J"	(806) 853-6546	2503 74th Street, Suite 105	Lubbock, ~~Texas~~TX 79423
Texas	Garrison, Nathan Lee; Garrison, Trish Peterson; Yraguen, Britnee Jo; Yraguen, Tony Brett	(830) 637-7880	407 Main Street #6	Marble Falls, ~~Texas~~TX 78654
Texas	Crutsinger, Gerald; Kinnard, Mary	(214) 721-0727	6800 Weiskopf Avenue, Suite 150	McKinney, ~~Texas~~TX 75070
Texas	Garrison, Trish; Yraguen, Tony	(512) 298-4911	352 Landa Street	New Braunfels, ~~Texas~~TX 78130
Texas	Ketavarapu, Vijay Srinivas: Effort Ease LLC	(972) 688-6255	101 E. Park Blvd.	Plano, TX 75075
Texas	Gyure, Russell	(817) 678-8787	3512 Cripple Creek Trail	Roanoke, ~~Texas~~TX 76262
Texas	Bellamy, Matthew Scott: Stone House Investments, LLC	(469) 745-8199	815 TL Townsend Road #104	Rockwall, TX 75087
Texas	Swenson, Steven	(512) 580-3099	1000 Heritage Center Circle, Suite #105	Round Rock, ~~Texas~~TX 78664
Texas	Huylebroeck, Rudy	(210) 314-1039	12702 Toepperwein, Suite 204	San Antonio, ~~Texas~~TX 78233
Texas	Garrison, Trish; Yraguen, Tony	(210) 787-3876	7272 Wurzbach Road, Suite 204	San Antonio, ~~Texas~~TX 78240
Texas	Garcia, Alice Marie Lucille	(713) 419-9970	117 Honey Bee Lane	Shavano Park, ~~Texas~~TX 78231
Texas	Mahan, Ryan Thomas: R3 Property Services, LLC	(817) 930-1160	150 N. Harbin Drive, Suite 327	Stephenville, TX 76041
Texas	Alrikabi, Ebi	(281) 566-2580	2245 Texas Drive, Suite 300	Sugar Land, ~~Texas~~TX 77479

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Texas	Kilpatrick, Susan; Kilpatrick, Kyle	(254) 401-0400	197 Clinite Grove Boulevard #120	Temple, ~~Texas~~TX 76502
Texas	Sanders, Kristin Lee; Sanders, Jay Mac	(281) 362-5001	25511 Budde Road, Baylor Building, Suite 301	The Woodlands, ~~Texas~~TX 77380
Texas	Merchain Jr., Ricky Lawrence	(903) 481-1041	121 S. Broadway Avenue, Suite 623	Tyler, ~~Texas~~TX 75702
Texas	Peck, Lynn; Peck, Chris	(254) 732-1599	209 Old Hewitt Road, Suite 1	Waco, ~~Texas~~TX 76712
Utah	Phillips, Matthew D.: Real Property Management Cedar City LLC	(435) 586-1777	209 S. Main Street	Cedar City, ~~Utah~~UT 84720
Utah	Phillips, Matthew D.: Real Property Management Cedar City LLC.	(435) 586-1777	209 S. Main Street	Cedar City, UT 84720
Utah	~~McGary, Kirk Tad; McGary, Blenda~~Garff, Matthew; Holland, Phillip; Parke, Tory; Saxton, Chase: RWV Layton, LLC	(801) ~~546-1770~~668-1565	579 Heritage Park ~~Boulevard, #~~Blvd., Suite 102	Layton, ~~Utah~~UT 84041
Utah	Garff, Matthew; Holland, Phillip; Parke, Tory; Saxton, Chase: RWV Vernal, LLC	(801) 224-0033	579 Heritage Park Blvd., Suite 102	Layton, UT 84041
Utah	~~Oler, Doug; McGary, Kirk Tad~~Garff, Matthew; Holland, Phillip; Parke, Tory; Saxton, Chase: RWV Provo, LLC	(801) ~~224-0033~~668-1565	1366 South 740 East	Orem, ~~Utah~~UT 84097
Utah	~~Walker, Shauna; McGary, Kirk Tad; Walker, Todd~~Garff, Matthew; Holland, Phillip; Parke, Tory; Saxton, Chase: RWV Logan, LLC	(~~435~~801) ~~753-5200~~363-7368	221 N. Gateway Drive, Suite H	Providence, ~~Utah~~UT 84332
Utah	~~Oler, Doug; McGary, Kirk Tad~~Garff, Matthew; Holland, Phillip; Parke, Tory; Saxton, Chase: RWV Salt Lake, LLC	(801) 363-7368	1455 West 2200 South, Suite 100	Salt Lake City, ~~Utah~~UT 84119
Utah	Yraguen, Tony; Garrison, Trish	(801) 571-7400	10424 S. 2700W #100	South Jordan, ~~Utah~~UT 84095
Utah	Volkert, George Frank; Volkert, Daniel; Volkert, Kelly: Volkert Investments, LLC	(801) 626-2437	457 N. Main Street, Unit C	Spanish Fork, UT 8460
Utah	Smith, Kaydee	(435) 673-4242	295 North Bluff Street	St. George, ~~Utah~~UT 84770
~~Utah~~	~~Oler, Doug; McGary, Kirk Tad~~	~~(435) 214-4686~~	~~1060 W. Market Drive, Suite 2~~	~~Vernal, Utah 84078~~

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Vermont	Borch, Thu Thi; Borch, John Christopher	(802) 489-5514	45 Kilburn Street, Suite 238	Burlington, ~~Vermont~~VT 5401
Virginia	Leigh, Ashley; Leigh, Leila; Blackwood, Marc: ACL Professional Property Management, LLC	(703) 424-7767	1655 North Myer Drive, Suite 700	Arlington, ~~Virginia~~VA 22209
Virginia	Leuschner, Erik	(540) 998-6917	200 Country Club Drive S.W., Suite A-1	Blacksburg, ~~Virginia~~VA 24060
Virginia	Reynolds, Cheryl Griffin: Parnassus Properties LLC	(434) 422-5591	408 East Market Street, Suite 208A	Charlottesville, VA 22902
Virginia	Leigh, Ashley; Leigh, Leila; Blackwood, Marc: ACL Professional Property Management, LLC	(703) 424-7767	11350 Random Hills Road, Suite 800	Fairfax, ~~Virginia~~VA 22030
Virginia	Guasp, Phyllis Octavia; Guasp, Stephen	(804) 491-3348	3920 Plank Road, Suite 120	Fredericksburg, ~~Virginia~~VA 22407
Virginia	Leigh, Ashley; Leigh, Leila; Blackwood, Marc: ACL Professional Property Management, LLC	(703) 397-8801	14095 Dave's Store Lane	Gainesville, ~~Virginia~~VA 20155
~~Virginia~~	~~Bell, Alan Christopher; Jelinek, Lisa Ann; Gilbert, Kevin Spencer~~	~~(757) 395-4274~~	~~4410 East Claiborne Street, Suite 334~~	~~Hampton, Virginia 23666~~
Virginia	Leigh, Ashley; Leigh, Leila; Blackwood, Marc: ACL Professional Property Management, LLC	(703) 424-7767	6518 Old Carolina Road	Haymarket, ~~Virginia~~VA 20169
Virginia	~~Jelinek, Lisa Ann; Gilbert, Kevin Spencer~~Leigh, Ashley; Leigh, Leila; Blackwood, Marc: ACL Professional Property Management, LLC	(703) 424-7767	312F East Market Street	Leesburg, ~~Virginia~~VA 20176
Virginia	Cook, Thomas	(434) 215-3028	1071 Claymont Drive	Lynchburg, ~~Virginia~~VA 24502
Virginia	Reahard IV, Ralph McDonnell: RPM-TVA LLC	(757) 206-2071	780 Pilot House Drive #400D	Newport News, VA 23606
Virginia	Reahard IV, Ralph McDonnell: RPM-TVA LLC	(757) 206-2071	780 Pilot House Drive #400D	Newport News, VA 23606
Virginia	Clendenin, Don E.	(757) 937-2964	109 East Main Street Suite 412	Norfolk, ~~Virginia~~VA 23510
Virginia	Reahard, Ralph	(804) 342-5800	1710 East Franklin Street, Suite 100	Richmond, ~~Virginia~~VA 23223
Virginia	Reahard, Ralph	(804) 342-5800	1710 East Franklin Street, Suite 100	Richmond, ~~Virginia~~VA 23223
Virginia	Reahard, Ralph	(804) 337-2449	1100 Welborne Rd. Suite 300	Richmond, ~~Virginia~~VA 23229

Territory State	Owner/ Operating Principal	Phone Number	Address	City, State Zip
Virginia	Casteel, John Rhea	(540) 595-7411	117 Second Street S.W.	Roanoke, ~~Virginia~~VA 24014
Virginia	Reahard, Ralph	(540) 315-8090	510 N Coalter Street	Staunton, ~~Virginia~~VA 24401
~~Virginia~~	~~Jelinek, Lisa Ann; Gilbert, Kevin Spencer~~	~~(757) 395-4274~~	~~780 Lynnhaven Parkway, Suite 400~~	~~Virginia Beach, Virginia 23452~~
Virginia	Reed, Brandon; Davis, Patsy; Reed, Judith	(757) 463-0202	2244 General Booth Boulevard	Virginia Beach, ~~Virginia~~VA 23456
Virginia	Wang, Baylee	(757) 251-9188	1001 A Richmond Road	Williamsburg, ~~Virginia~~VA 23185
Virginia	Cody, Michelle; Cody, Christopher Sean	(540) 409-5857	112 Creekside Lane	Winchester, ~~Virginia 22602~~VA22602
Washington	Konold, Lauren Christine	(253) 275-5999	5661 S 318th Street	Auburn, ~~Washington~~WA 98001
Washington	Peoples, Eric Levon	(425) 209-0252	1406 140th Place N.E., Suite 200	Bellevue, ~~Washington~~WA 98007
Washington	Peoples, Eric Levon	(805) 210-1394	119 N. Commercial Street, Suite 910	Bellingham, ~~Washington~~WA 98225
Washington	Peoples, Eric Levon	(425) 209-0252	19125 North Creek Parkway, Suite 120	Bothell, ~~Washington~~WA 98011
Washington	Wilson, Luke	(509) 572-5440	3902 W Clearwater Avenue, Suite 108	Kennewick, ~~Washington~~WA 99336
Washington	Wilson, Luke Robert	(509) 570-6508	3902 W Clearwater Avenue, Suite 108	Kennewick, ~~Washington~~WA 99336
Washington	Patterson II, Michael Stephen	(360) 787-4332	7012 Flute Street SE	Lacey, ~~Washington~~WA 98513
Washington	Volkert, George Frank; Volkert, Daniel	(425) 903-8500	1325 State Avenue	Marysville, ~~Washington~~WA 98270
Washington	Rushton, Lee	(253) 426-1730	10324 Canyon Road East, Suite 206	Puyallup, ~~Washington~~WA 98373
Washington	Brown, Angela Marie	(425) 448-2877	14900 Interurban Ave. S. Suite 294	Seattle, ~~Washington~~WA 98168
Washington	C. Boltman, Erik; R. Taggart, Kassandra	(360) 883-4881	7200 NE 41st Street Suite 201	Vancouver, ~~Washington~~WA 98662
Washington	C. Boltman, Erik; R. Taggart, Kassandra	(360) 883-4881	7200 NE 41st Street Suite 201	Vancouver, ~~Washington~~WA 98662
West Virginia	Cole, Alisa	(304) 757-3200	3744 Teays Valley Road, Suite 208	Hurricane, ~~West Virginia~~WV 25526

Territory State	Owner/ Operating Principal	Phone Number	Address	City, State Zip
Wisconsin	Goral, Thomas; Goral, Robert; Poniewaz, Paul	(608) 310-1290	6441 Enterprise Lane, Suite 115	Madison, ~~Wisconsin~~WI 53719
Wisconsin	Winandy, Steven Edward: Phoenix Ventures Wisconsin LLC	(414) 400-0016	342 N Water Street Suite 600	Milwaukee, WI 53202
Wisconsin	Madel, Zachary J.	(920) 305-7077	2390 State Road 44 Suite A1	Oshkosh, ~~Wisconsin~~WI 54904
Wisconsin	Goral, Robert; Goral, Thomas	(262) 409-2050	2312 N. Grandview Boulevard, Suite 210	Waukesha, ~~Wisconsin~~WI 53188
Wisconsin	Goral, Thomas; Goral, Robert	(262) 409-2040	880C East Paradise Drive	West Bend, ~~Wisconsin 53095~~WI53095
Wyoming	Case, Samuel	(970) 222-1803	419 Spinnaker Lane	Fort Collins, ~~Colorado~~CO 80525

FRANCHISE AGREEMENTS SIGNED BUT OUTLETS NOT YET OPENED
AS OF DECEMBER 31, ~~2023~~2024

Note: This list is arranged alphabetically by state and then alphabetically by cities in each state.

Territory State	Owner/ Operating Principal	Phone Number	Address	City, State Zip
Alabama	~~Pollut, Michael; Pollut, Bobbie~~Rutledge, Britney and Rutledge, Andrew	(~~276~~256) ~~223-2490~~801-2626	~~321 Spencer Lakes~~2907 Governors Drive SW, Suite B	~~Meridianville, Alabama 35759~~Huntsville, AL 35805
Arizona	~~Kersten, Jeffery; Kersten, Chelsea~~Hatherly, John Anthony	(~~503~~312) ~~929-3819~~543-5882	~~1805 N. Hillridge Street~~9701 East Happy Valley Road	~~Mesa, Arizona 85207~~Scottsdale, AZ 85255
California	~~Fero, Michael Patrick~~Sanchez, Marc Anthony and Sanchez, Noah James	(~~760~~909) ~~799-4353~~577-5778	~~55 Oak Court~~4110 Edison Avenue, Suite ~~#220~~210, Unit 112	~~Danville, California 94526~~Chino, CA 91710
~~Florida~~California	~~Adams, Gregory~~Thilak, Kalyani and Thankappan, Thilak	(~~+44~~408) ~~797-103-1933~~597-7371	~~11a Roslin Road~~4372 Clovewood Lane	~~Bournemouth, Dorset BH3 7JB~~Pleasanton, CA 94588
~~Florida~~California	~~Khanna, Rahul~~Bramlett, Brooke Rae	(~~540~~626) ~~846-9195~~827-2791	~~1314 Harbour Blue~~10163 Candlewood Street	~~Ruskin, Florida 33570~~Rancho Cucamonga, CA 91730
Florida	Moore, Matthew Glen: Silver Crest Ventures, Inc	(813) 293-7333	3815 Morgons Castle Court	Land O Lakes, FL 34638
Georgia	~~Anderson, Kendrick~~Clark, Arvin James: AJC and SKT Corp.	(~~678~~470) ~~761-7106~~563-1001	~~1641 Gilstrap Lane N.W.~~2302 Parklake Drive, Suite 561	Atlanta, ~~Georgia 30318~~GA 30345
Iowa	Rouse, Brenton James and Rouse, Kelly Mackenzie: BKR Management LLC	(309) 738-0124	3869 Rockingham Road	Davenport, ~~Iowa~~IA 52802
Massachusetts	Pelletier, Scott Daniel: Unionville Property Management LLC	(508) 722-7999	35 Parkwood Drive, Suite 100	Hopkinton, MA 01748
Missouri	Bohart, Todd Michael~~,~~ and Bohart, Shannon	(816) 387-6894	3622 Renick ~~Street~~St.	Saint Joseph, ~~Missouri~~MO 64507
~~Montana~~	~~Rozell, Rylan~~	~~(661) 379-6923~~	~~26 Whitefish Ranch Court~~	~~Whitefish, Montana 59973~~
~~Nebraska~~	~~Heim, Dustin Thomas; Izokaitis, Vanessa Rose~~	~~(402) 858-2902~~	~~1299 Farnam Street, Suite 300~~	~~Omaha, Nebraska 68102~~
~~New York~~	~~Look, Aaron~~	~~(315) 846-2500~~	~~7321 Thompson Road~~	~~Syracuse, New York 13212~~
~~North Carolina~~	~~Lokas, Rami; Lokas, Karim; Daniel, Elias~~	~~(704) 618-4877~~	~~10020 Monroe Road, Suite 245-5~~	~~Charlotte, North Carolina 28270~~
~~North Carolina~~	~~Lawrence, Cameron~~	~~(252) 298-5151~~	~~1425 S. Glenburnie Road #3~~	~~New Bern, North Carolina 28562~~
~~North Carolina~~	~~Middlebrook, Roosevelt; Middlebrook, Shianne~~	~~(850) 276-7576~~	~~4525 River Ridge Road~~	~~Pfafftown, North Carolina 27040~~

Territory State	Owner/ Operating Principal	Phone Number	Address	City, State Zip
Ohio	Schafer, William	(614) 747-1737	92 Hampton Park East	Westerville, ~~Ohio~~OH 43081
~~Oregon~~Tennessee	~~Fred~~Hudson, ~~Ryan~~Shenika Denise	(~~541~~901) ~~550-7002~~443-0001	~~805 S.W. Industrial Way~~752 E. Brookhaven Circle, Suite ~~9~~240B	~~Bend, Oregon 97702~~Memphis, TN 38117
~~Pennsylvania~~Texas	~~Bing Zaremba, Marc~~Underwood, Justin; French, Adelaide; Martin, Brian; and Martin, Christal	(~~215~~469) ~~499-4264~~715-1099	~~96 West Ashland Street~~130 N. Prosper Road, Suite 251	~~Doylestown, Pennsylvania 18901~~Prosper, TX 75078
~~Texas~~Virginia	~~Mahan, Ryan Thomas~~Langham, Winston Brian	(~~817~~757) ~~930-1160~~577-9882	~~4200 South Hulen Street~~555 Belaire Avenue, Suite ~~517~~210 #2031	~~Fort Worth, Texas 76109~~Chesapeake, VA 23320
~~Utah~~	~~Volkert, George Frank; Volkert, Daniel~~	~~(425) 903-8500~~	~~1325 State Avenue~~	~~Marysville, Washington 98270~~
~~Virginia~~	~~Reynolds, Cheryl~~	~~(434) 422-5591~~	~~408 East Market Street, Suite 106~~	~~Charlottesville, Virginia 22902~~
~~Wisconsin~~	~~Winandy, Steven~~	~~(414) 400-0016~~	~~342 N. Water Street Suite 600~~	~~Milwaukee, Wisconsin 53202~~

EXHIBIT F

FRANCHISEES IN THE UNITED STATES WHO LEFT THE SYSTEM IN THE PAST 12 MONTHS AS OF DECEMBER 31, ~~2023~~2024

Note: This list is arranged alphabetically by state and then alphabetically by cities in each state.

**Indicates franchisee left the system as a result of transferring their franchise agreement.*

Territory State	Owner/ Operating Principal	Phone Number	Address	City, State Zip
~~Alabama~~California	~~McBride, John Bryan; McBride, Jill~~Santiago, Juan; Gutierrez, Ilse	(~~256~~714) ~~761-7693~~676-4625	~~120 S. Ross Street~~1661 North Raymond Avenue, Suite 140 A	~~Auburn, Alabama 36830~~Anaheim, CA 92801
~~Alabama*~~California	~~Graves, Brad~~Borges, Andrea; Borges, Keith	(~~251~~209) ~~345-6224~~722-7761	~~7300 Cottage Hill Road~~2750 G Street, Suite A	~~Mobile, Alabama 36695~~Merced, CA 95340
~~Alabama~~California	~~Hilton, Paul Carter; Toole II, Kent E.~~Madison, Lisa Ann; Madison, Brian Patrick	(~~205~~805) ~~208-9550~~702-7800	~~2172 Pelham Parkway~~275 E. Hillcrest Drive, Suite ~~203~~160-124	~~Pelham, Alabama 35124~~Thousand Oaks, CA 91360
~~California~~Georgia*	~~Grimasauskas, Michael Joseph~~Gentry, Clay Coleman; Gentry, Kimberly Amanda	(~~917~~470) ~~921-9648~~529-3627	~~9560 Candida Street~~15 Planters Drive N.W.	~~San Diego, California 92126~~Carterville, GA 30120
Idaho*	~~McGary, Kirk Tad; McGary, Blenda~~Schmitt, Jason; Schmitt, Yvonne	(208) ~~960-0660~~231-1964	~~9522 W. Fairview~~1712 E. Sherman Avenue ~~Suite 110~~	~~Boise, Idaho 83704~~Coeur d'Alene, ID 83814
~~Massachusetts*~~Indiana	~~Whicher~~Norton, ~~Brian~~Shaun	(~~508~~317) ~~509-4485~~420-8500	~~293 Libbey Industrial Parkway #650~~3209 W. Smith Valley Road, Suite 252	~~Weymouth, Massachusetts 2189~~Greenwood, IN 46142
~~Michigan*~~Indiana	~~Smitha~~Norton, ~~Mike~~Shaun	(~~248~~317) ~~808-6550~~610-0600	~~570 Kirts Boulevard~~9860 Westpoint Drive, Suite ~~229~~#400	~~Troy, Michigan 48084~~Indianapolis, IN 46256
~~Nevada~~Indiana*	~~Watts, Mark; T. Watts, Roy~~Jelinek, Lisa Ann; Gilbert, Kevin Spencer; Bell, Alan Christopher	(~~775~~317) ~~324-7368~~484-8444	~~4600 Kietzke Lane Building C #128~~201 North Illinois Street, 16th Floor-South Tower	~~Reno, Nevada 89502~~Indianapolis, IN 46204
Kansas*	Meade, Paul and Meade, Mary: Paul Meade Enterprises LLC	(913) 829-5773	12345 W. 95th	Lenexa, KS 66215
Kentucky*	Sander, Chad: Step Two, LLC	(859) 684-2054	2333 Alexandria Drive, Suite 131	Lexington, KY 40504
~~New Mexico*~~Michigan	~~Rodar, Jacob Alden~~Engel, Edward John; Engel, Matthew Edward	(~~505~~231) ~~796-8047~~527-5000	~~6739 Academy Road~~802 Alpine Avenue NW~~.E. #128~~	~~Albuquerque, New Mexico 87109~~Grand Rapids, MI 49504
Michigan	Engel, Edward John; Engel, Matthew Edward	(616) 419-4578	950 28th Street SE, Suite B200	Grand Rapids, MI 49508

Territory State	Owner/ Operating Principal	Phone Number	Address	City, State Zip
~~North Carolina*~~Michigan	~~White, Owen~~Engel, Edward John; Engel, Matthew Edward	(~~919~~616) ~~747-3488~~419-4578	~~4505 Fair Meadow Lane, Suite 208~~3800 Covington Road	~~Raleigh, North Carolina 27607~~Kalamazoo, MI49001
~~Oklahoma~~Michigan*	~~Butterfield, Troy; Butterfield, Lanelle~~Engel, Matthew Edward; Engel, Edward John	(~~405~~616) ~~463-0040~~558-9148	~~3141 N.W. 63rd Street~~1657 Getty, Suite 23	~~Oklahoma City, Oklahoma 73116~~Muskegon, MI 49442
Mississippi	Ashworth, Forrest W.	(601) 607-8202	1012 Madison Avenue, Suite B	Madison, MS 39110
New York	Ronis, Michael	(347) 457-5431	199 Cook Street #210	Brooklyn, NY 11206
~~South Carolina*~~New York	~~Campbell~~Lawson, James	(~~803~~716) ~~403-8838~~240-9477	~~24 Office Park Court, Suite A~~One News Plaza, 33 Scott Street	~~Columbia, South Carolina 29223~~Buffalo, NY 14203
Ohio	Lal, Sanjiv	(234) 542-6299	1248 Weathervane Lane	Akron, OH 44313
Texas*	~~Blanchard, Christopher Andrew~~Lopez, Patricia	(~~832~~214) ~~532-9800~~396-3983	~~535 East Fernhurst Drive~~675 Town Square Boulevard, Suite 200 Building 1A	~~Katy, Texas 77450~~Garland, TX 75040
Texas~~*~~	~~Deck, Keeli; Deck, Stacey; Deck, Alan; Deck, Darbi~~Hancock, Benjamin Keith	(~~682~~409) ~~831-1300~~384-4337	~~99 Trophy Club Drive~~309 Milam Street	~~Trophy Club, Texas 76262~~Jasper, TX 75951
Utah*	McGary, Kirk Tad; McGary, Blenda	(801) 546-1770	579 Heritage Park Boulevard, #102	Layton, UT 84041
Utah*	Oler, Doug; McGary, Kirk Tad	(801) 224-0033	1366 South 740 East	Orem, UT 84097
Utah*	Walker, Shauna; McGary, Kirk Tad; Walker, Todd	(435) 753-5200	221 N. Gateway Drive, Suite H	Providence, UT 84332
Utah*	~~E. Watts, Mark; Fisher, Michael~~Oler, Doug; McGary, Kirk Tad	(801) ~~571-7400~~363-7368	~~5286 Commerce Drive, A106~~1455 West 2200 South, Suite 100	~~Murray, Utah 84124~~Salt Lake City, UT 84119
Utah*	Oler, Doug; McGary, Kirk Tad	(435) 214-4686	1060 W. Market Drive, Suite 2	Vernal, UT 84078
Virginia*	~~Clausing, Kevin; Clausing, Dana~~Bell, Alan Christopher; Jelinek, Lisa Ann; Gilbert, Kevin Spencer	(757) ~~814-2828~~395-4274	~~739 Thimble Shoals Boulevard~~4410 East Claiborne Street, Suite ~~704AB, Box 13~~334	~~Newport News, Virginia 23606~~Hampton, VA 23666
~~Washington~~Virginia*	~~Wilson, Luke~~Jelinek, Lisa Ann; Gilbert, Kevin Spencer	(~~509~~703) ~~572-5440~~424-7767	~~3902 W Clearwater Avenue, Suite 108~~312F East Market Street	~~Kennewick, Washington 99336~~Leesburg, VA 20176

EXHIBIT G

RENEWAL ADDENDUM WITH TERMINATION OF ORIGINAL FRANCHISE AGREEMENT AND RELEASE

This RENEWAL ADDENDUM WITH TERMINATION OF FRANCHISE AGREEMENT AND RELEASE (this "Addendum") is entered into by and between Real Property Management SPV LLC, a Delaware limited liability company, having its principal place of business at 1010 North University Parks Drive, Waco, Texas 76707 ("Franchisor"), and _____, individually, having an address of _____ ("Franchisee").

WHEREAS, Franchisor and Franchisee have entered into a franchise agreement dated as of ___ pursuant to which Franchisor has granted Franchisee a right and obligation to establish and operate a Real Property Management franchise using the Marks and the System in and for the Territory (the "Original Franchise Agreement"); and

WHEREAS, on the terms set forth below, Franchisor and Franchisee desire to terminate and cancel the Original Franchise Agreement; and

WHEREAS, Franchisor and Franchisee have contemporaneously herewith entered into a franchise agreement pursuant to which Franchisor has granted Franchisee a renewal license, granting Franchisee the right and obligation to continue operation of the franchise using the Marks and the System in and for the Territory (the "Agreement"); and

[WHEREAS, Franchisee acknowledges and agrees that Franchisee's execution of the Agreement is pursuant to Franchisee's last renewal option under the Original Franchise Agreement and Franchisee has no further rights of renewal; and]

WHEREAS, the parties have agreed to alter the terms stated in the Agreement, as provided herein to reflect the parties' intentions and the terms of renewal stated in the Original Franchise Agreement.

NOW, THEREFORE, that for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. The Original Franchise Agreement is hereby terminated by mutual agreement, except for Franchisee's indemnification obligations thereunder.

2. 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 parties agree that 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.

3. Franchisee agrees that the renewal fee will be collected via electronic ACH from Franchisee's bank account at signing of the Agreement, and Franchisee hereby represents and warrants to Franchisor that all other necessary action for the execution of this Addendum has been taken.

4. If Franchisee is executing the Agreement at least 60 days prior to the expiration date of the then-current term of the Original Franchise Agreement (such expiration date, the "Original FA Expiration Date"), then Section 4.A, Term, of the Agreement is hereby amended so that the term of the

Agreement is the time period from the Effective Date of the Agreement until the Original FA Expiration Date, plus 10 years. (For example, if the Agreement was signed 12 months before the Original Franchise Agreement expires, the term of the Agreement would be 11 years).

[Because Franchisee is hereby exercising its last renewal option under the Original Franchise Agreement, Section 4.B (Renewal Term and Conditions of Renewal) of the Original Franchise Agreement is hereby deleted.]

5. Section 8.A, Initial License Fee, is amended to provide that no initial franchise fee shall be due upon execution of the Agreement.

6. Section 8.B, License Fee, is amended to provide that Franchisee must report and pay a monthly License Fee beginning the 1st month of the Agreement at the rate stated in the Agreement, unless one of the provisions below applies:

☐ Franchisee has executed the Agreement at least 60 days prior to the Original FA Expiration Date. Accordingly, the License Fees and MAP Fees as set forth in the Original Franchise Agreement shall continue to apply under the Agreement until the Original FA Expiration Date, and thereafter the License Fees and MAP Fees set forth in the Agreement shall apply.

☐ Franchisee is renewing for the first renewal term and has executed the Agreement at least 7 calendar days prior to the expiration of the Original Franchise Agreement and the license fee under the Original Franchise Agreement is less than Franchisor's current standard license fee by more than 0.25% (for example, if the current standard license fee is 7% and the license fee under the Original franchise agreement was less than 6.75%). Accordingly, for the first 12 months of the renewal term, Franchisee's License Fee under the Agreement will equal the license fee under the Original Franchise Agreement, and thereafter the License Fee under the Agreement will increase annually by 0.25% until such time as Franchisee's License Fee equals Franchisor's standard license fee rate at the time of renewal, which standard license fee will then apply for the remainder of the renewal term.

☐ Franchisee is renewing for a second or subsequent renewal term and has executed the Agreement at least 7 calendar days prior to the expiration of the Original Franchise Agreement and the license fee under the Original Franchise Agreement is less than Franchisor's current standard license fee by more than 0.25%. Accordingly, for the first 24 months of the renewal term, Franchisee's License Fee under the Agreement will equal the license fee under the Original Franchise Agreement, and thereafter the License Fee under the Agreement will increase annually by 0.25% until such time as Franchisee's License Fee equals Franchisor's standard license fee at the time of renewal, which standard license fee will then apply for the remainder of the renewal term.

If one of the provisions above is selected and, at any time, Franchisee is not in compliance with the terms of the Agreement, Franchisor may immediately increase Franchisee's License Fee up to Franchisor's standard license fee at the time of renewal.

The Minimum License Fee payment obligation (in the amount provided in the Agreement) begins the 1st month of the term of the Agreement.

7. Section 8.C, MAP Fee, is amended to provide that Franchisee shall pay a MAP Fee (at the rate or amount set forth in the Agreement, except to the extent otherwise set forth in Section 6 of this Addendum) beginning the 1st month of the term of the Agreement.

8. Franchisee, for itself and each of its past and present heirs, executors, administrators, representatives, affiliates, directors, officers, owners, successors and assigns and on behalf of any other party claiming an interest through Franchisee, in their corporate and individual capacities (collectively "Releasor"), hereby releases and forever discharges Franchisor and each of its predecessors, successors, affiliates, subsidiaries, assigns, past and present officers, directors, shareholders, agents and employees, and their respective heirs, executors, administrators, representatives, successors and assigns, in their corporate and individual capacities (collectively "Releasees"), from, in respect of and in relation to any and all claims, actions, causes of action, suits, debts, obligations, liabilities, sums of money, costs and expenses, acts, omissions or refusals to act, damages, judgments and demands, of any kind whatsoever, joint or several, known or unknown, vested or contingent, which the Releasor ever had, now has or which Releasor hereinafter can, will or may have, against Releasees related to, arising from, for, upon or by reason of any matter, cause or thing whatsoever related to the Original Franchise Agreement and the business operated thereunder or any other agreement between Releasor and Releasees, or the relationship between Releasor and Releasees, through the Effective Date (collectively, the "Claims"), for known or unknown damages or other losses, including but not limited to any alleged violations of any deceptive or unfair trade practices laws, franchise laws, or other local, municipal, state, federal, or other laws, statutes, rules or regulations, and any alleged violations of the Original Franchise Agreement or any other related agreement between the Releasor and Releasees or the relationship between Releasor and Releasees through and including the Effective Date. For avoidance of doubt, the Releasor does not release Releasees from any obligations arising by virtue of the Agreement and any claims arising from the Releasees' failure to comply with those obligations or the Franchise Disclosure Document furnished to Franchisee as part of entering into the Agreement and the franchise laws that apply to the specific offer, sale and signing of the Agreement.

The release of the Claims as set forth above is intended by the Releasor to be full and unconditional general releases, as that phrase is used and commonly interpreted, extending to all claims of any nature, whether or not known, expected or anticipated to exist in favor of the Releasees regardless of whether any unknown, unsuspected or unanticipated claim would materially affect settlement and compromise of any matter mentioned herein. In making this voluntary express waiver, the Releasor acknowledges that claims or facts in addition to or different from those which are now known to exist with respect to the matters mentioned herein may later be discovered and that it is the Releasor's intention to hereby fully and forever settle and release any and all matters, regardless of the possibility of later discovered claims or facts. The Releasor acknowledges that Releasor has had adequate opportunity to gather all information necessary to enter into this Addendum and to grant the releases contained herein, and needs no further information or knowledge of any kind that would otherwise influence the decision to enter into this Addendum. The Releasor, for itself and its heirs, successors and assigns, hereby expressly, voluntarily, and knowingly waives, relinquishes and abandons each and every right, protection, and benefit to which they would be entitled, now or at any time hereafter under Section 1542 of the Civil Code of the State of California, as well as under any other statutes or common law principles of similar effect to said Section 1542, whether now or hereafter existing under the laws of California or any other applicable federal or state law with jurisdiction over the parties' relationship. The Releasor acknowledges that Section 1542 of the Civil Code of the State of California provides as follows:

> "A general release does not extend to claims which the creditor or releasing party 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 or released party."

This release is and shall be and remain a full, complete and unconditional general release. The Releasor acknowledges and agrees that this release is an essential, integral and material term of this Addendum. The Releasor further acknowledges and agrees that no violation of this Addendum shall void the release set forth herein.

9. Notwithstanding the releases contained herein, all rights and obligations created under this Addendum will specifically survive the execution of this Addendum and the releases contained herein.

10. Each person executing this Addendum on behalf of any of the parties hereto represents and warrants that he or she has been fully empowered to execute this Addendum and that all necessary action has been taken.

11. The provisions of this Addendum shall inure to the benefit of and be binding upon the heirs, successors and assigns in interest of the parties.

12. Each of the parties hereto represents and warrants to each other party that it has not heretofore assigned or transferred, or purported to assign or transfer to any person, entity or corporation whatsoever, any of the claims released hereunder. Each party agrees to indemnify and hold harmless each other party against any claim, demand, debt, obligation, liability, cost, expense, right of action or cause of action based on, arising out of, or in connection with any such transfer or assignment or purported transfer or assignment.

13. If any provision of this Addendum shall for any reason be held violative of any applicable law, governmental rule or regulation, or if said agreement is held to be unenforceable or unconscionable, then the invalidity of such specific provisions herein shall not be held to invalidate the remaining provisions of this Addendum.

< SIGNATURES APPEAR ON THE NEXT PAGE >

Signed on this _____ day of _____, 20__ (the "Effective Date").

FRANCHISEE:

_____
_____, individually

Accepted as of the _____ day of _____, 20__, in _____.

FRANCHISOR:

REAL PROPERTY MANAGEMENT SPV LLC

BY:_____
Jeffrey Pepperney, President

EXHIBIT H

GENERAL RELEASE

This GENERAL RELEASE (this "Release") is made and executed by [NAME], individually ("you"), as of _____ ("Effective Date").

WHEREAS, you entered into a franchise agreement dated _____ with Real Property Management SPV LLC ("us"), and [*describe facts*].

NOW, THEREFORE, in consideration of good and valuable consideration, the receipt and sufficiency of which are acknowledged, you agree as follows:

You, for yourself and each of your past and present heirs, executors, administrators, representatives, affiliates, directors, officers, owners, successors and assigns and on behalf of any other party claiming an interest through you, in their corporate and individual capacities (collectively "Releasor"), hereby releases and forever discharges us and each of our predecessors, successors, affiliates, subsidiaries, assigns, past and present officers, directors, shareholders, agents and employees, and their respective heirs, executors, administrators, representatives, successors and assigns, in their corporate and individual capacities (collectively "Releasees"), from, in respect of and in relation to any and all claims, actions, causes of action, suits, debts, obligations, liabilities, sums of money, costs and expenses, acts, omissions or refusals to act, damages, judgments and demands, of any kind whatsoever, joint or several, known or unknown, vested or contingent, which the Releasor ever had, now has or which Releasor hereinafter can, will or may have, against Releasees related to, arising from, for, upon or by reason of any matter, cause or thing whatsoever, through the Effective Date (collectively, the "Claims"), for known or unknown damages or other losses, including but not limited to any alleged violations of any deceptive or unfair trade practices laws, franchise laws, or other local, municipal, state, federal, or other laws, statutes, rules or regulations, and any alleged violations of any agreement between the Releasor and Releasees or the relationship between Releasor and Releasees through and including the Effective Date.

The release of the Claims as set forth above is intended by the Releasor to be full and unconditional general releases, as that phrase is used and commonly interpreted, extending to all claims of any nature, whether or not known, expected or anticipated to exist in favor of the Releasees regardless of whether any unknown, unsuspected or unanticipated claim would materially affect settlement and compromise of any matter mentioned herein. In making this voluntary express waiver, the Releasor acknowledges that claims or facts in addition to or different from those which are now known to exist with respect to the matters mentioned herein may later be discovered and that it is the Releasor's intention to hereby fully and forever settle and release any and all matters, regardless of the possibility of later discovered claims or facts. The Releasor acknowledges that Releasor has had adequate opportunity to gather all information necessary to enter into this Release and to grant the releases contained herein, and needs no further information or knowledge of any kind that would otherwise influence the decision to enter into this Release. The Releasor, for itself and its heirs, successors and assigns, hereby expressly, voluntarily, and knowingly waives, relinquishes and abandons each and every right, protection, and benefit to which they would be entitled, now or at any time hereafter under Section 1542 of the Civil Code of the State of California, as well as under any other statutes or common law principles of similar effect to said Section 1542, whether now or hereafter existing under the laws of California or any other applicable federal or state law with jurisdiction over the parties' relationship. The Releasor acknowledges that Section 1542 of the Civil Code of the State of California provides as follows:

> "A general release does not extend to claims which the creditor or releasing party 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 or released party."

This Release is and shall be and remain a full, complete and unconditional general release.

_____
Name, individually

STATE OF _____ §
§
COUNTY OF _____ §

I hereby certify that before me, a notary public, personally appeared [NAME] who made oath in due form of law that s/he was executing the foregoing General Release for the purposes therein contained.

As witness, my hand and Notarial Seal on _____, 20___.

_____
Notary Public

My Commission Expires: _____

EXHIBIT I

BACKOFFICE

BOOKKEEPING ASSISTANCE PROGRAM SERVICE AGREEMENT

Bookkeeping Assistance Program Service Agreement

This Agreement made and entered into this ____ day of _____, 20__, by and between BackOffice SPV LLC of 1010 North University Parks Drive, Waco, Texas 76707 hereinafter referred to as "BackOffice" and _____ of _____ hereinafter referred to as "Client" or "You."

1. **Definitions**. Whenever used in this Agreement, the following words and terms have the following meanings:

a. "**Data**" is any information provided to BackOffice by Client to be entered into the Franchisor approved property management software, or for the purpose of fulfilling the terms and/or purposes of this Agreement.

b. "**Franchisor**" is Real Property Management SPV LLC, located at 1010 North University Parks Drive, Waco, Texas 76707.

c. "**Proprietary Information**" is any information, including, but not limited to, technical or non-technical data, compilations, computer software, methods, techniques, processes, financial data, strategic plans, lists of actual or potential customers or vendors which are not commonly known by or available to the public and which information: (a) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

d. "**Property Management Software**" is the Franchisor-approved proprietary, co-branded software used by BackOffice into which data will be entered under this Agreement, currently AppFolio.

The parties hereby mutually acknowledge as follows:

2. **BackOffice Obligations**. During the Term of this Agreement, BackOffice agrees to perform the following services for Client after Client provides the required Data to BackOffice:

a. Enter Data into the Property Management Software.

b. Within the payables section of the Property Management Software, (i) record invoices from vendors; (ii) create recurring invoices for vendors as specified in Data; (iii) create marked-up bills for your Franchise; (iv) attach invoices to work orders; (v) pay the invoices through bill pay, provided the owner has a balance to pay all or a portion of the bills; and (vi) create checks in PDF, and forward to you via E-mail.

c. Enter data into the Property Management Software, including without limitation, (i) entering owner checks (owner draws); (ii) entering necessary journal entries and adjustments; (iii) entering or

calculating management fees; (iv) entering all debit/credit card transactions; (v) processing all invoices/bills; (vi) calculating all late fees; (vii) entering all automatic withdrawals and transfers; (viii) performing regular bank reconciliations; and (ix) providing and monitor regular reports.

d. Work with Client in a combined effort to match Franchisor's best practices with Client's business and train on processing all rent and other payments

BackOffice has the right, but not the obligation to enter data in other sections of your software as may be necessary to fulfill the purposes of this Agreement. BackOffice will in no way provide, advise, or consult regarding any services related to any tax issues (federal, state, or local), unless otherwise engaged in writing, which would require additional fees.

3. **Client Obligations**. During the Term of this Agreement Client agrees to:

a. Keep your Property Management Software subscription current in order for BackOffice to perform its obligations.

b. Enter Data under the receivables section of the Property Management Software (i) all of your rent payments; (ii) your non-refundable deposit charges and payments; (iii) your application fee charges and payments; (iv) your move-in calculation charges and payments; (v) your move-out calculation charges and payments; (vi) adjustments; (vii) refunds; (viii) your application fee payment; (ix) rebates from vendors; (x) your other income; and (xi) payments from your tenants.

c. Enter all necessary information into the Property Management Software as assigned and with oversight by BackOffice and work with BackOffice in a combined effort to match Franchisor's best practices with Client's business.

d. Provide to BackOffice all Data as requested for both business expenses and Client's customer expenses and charges, including the auto-charges for rent and all charges you want applied to the lease.

e. Provide to BackOffice read only access to all bank and business credit card accounts, for verification and reconciliation purposes.

f. Enter all information in the Maintenance section of the Property Management Software, except for the actual invoice for the work, and provide the invoice to BackOffice.

g. Verify all information in the Payables section of the Property Management Software that was entered by BackOffice, provide a completed IRS form W-9 in addition to vendor contact information, and send to BackOffice a copy of the invoice and any details that BackOffice requires and any payments made by Client that were not provided to BackOffice.

h. Enter payments from owners (owner contributions) upon being received from owners, verify all information, and provide a completed IRS form W-9 for each owner.

i. Allow BackOffice to automatically withdraw royalties and other fees due to Franchisor.

If, upon entering into this agreement, there are any data-entry issues to be corrected by BackOffice, which determination will be made by BackOffice, there will be an additional charge at the market hourly rate, currently $75.00 (Seventy-Five Dollars) per hour (subject to an increase but not more than by 30%

annually), in order for BackOffice to correct the data entry error. ~~This charge is subject to market increases at the discretion of BackOffice.~~

Client agrees and acknowledges that the obligations to be performed under this Agreement are necessary and required, and that there may be other entries to be performed by Client in the Property Management Software in order to fully utilize the software's features.

Client further agrees and acknowledges that BackOffice may share any and all Data and financial information of Client collected or made known to BackOffice during the term of this Agreement, with Franchisor and its officers, directors and employees for purposes, including, but not limited to, of calculating royalties, determining and analyzing financial health of Client, and creating financial performance representations.

4. **Term**. This Agreement shall be in effect for at least the first 12 months of operation as an active franchisee of Franchisor according to Client's Franchise Agreement with Franchisor. After 12 months of operation, and once Client is managing at least 100 properties, Client may request that BackOffice determine if Client meets the criteria established by BackOffice to discontinue Client's use of the BackOffice Bookkeeping Assistance Program. Such request must be received by BackOffice at least 90 days prior to Client discontinuing its use of the BackOffice Bookkeping Assistance Program. If such request is approved by BackOffice, in consultation with Franchisor, the contractual relationship between Client and BackOffice will be then defined between the parties. Subsequent to termination of the Bookkeeping Assistance Program, Client will continue with HelpDesk Plus for a minimum of 6 months.

5. **Termination and Breach**. This Agreement terminates immediately upon termination or expiration of Client's Franchise Agreement with Franchisor. BackOffice may also terminate this Agreement for Client's failure to provide Data to BackOffice or for Client's failure to maintain a valid Property Management Software subscription if such breach is not cured within 30 days after BackOffice provides Client notice of the breach.

6. **Fees**. All services performed by BackOffice under this agreement are to be prepaid. The cost of services provided under this Agreement is BackOffice's market rate, currently $17.00 per active (according to the Property Management Software) unit per month, regardless of occupancy status, with a minimum fee of $400.00 per month. The market rate may be adjusted by BackOffice at its discretion upon 30 days' notice to Client. Fees due for the following month will be assessed on the 15th of the previous month, and payments to BackOffice will be automatically deducted by the 15th day of the month by ACH.

A "catch-up" fee also applies based on the net increase of units per month, as all fees are prepaid for the coming month. By way of example, if you have 40 units on the 15th of March, you will pay all fees due for the month of April on that date, based on 40 units. If, on April 15th, you have 50 units, then on that date you will pay for the services rendered for those additional 10 units, as well as pay all fees due for the month of May, based on 50 units.

7. **Indemnification**. Both during and after BackOffice provides the above services to Client, Client will indemnify, defend and hold BackOffice and its directors, officers, affiliates, agents and employees harmless from and against any and all liabilities, suits, claims, losses, damages and expenses, including reasonable attorneys' fees and costs arising out of or related to the failure of any of the representations or warranties made by Client, any acts or omissions of Client, or any breach of any obligation or duty under this Agreement.

8. **Limitation of Liability**. IN NO EVENT SHALL BACKOFFICE BE LIABLE TO CLIENT OR TO ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE OR PROFIT, LOSS OF DATA, DIMINUTION IN VALUE OR FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL OR PUNITIVE DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT, INCLUDING NEGLIGENCE, OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT BACKOFFICE HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE. FURTHER, IN NO EVENT SHALL BACKOFFICE'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT, INCLUDING NEGLIGENCE, OR OTHERWISE, EXCEED THE AMOUNT PAID UNDER THIS AGREEMENT DURING THE SIX MONTH PERIOD PRECEDING THE EVENT GIVING RISE TO THE CLAIM. THE LIMITATION UNDER THIS SECTION SHALL NOT APPLY TO LIABILITY RELATED TO BACKOFFICE'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. Client is solely responsible for ensuring that all services performed by BackOffice comply with all applicable state laws and regulations.

9. **Disclaimer of Warranties**. EXCEPT AS OTHERWISE SET FORTH HEREIN, BACKOFFICE MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER WITH RESPECT TO THE SERVICES, INCLUDING ANY WARRANTY OF MERCHANTABILITY, WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, WARRANTY OF TITLE, OR WARRANTY AGAINST THE INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE.

10. **Confidentiality**. Both during and after the term of this Agreement, Client will not disclose any Proprietary Information or the terms of this Agreement to any third party without the written consent of BackOffice.

11. **Additional Work or Changes**. Any additional work or changes that BackOffice must perform that are not specified in this Agreement or any other amendment to this Agreement must be in writing and mutually agreed upon (e-mail will be sufficient). BackOffice will charge the current market rate of $75.00 (Seventy-Five Dollars) per hour for any additional work or changes. This charge is subject to market increases (but not more than by 30% annually) at the discretion of BackOffice upon thirty-days prior written notice to Client and Franchisor.

12. **Independent Contractor**. Nothing in this Agreement will be deemed to create a partnership, joint venture, or principal and agent relationship between the parties. BackOffice is acting as an independent contractor of Client. Neither party shall have any right to obligate or bind the other party in any manner.

13. **No Legal or Tax Advice.** Both Parties acknowledge and agree that no service or product provided by BackOffice shall be considered or construed as legal or tax advice. Client is fully responsible for ensuring legal sufficiency of any and all services or products provided by BackOffice.

14. **Force Majeure**. BackOffice shall not be liable to Client, nor be deemed in default or breach of this Agreement for any failure or delay in fulfilling or performing any term of this agreement when and to the extent such failure or delay is caused by or results from any event or circumstance, regardless of whether it was foreseeable, that was not caused by that party and that prevents a party from complying with any of its obligations under this Agreement.

15. **Assignment**. Client may not assign any of its rights or delegate any of its obligations hereunder without the prior written consent of BackOffice. Any purported assignment or delegation in violation of this Section is null, void and of no effect.

16. **Notice**. All notices and other communications hereunder shall be in writing and addressed to the parties at the address set forth in this Agreement or to such other address as may be designated by the party in writing. All notices shall be effective upon receipt and must be delivered by personal delivery, nationally recognized overnight courier, with all fees prepaid, or certified or registered mail, postage prepaid and return receipt requested.

17. **Governing Law and Venue**. This Agreement will be construed in accordance with the laws of the State of Texas, and jurisdiction and venue of any matters for disputes relating to this Agreement will be vested exclusively in the courts located in Waco, McLennan County, Texas.

18. **Severability**. If any provision of this Agreement is held unenforceable, then such provision will be modified, if possible, or removed to reflect, as near as possible, the parties' intentions. All remaining provisions of this Contract shall remain in full force and effect.

19. **Waiver**. No waiver by BackOffice of any of the provision of this Agreement is effective unless expressly set forth in writing and signed by BackOffice. No failure to exercise, or delay in exercising, any rights, remedies, powers or privileges arising from this Agreement operates or may be construed as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

20. **Amendments or Modifications**. This Agreement may only be amended or modified in a writing signed by each party.

21. **Headings**. The headings used in this Agreement are for convenience only and do not affect the validity or interpretation of the provisions to which they refer.

22. **Entire Agreement**. This Agreement constitutes the entire Agreement and understanding between the parties, superseding all other agreements, whether oral or written, in regards to the subject matter herein. This Agreement does not, however, diminish any obligations of Client required by the Franchise Agreement or other agreement with Franchisor, nor does it diminish any rights of Franchisor found in the Franchise Agreement or other agreement.

BackOffice:

BackOffice SPV LLC
1010 North University Parks Drive
Waco, Texas 76707

By: _____
Jeffrey Pepperney, President

Client:

_____
_____
_____

By: _____

Exhibit J

HelpDesk+ Service Agreement

This HelpDesk+ Service Agreement (this "Agreement") is made and entered into this __ day of _____, 20__, by and between BackOffice SPV LLC with its principal business address at 1010 North University Parks Drive, Waco, Texas 76707, hereinafter referred to as "BackOffice", and _____ with its principal business address at _____ _____ hereinafter referred to as "Client" or "You."

The parties hereby mutually acknowledge and agree to the following:

1. **Definitions**. Whenever used in this Agreement, the following words and terms have the following meanings:

a. "**Data**" is any information provided by Client for the purpose of fulfilling the terms and/or purposes of this Agreement.

b. "**Franchisor**" is Real Property Management SPV LLC located at 1010 North University Parks Drive, Waco, Texas 76707.

c. "**Proprietary Information**" is any information, including, but not limited to, technical or non-technical data, compilations, computer software, methods, trade secrets, techniques, processes, financial data, strategic plans, lists of actual or potential customers or vendors of Franchisor or BackOffice, which are not commonly known by or available to the public and which information: (a) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

d. "**AppFolio**" is the proprietary, co-branded software used by BackOffice from which Data will be gathered under this Agreement.

2. **BackOffice Obligations**. During the Term of this Agreement, BackOffice agrees to perform the following services for Client:

a. Reconcile bank accounts accounted for in Client's AppFolio account within one calendar month of the end of the period provided that the necessary statements are provided to BackOffice within five days of the end of such period; provide answers to reasonable questions; and troubleshoot reasonable issues related to certain accounting, data entry, and bookkeeping procedures in relation to AppFolio. BackOffice is not liable for any fees, costs or damages related to any delay in services resulting from Client's failure to timely provide information to BackOffice as required under this Section.

b. Other services as may be necessary to fulfill the terms and/or purposes of this Agreement or to otherwise assist Client. BackOffice services under this Agreement will be limited to six hours per month of BackOffice's employees' time. Additional time will be billed at BackOffice's then-current market rate.

c. BackOffice will in no way provide, advise, or consult regarding any services related to tax issues (federal, state, or local), unless otherwise engaged in writing, which would require additional fees.

3. **Client Obligations**. During the term of this Agreement, Client agrees to:

a. Keep its AppFolio subscription current at all times during the term of this agreement in order for BackOffice to perform its obligations.

b. Within AppFolio, upload information, record data, change settings, create or edit users, or perform any other actions BackOffice requests that BackOffice deems necessary in order to reconcile the bank accounts or to answer or troubleshoot what Client is asking or requesting.

c. Allow BackOffice to access Client's AppFolio accounts and have administrative rights whenever necessary in order to comply with its obligations.

d. Provide BackOffice with read-only access to Client's bank and business credit card accounts to enable BackOffice to view transactions and monthly statements. Client will be responsible for any bank fees incurred as a result of inquiries or requested copies.

e. Provide any additional information necessary for BackOffice to answer or troubleshoot what Client is asking or requesting. BackOffice will only be obligated to reconcile bank accounts within one calendar month of the end of the period if Client provides BackOffice with all necessary statements within five days of the end of such period and all other necessary information within two business days of receiving a request from BackOffice.

f. Review, verify and inform BackOffice of any errors and all data that is entered or changed by BackOffice.

4. **Term**. This Agreement shall be in effect on a month-to-month basis until either party gives notice of termination. Client must provide BackOffice notice of termination at least five days' written notice prior to the end of the calendar month or Client will be charged for the following calendar month as further set forth herein.

5. **Termination and Breach.** BackOffice may terminate this Agreement for Client's failure to provide Data to BackOffice, Client's failure to maintain an active and valid AppFolio subscription, or for termination of Client's Franchise Agreement.

6. **Fees**. All services performed by BackOffice under this Agreement are to be prepaid. The cost of the services offered under this Agreement is BackOffice's market rate, currently $400.00 per month. Because this is a month-to-month agreement, the fees for subsequent months may be altered by BackOffice upon 30 days' notice to Client. Fees due for the following month will be automatically deducted by the 25th of the prior month via ACH. Fees will not be pro-rated to reflect actual dates of engagement or termination, but will be charged in whole-month increments in the month engaged and the month terminated. Any additional time required by Client beyond the six hours provided hereunder will incur an additional fee at the market hourly rate, currently $75.00 which may be billed in 15 minute increments. These additional fees will be deducted by the 25th of the subsequent month via ACH.

7. **Indemnification**. Both during and after BackOffice provides the above services to Client, Client will indemnify, defend and hold BackOffice and its directors, officers, affiliates, agents and employees harmless from and against any and all liabilities, suits, claims, losses, damages and expenses, including reasonable attorneys' fees and costs arising out of or related to the failure of any of the representations or warranties made by Client, any acts or omissions of Client, or any breach of any obligation or duty under this Agreement.

8. **Limitation of Liability**. IN NO EVENT SHALL BACKOFFICE BE LIABLE TO CLIENT OR TO ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE OR PROFIT, LOSS OF DATA, DIMINUTION IN VALUE OR FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL OR PUNITIVE DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT, INCLUDING NEGLIGENCE, OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT BACKOFFICE HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE. FURTHER, IN NO EVENT SHALL BACKOFFICE'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT, INCLUDING NEGLIGENCE, OR OTHERWISE, EXCEED THE AMOUNT PAID UNDER THIS AGREEMENT DURING THE SIX MONTH PERIOD PRECEDING THE EVENT GIVING RISE TO THE CLAIM. THE LIMITATION UNDER THIS SECTION SHALL NOT APPLY TO LIABILITY RELATED TO BACKOFFICE'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. Client is solely responsible for ensuring that all services performed by BackOffice comply with all applicable state laws and regulations.

9. **Disclaimer of Warranties**. EXCEPT AS OTHERWISE SET FORTH HEREIN, BACKOFFICE MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER WITH RESPECT TO THE SERVICES, INCLUDING ANY WARRANTY OF MERCHANTABILITY, WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, WARRANTY OF TITLE, OR WARRANTY AGAINST THE INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE.

10. **Confidentiality**. Both during and after the term of this Agreement, client will not disclose any Proprietary Information or the terms of this Agreement to any third party without the written consent of BackOffice.

11. **Data Sharing with Franchisor**. Client agrees and acknowledges that BackOffice may share any and all Data and financial information of Client collected or made known to BackOffice during the term of this Agreement with Franchisor and its officers, directors, and employees, as BackOffice deems necessary.

12. **Independent Contractor**. Nothing in this Agreement will be deemed to create a partnership, joint venture, employment, principal, or agency relationship between the parties in any form or fashion. BackOffice is acting as an independent contractor of Client. Neither party shall have any right to obligate or bind the other party in any manner.

13. **Compliance with Laws**. Client agrees and acknowledges that it is Client's responsibility to ensure that any information provided or work performed by BackOffice pursuant to this Agreement is compliant with laws and regulations that govern Client.

14. **No Legal or Tax Advice.** Both Parties hereby agree and acknowledge that no service, discussion, information, or product provided by BackOffice shall be considered or construed as legal or tax advice.

Client is fully responsible for ensuring legal sufficiency of the services and products produced by BackOffice, and Client agrees and acknowledges that it has had full opportunity to discuss any of the above with legal counsel to ensure legality.

15. **Force Majeure**. BackOffice shall not be liable to Client nor be deemed in default or breach of this Agreement for any failure or delay in fulfilling or performing any term of this agreement when and to the extent such failure or delay is caused by or results from any event or circumstance, regardless of whether it was foreseeable, that was not caused by BackOffice and that prevents BackOffice from complying with any of its obligations under this Agreement.

16. **Assignment**. Client may not assign any of its rights or delegate any of its obligations hereunder without the prior written consent of BackOffice. Any purported assignment or delegation in violation of this Section is null, void and of no effect.

17. **Notice**. All notices and other communications hereunder shall be in writing and addressed to the parties at the address set forth in this Agreement or to such other address as may be designated by the party in writing. All notices shall be effective upon receipt and must be delivered by personal delivery, nationally recognized overnight courier, with all fees prepaid, or certified or registered mail, postage prepaid and return receipt requested.

18. **Governing Law and Venue**. This Agreement will be construed in accordance with the laws of the State of Texas, and jurisdiction and venue of any matters for disputes relating to this Agreement will be vested exclusively in the courts located in Waco, McLennan County, Texas.

19. **Severability**. If any provision of this Agreement is held unenforceable, such provision will be modified, if possible, to reflect, as near as possible, the parties' intentions. All remaining provisions of this Contract shall remain in full force and effect.

20. **Waiver**. No waiver by BackOffice of any provision of this Agreement is effective unless expressly set forth in writing and signed by BackOffice. No failure to exercise, or delay in exercising, any rights, remedies, powers or privileges arising from this Agreement operates or may be construed as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

21. **Amendments or Modifications**. This Agreement may only be amended or modified in a writing signed by each party.

22. **Headings.** The headings used in this Agreement are for convenience only and do not affect the language of the provisions to which they refer.

23. **Entire Agreement**. This Agreement constitutes the entire Agreement and understanding between the parties, superseding all other agreements, whether oral or written, in regards to the subject matter hereof. This Agreement does not diminish any applicable obligations of Client required by the Bookkeeping Assistance Program Agreement or any other Agreement with BackOffice, nor does it diminish any rights of BackOffice found in the Bookkeeping Assistance Program Agreement or any other agreement. This Agreement does not diminish or alter any obligations of Client required by the Franchise Agreement or any other agreement with Franchisor, nor does it diminish any rights of Franchisor found in the Franchise Agreement or any other agreement.

BackOffice:

BackOffice SPV LLC
1010 North University Parks Drive
Waco, Texas 76707

By: _____

Client:

Franchise Name & ID: _____

Street Address: _____

City, State, Zip: _____

Client Name: _____

Client Signature: _____

EXHIBIT K

ENROLLMENT FORM

Franchise ID _____ Franchise Name _____

Street Address: _____

City, State, Zip: _____

Bank Review Contact Person (Accounting manager): _____

Bank Review Contact Person Email Address: _____ Phone: _____

QUARTERLY BANK REVIEW AGREEMENT

This Quarterly Bank Review Agreement (this "Agreement") is made and entered into this __ day of _____, 20__, by and between BackOffice SPV LLC with its principal business address at 1010 North University Parks Drive, Waco, Texas 76707, hereinafter referred to as "BackOffice", and _____ (franchise name) with its principal business address at _____ hereinafter referred to as "Client" or "You."

The Terms of Service attached to this enrollment form and Quarterly Bank Review Agreement is incorporated herein and is a part of this enrollment form. By my signature below, I attest that I have read and agree with the Terms of Service.

Client:

Client Name: _____

Client Signature: _____

BackOffice:

BackOffice SPV LLC
1010 North University Parks Drive
Waco, Texas 76707

By: _____

Quarterly Bank Review Agreement
TERMS OF SERVICE

The parties hereby mutually acknowledge and agree to the following:

1. **Definitions**. Whenever used in this Agreement, the following words and terms have the following meanings:

a. "**Data**" is any information provided by Client for the purpose of fulfilling the terms and/or purposes of this Agreement.

b. "**Franchisor**" is Real Property Management SPV LLC located at 1010 North University Parks Drive, Waco, Texas 76707.

c. "**Proprietary Information**" is any information, including, but not limited to, technical or non-technical data, compilations, computer software, methods, trade secrets, techniques, processes, financial data, strategic plans, lists of actual or potential customers or vendors of Franchisor or BackOffice, which are not commonly known by or available to the public and which information: (a) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

d. "**AppFolio**" is the proprietary, co-branded software used by BackOffice from which Data will be gathered under this Agreement. AppFolio is also referred to in this Agreement as "**Property Management Software**".

2. **BackOffice Obligations**. During the Term of this Agreement, BackOffice agrees to perform the following services for Client:

a. Review Client's bank accounts reconciled by Client or Client's accountant as accounted for in Client's AppFolio account. BackOffice shall perform the first of such reviews immediately after the execution of this Agreement and every ninety (90) days thereafter.

b. BackOffice shall complete its quarterly review within 45 days after the end of each quarter.

c. At the conclusion of each review, BackOffice shall, by phone and in writing, provide a report of its findings to Client, which may include the following:

i. Missed bank transfers;
ii. Outstanding check issues;
iii. Off-setting unreconciled transaction; and
v. Trust balance issues.

d. BackOffice is not liable for any missing information and fees, costs or damages related to incorrect or incomplete reconciliation of bank accounts. BackOffice's services under this Agreement is limited to reviewing bank account reconciliations and identifying possible and

existing issues with Client's bank account reconciliations. It is the Client's sole responsibility to make changes and corrections based on the report received from BackOffice.

e. BackOffice will in no way provide, advise, or consult regarding any services related to tax issues (federal, state, or local) under this Agreement.

3. **Client Obligations**. During the term of this Agreement, Client agrees to:

a. Keep its Property Management Software subscription current at all times during the term of this Agreement in order for BackOffice to perform its obligations.

b. Ensure that bank accounts are reconciled in a timely manner and are completed prior to each scheduled review.

c. Allow BackOffice to access Client's Property Management Software account and have administrative rights whenever necessary in order to comply with its obligations.

d. Provide BackOffice with read-only access to Client's online banking to enable BackOffice to view transactions and bank statements or provide bank statements to BackOffice within twenty-four hours when requested. Client will be responsible for any bank fees incurred as a result of inquiries or requested copies.

e. Provide any additional information necessary for BackOffice to complete its review.

4. **Term**. This Agreement shall be in effect until either party gives notice of termination. Either party may terminate this Agreement at any time by providing the other a notice of termination in writing at least thirty (30) days prior to the next scheduled review.

5. **Termination and Breach.** BackOffice may terminate this Agreement for Client's failure to maintain an active and valid Property Management Software subscription, make payment or for termination of Client's Franchise Agreement.

6. **Fees**. All services performed by BackOffice under this Agreement are to be prepaid. The cost of the services offered under this Agreement is $350.00 for the first review and $250 for each subsequent review performed under this Agreement review. The fee for the first review is due at the execution of this Agreement. The fee for any subsequent reviews will be automatically deducted via ACH on the 25th of the month prior to the scheduled review.

7. **Indemnification**. Both during and after BackOffice provides the above services to Client, Client will indemnify, defend and hold BackOffice and its directors, officers, affiliates, agents and employees harmless from and against any and all liabilities, suits, claims, losses, damages and expenses, including reasonable attorneys' fees and costs arising out of or related to the failure of any of the representations or warranties made by Client, any acts or omissions of Client, or any breach of any obligation or duty under this Agreement.

8. **Limitation of Liability**. IN NO EVENT SHALL BACKOFFICE BE LIABLE TO CLIENT OR TO ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE OR PROFIT, LOSS OF DATA, DIMINUTION IN VALUE OR FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL OR PUNITIVE DAMAGES WHETHER ARISING OUT OF BREACH OF

CONTRACT, TORT, INCLUDING NEGLIGENCE, OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT BACKOFFICE HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE. FURTHER, IN NO EVENT SHALL BACKOFFICE'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT, INCLUDING NEGLIGENCE, OR OTHERWISE, EXCEED THE AMOUNT PAID UNDER THIS AGREEMENT DURING THE SIX MONTH PERIOD PRECEDING THE EVENT GIVING RISE TO THE CLAIM. THE LIMITATION UNDER THIS SECTION SHALL NOT APPLY TO LIABILITY RELATED TO BACKOFFICE'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. Client is solely responsible for ensuring that all services performed and recommendations given by BackOffice comply with all applicable state laws and regulations.

9. **Disclaimer of Warranties**. EXCEPT AS OTHERWISE SET FORTH HEREIN, BACKOFFICE MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER WITH RESPECT TO THE SERVICES, INCLUDING ANY WARRANTY OF MERCHANTABILITY, WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, WARRANTY OF TITLE, OR WARRANTY AGAINST THE INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE.

10. **Confidentiality**. Both during and after the term of this Agreement, Client will not disclose any Proprietary Information or the terms of this Agreement to any third party without the written consent of BackOffice.

11. **Data Sharing with Franchisor**. Client agrees and acknowledges that BackOffice may share any and all Data and financial information of Client collected or made known to BackOffice during the term of this Agreement with Franchisor and its officers, directors, and employees, as BackOffice deems necessary.

12. **Independent Contractor**. Nothing in this Agreement will be deemed to create a partnership, joint venture, employment, principal, or agency relationship between the parties in any form or fashion. BackOffice is acting as an independent contractor of Client. Neither party shall have any right to obligate or bind the other party in any manner.

13. **Compliance with Laws**. Client agrees and acknowledges that it is Client's responsibility to ensure that any information provided or work performed by BackOffice pursuant to this Agreement is compliant with laws and regulations that govern Client.

14. **No Legal or Tax Advice.** Both Parties hereby agree and acknowledge that no service, discussion, information, or product provided by BackOffice shall be considered or construed as legal or tax advice. Client is fully responsible for ensuring legal sufficiency of the services and products produced by BackOffice, and Client agrees and acknowledges that it has had full opportunity to discuss any of the above with legal counsel to ensure legality.

15. **Force Majeure**. BackOffice shall not be liable to Client nor be deemed in default or breach of this Agreement for any failure or delay in fulfilling or performing any term of this agreement when and to the extent such failure or delay is caused by or results from any event or circumstance, regardless of whether it was foreseeable, that was not caused by BackOffice and that prevents BackOffice from complying with any of its obligations under this Agreement.

16. **Assignment**. Client may not assign any of its rights or delegate any of its obligations hereunder without the prior written consent of BackOffice. Any purported assignment or delegation in violation of this Section is null, void and of no effect.

17. **Notice**. All notices and other communications hereunder shall be in writing and addressed to the parties at the address set forth in this Agreement or to such other address as may be designated by the party in writing. All notices shall be effective upon receipt and must be delivered by personal delivery, nationally recognized overnight courier, with all fees prepaid, or certified or registered mail, postage prepaid and return receipt requested.

18. **Governing Law and Venue**. This Agreement will be construed in accordance with the laws of the State of Texas, and jurisdiction and venue of any matters for disputes relating to this Agreement will be vested exclusively in the courts located in Waco, McLennan County, Texas.

19. **Severability**. If any provision of this Agreement is held unenforceable, such provision will be modified, if possible, to reflect, as near as possible, the parties' intentions. All remaining provisions of this Contract shall remain in full force and effect.

20. **Waiver**. No waiver by BackOffice of any provision of this Agreement is effective unless expressly set forth in writing and signed by BackOffice. No failure to exercise, or delay in exercising, any rights, remedies, powers or privileges arising from this Agreement operates or may be construed as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

21. **Amendments or Modifications**. This Agreement may only be amended or modified in a writing signed by each party.

22. **Headings.** The headings used in this Agreement are for convenience only and do not affect the language of the provisions to which they refer.

23. **Entire Agreement**. This Agreement constitutes the entire Agreement and understanding between the parties, superseding all other agreements, whether oral or written, in regards to the subject matter hereof. This Agreement does not diminish or alter any obligations of Client required by the Franchise Agreement or any other agreement with Franchisor, nor does it diminish any rights of Franchisor found in the Franchise Agreement or any other agreement.

EXHIBIT L

Property Management Software Agreement

- I. AppFolio Property Manager Terms Of Service
- II. AppFolio Value+ Terms
- III. AppFolio Tenant Screening Terms
- IV. AppFolio Payments Terms
- V. AppFolio Website Terms

ITEM 1. AppFolio Property Manager Terms Of Service

Last updated: March 20, 2023

Welcome to AppFolio Property Manager and AppFolio Property Manager PLUS! Please carefully review these AppFolio Property Manager Terms of Service (these "Terms of Service"), as they contain important information about your legal rights, remedies and obligations. When these Terms of Service mention "AppFolio", "we", "us", or "our", it refers to AppFolio, Inc. By subscribing to or using any of our Services (as defined below), you agree to comply with and be bound by these Terms of Service. Any terms contained in your order form will supersede these Terms of Service.

These Terms of Service constitute a legally binding agreement between you and us and govern your access to and use of the Services. Your access to and use of the Services are also governed by (i) the terms set forth in your order form and online sign-up flows, (ii) the AppFolio Value+ Terms, (iii) the AppFolio Tenant Screening Terms, (iv) the AppFolio Payments Terms, (v) the AppFolio Website Terms, and (vi) the AppFolio Beta Terms and (vii) any other policies applicable to your use of the Services that we make available, each of which is incorporated by reference into these Terms of Service.

AppFolio respects your privacy. Please consult our **Privacy Notice** for more information on how we collect, use and share your personal information for our own purposes (but note that our Privacy Notice is not a part of these Terms of Service and may be changed from time to time). By agreeing to these Terms of Service, you acknowledge and consent to the collection, use, sharing and disclosure of your personal information and data as described in our Privacy Notice, as may be modified from time to time.

1. Scope of Services

We offer a hosted suite of property management software services, which include our core property management software solution ("APM"), our PLUS property management software solution ("APM PLUS"), and additional value-added services to which you may subscribe (the "Value+ Services" and together with APM and APM PLUS, the "Services"). To subscribe to a Service, you must sign an order form or complete the online sign-up flow, which identifies the Service to which you have subscribed, additional subscription terms, and the fees payable for such Service. By subscribing to the Services, you may access and use the Services to manage and account for the real property units that you assign to the Services (collectively, the "Units" and each a "Unit"). We reserve the right to (a) modify the Services (or any part thereof) from time to time, and we are not liable to you or to any third party for any modification of the Services, and (b) assess your Unit count at regular intervals and invoice you appropriately.

1.1. Intended Use

The Services are designed and intended to be used for property management purposes in the United States. Your use of the Services for any other purpose or in any other manner is at your own risk.

1.2. No Legal Advice

The Services contain features and tools designed to assist you in the operation of your business and are capable of being used to comply with certain of your regulatory or other legal obligations. Notwithstanding the foregoing, we do not make any representations or warranties that your use of the Services will satisfy or ensure compliance with any legal obligations or laws, rules, or regulations. AppFolio does not provide legal advice and is not engaged in the practice of law. We encourage you to consult with your legal counsel before utilizing any of the Services that may have legal ramifications.

1.3. Expanding the Services

You may subscribe to additional Services (including any new Value+ Services we make available from time to time), increase or decrease the number of Units, or add additional databases by executing an order form or completing an additional online sign-up flow. All new Services are subject to these Terms of Service.

1.4. Migration of Data

Promptly following your initial subscription to the Services, we will coordinate and work with you to migrate certain of your data into the Services. You will be responsible for providing data in a format deemed acceptable to us and will provide materials and reasonable assistance for the migration of your data. You represent and warrant that you are the rightful owner of your data and have the requisite authority to perform the migration of such data. You will retain all right, title and interest in and to your data. If the migration of your data and materials is not completed

on the scheduled date we mutually agreed upon on two or more occasions, we reserve the right to charge you for additional Onboarding Fees at our sole discretion. In the event that another migration of data is necessary as a result of a change of, for example, your business name, a change in your tax identification number, a change in your business structure or any other similar reasons (a "Re-Migration"), we will charge an additional one-time non-refundable Onboarding Fee for setting up a new database and/or migrating the data within the existing database. We will help determine the optimal plan for Re-Migration based upon the individual situation and the non-refundable Onboarding Fees associated with such Re-Migration will be due and payable by you on the date of invoice.

1.5. Set-Up and Configuration

You are solely responsible for determining the appropriate set-up and configuration of the Services. In the event you request we provide assistance in the set-up or configuration of the Services, without in any way limiting Section 8.2, we make no representations or warranties with respect to any changes we may make or work we may perform on your behalf and at your request.

2. Modification of These Terms of Service

We work constantly to improve our Services with updates, new features, and new services. And we may need to change these Terms of Service from time to time to accurately reflect our Services and practices. If we do, those revised Terms of Service will supersede prior versions. Unless we say otherwise, changes will be effective upon the "Last Updated" date located at the top of this page. We agree that changes cannot be retroactive. We will provide you advance notice of any material changes to these Terms of Service, including those pertaining to the addition of a new service. For any other changes, we will publish the revised Terms of Service and update the "Last Updated" date above. We hope that you will continue to use our Services, but if any changes materially impact you or your business and you object to such changes, you may terminate your subscription to the Services according to the terms herein. Your continued use of the Services after we modify these Terms of Service constitutes your acceptance of any revisions.

3. Customer Support

We will use commercially reasonable efforts to provide complimentary technical support services to you and your authorized users of the Services. Our standard support is available Monday through Friday from 8:00 a.m. - 8:00 p.m. Eastern Time, excluding major holidays, which include Memorial Day, Independence Day, Labor Day, Thanksgiving, Christmas, and New Year's Day.

4. Training

We will make available remote, live or recorded training sessions to you and your authorized users, as well as provide tutorials, which are accessible via the Help Articles and Training Sessions sections of our website at no additional charge. If you purchase custom training, the hours must be used within 90-days of contract signing or 90-days of your go-live date, whichever comes second. Custom training fees are non-refundable.

5. Your Rights and Restrictions

5.1. Authorization to Use the Services

Subject to (i) your timely payment of all fees set forth in the order form or online sign-up flow and (ii) your compliance with these Terms of Service, we authorize you to use (and permit your authorized users to use) the Services to which you have subscribed.

5.2. Authorized Users

You (i) are responsible for your authorized users' compliance with these Terms of Service, and (ii) will use commercially reasonable efforts to prevent unauthorized access to or use of the Services. If the authorized status of a user changes, it is your responsibility to promptly remove such user's access to the Services. Third parties are not permitted to access or use the Services or any application programming interface we may make available to you without our prior consent. We reserve the right to disable or delete access to the Services and any application programming interface for any of your authorized users to enforce these Terms of Service or otherwise protect our interests.

5.3. Your Responsibilities; Use of the Services In Compliance With Laws

The Services contain various features, tools and workflows that assist you in the conduct of your business. We do not make any representations or warranties that your use of the Service will satisfy or ensure compliance with any legal obligations or applicable laws, rules, or regulations. For example, you may be able to use the Services to, among other things, text, email, and accept and make payments. Such activities can be highly regulated, and while we assist you in carrying out such activities, you are solely responsible for ensuring compliance with all applicable laws and regulations including, without limitation, the Fair Credit Reporting Act, Equal Credit Opportunity Act, the Fair Housing Act, Title VII of the Civil Rights Act of 1964, the Telephone Consumer Protection Act of 1991, and utility

billing practices. You are responsible for all activities that occur under your account or by your authorized users. Without limiting the foregoing, you will (i) have sole responsibility for the accuracy, quality, integrity, legality, reliability, and appropriateness of all data that you submit to the Services; (ii) use commercially reasonable efforts to prevent unauthorized control or tampering or any other unauthorized access to, or use of, the Services and notify us immediately of any unauthorized use or security breach; (iii) comply with all applicable local, state, federal, and foreign laws (including laws regarding privacy and protection of personal or consumer information) in using the Services; and (iv) obtain and maintain all computer hardware, software and communications equipment needed to access the Services in connection with your use of the Services.

5.4. Your Restrictions

You may not, and you will ensure your authorized users do not, (i) disassemble, reverse engineer, decompile or otherwise attempt to decipher any code in connection with the Services, or modify, adapt, create derivative works based upon, or translate the Services; (ii) license, sublicense, sell, rent, assign, distribute, time share transfer, lease, loan, resell for profit, distribute, or otherwise commercially exploit, grant rights in or make the Services or any content offered therein available to any third party; (iii) use the Services except as expressly authorized under these Terms of Service or in violation of any applicable laws; (iv) engage in any illegal or deceptive trade practices with respect to the Services; (v) circumvent or disable any security or other technical features or measures of the Services or any other aspect of the software or, in any manner, attempt to gain unauthorized access to the Services or its related computer systems or networks; (vi) use the Services to transmit infringing, obscene, threatening, libelous, or otherwise unlawful, unsafe, malicious, abusive or tortious material, or to store or transmit material in violation of third-party privacy rights; (vii) use the Services to store or transmit any viruses, worms, time bombs, Trojan horses and other harmful or malicious code, files, scripts, agents or programs or to send spam or otherwise duplicative or unsolicited messages in violation of applicable laws; (viii) interfere with or disrupt the integrity or performance of the Services or third-party data contained therein; (ix) use any robot, spider, or other automated device, process or means to access, retrieve, scrape or index any portion of the Services; (x) reformat or frame any portion of the Services; or (xi) make available or otherwise provide all or any portion of the Services, our Confidential Information (as defined below), or any application programming interface we make available to you to any of our direct or indirect competitors.

Although we have no obligation to monitor your use of the Services, we may do so at our discretion and may prohibit any use of the Services we believe may be in violation of these Terms of Service or applicable laws and regulations.

5.5. Reservation of Rights

No other rights are granted except as expressly stated in these Terms of Service, and nothing herein conveys any rights or ownership or license in, or to, the Services or any underlying software or intellectual property. We own all rights, title and interest, including all intellectual property rights, in and to the Services and the underlying software, and any and all updates, upgrades, modifications, enhancements, improvements or derivative works thereof.

6. Term and Termination

6.1. Term

Each Service will be for the term set forth on the order form or in the online sign-up flow you complete. Unless we discontinue a Service or you provide us with notice of non-renewal at least thirty (30) days prior to the expiration of the then-current term, such Service will automatically renew for the same period as its initial term. WRITTEN NOTICE OF NON-RENEWAL MUST BE SUBMITTED: Via email to: billing@appfolio.com or via USPS or courier to:
AppFolio, Inc.
70 Castilian Drive
Santa Barbara, CA 93117
Attn: Billing Department

6.2. Termination

Either party may terminate any subscription to Services (i) if the other party breaches any of its obligations under these Terms of Service and such breach is not cured within thirty (30) days of receipt of notice from the non-breaching party, or (ii) if the other party becomes insolvent or bankrupt, liquidated or is dissolved, or ceases substantially all of its business. Notwithstanding the foregoing, we may immediately terminate your subscription to the Services if: (a) you materially breach of these Terms of Service, as determined by us in our sole and absolute discretion; (b) we reasonably believe that you are associated with conduct that is illegal, fraudulent, or that could otherwise cause a real risk of harm to us or others (whether financial, legal, business or reputational harm); or (c) upon the request of any of our financial service providers. Upon termination of your subscription, you will immediately discontinue all use of the Services, cease to represent that you are a user of the Services, and destroy all our

Confidential Information (as defined in Section 9 below) in your possession. Neither party will be liable for any damages resulting from a valid termination of any subscription(s) to Services; provided, however, that termination will not affect any claim arising prior thereto.

6.3. Handling of Your Data in the Event of Termination

You agree that following expiration or termination of any of your subscriptions to the Services, we may immediately deactivate the affected Services and that, following a reasonable period, we may delete your account and data. However, in the event that the Services are terminated by us, we will grant you temporary, limited access to the Services, not to exceed thirty (30) days, for the sole purpose of permitting you to retrieve your proprietary data, provided that you have paid in full all undisputed amounts owed to us. You further agree that we will not be liable to you or to any third party for any termination of your access to the Services or deletion of your data, provided that we are in compliance with the terms of this Section 6.3.

6.4. Termination for Convenience; Early Termination Fee

You may terminate your subscription to the Services for convenience at any time by providing thirty (30) days' prior written notice to us; provided, however, that if you terminate your subscription prior to the end of its term under this Section 6.4, then you will pay to us an early termination fee equal to fifty percent (50%) of the Service Fees (as defined below) payable for the remaining period of your subscription, calculated on a pro rata basis (the "Early Termination Fee"). In the event you subscribe to but do not use the Services, we may, in our sole discretion, choose to treat the non-use as a termination for convenience under this section. You hereby expressly acknowledge and agree that we shall have the right to charge the Early Termination Fee to the payment method associated with your AppFolio account. You will not be entitled to a refund of any pre-paid amounts under any circumstances.

7. Fees

7.1. Service Fees

You will pay certain non-refundable fees for the Services in the amount set forth on the order form or in the online sign-up flow (the "Service Fees") and according to the billing frequency stated therein. Service Fees are due and payable on the date of invoice. We may increase Service Fees from time to time by providing you with no less than thirty (30) days advance notice; provided, however, the Service Fees for any Service subject to a fixed term, will only be increased at the time of renewal of your subscription to such Service. Service Fees are non-refundable if you terminate your subscription early.

7.2. Onboarding Fees

You will pay certain non-refundable fees for onboarding and data migration in the amount set forth on the order form or in the online sign-up flow (the "Onboarding Fees"). The Onboarding Fees are due and payable by you on the date of invoice. Onboarding Fees are non-refundable unless we fail to complete the onboarding for reasons other than your failure to provide us with the requested data or other information or assistance required to complete such onboarding.

7.3. Additional Fees

You may incur certain other non-refundable fees or charges for your use of the Services in addition to those fees set forth on the order form or in the online sign-up flow (the "Additional Fees"). Any Additional Fees will be set forth on the order form or in the online sign-up flow for such Service. Such additional fees may include, without limitation, monthly minimum amounts for certain Services, as set forth in your order form or in the online sign-up flow. We may increase monthly minimum amounts from time to time by providing you with no less than thirty (30) days advance notice.

7.4. Late Payments

You acknowledge that your failure to pay any Service Fees or Additional Fees when due may result in suspension or termination of your subscription to the Service. If you fail to pay any of the fees or charges due hereunder, AppFolio reserves the right to, among other things, engage an attorney or a collections agency to collect the delinquent fees and charges. You agree to pay all fees and costs incurred by AppFolio in connection with the collection of such delinquent amounts, including without limitation, any and all court and related costs, attorneys' and/or collections agencies' fees plus interest in an amount equal to the lesser of 1.0% per month or the maximum rate permitted by applicable law.

7.5. Taxes

You are responsible for all sales tax, use tax, value added taxes, withholding taxes and any other similar taxes and charges of any kind imposed by federal, state or local governmental entities on the transactions contemplated by these Terms of Service. When we have the legal obligation to pay or collect taxes for which you are responsible pursuant to this Section, the appropriate amount will be invoiced to and paid by you unless you provide us with a valid tax exemption certificate authorized by the appropriate taxing authority.

8. Representations and Warranties; Disclaimer

8.1. Representations and Warranties

You represent and warrant that (i) you have all necessary authority to enter into and perform your obligations under these Terms of Service without the consent of any third party or breach of any contract or agreement with any third party; and (ii) you will use the Services only for lawful purposes in accordance with these Terms of Service.

8.2. Disclaimer of Warranties

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, WE MAKE NO REPRESENTATIONS OR WARRANTIES, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, IN LAW OR FROM A COURSE OF DEALING OR USE OF TRADE, AS TO ANY MATTER, INCLUDING THOSE OF MERCHANTABILITY, SATISFACTORY QUALITY, TITLE, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT. WE DO NOT WARRANT THAT THE SOFTWARE OR THE SERVICES WILL MEET ALL OF YOUR REQUIREMENTS OR THAT THE USE OF THE SOFTWARE OR THE SERVICES WILL BE UNINTERRUPTED OR ERROR-FREE. THE SOFTWARE AND SERVICES ARE PROVIDED TO YOU ON AN "AS IS" BASIS AND YOUR USE OF SOFTWARE AND SERVICES IS AT YOUR OWN RISK. WE HEREBY EXPRESSLY DISCLAIM ANY REPRESENTATIONS OR WARRANTIES THAT YOUR USE OF THE SERVICES WILL SATISFY OR ENSURE COMPLIANCE WITH ANY LEGAL OBLIGATIONS OR LAWS, RULES OR REGULATIONS. THIS DISCLAIMER APPLIES TO BUT IS NOT LIMITED TO ANY FEDERAL OR STATE STATUTES OR REGULATIONS THAT MAY BE APPLICABLE TO YOU. YOU ARE SOLELY RESPONSIBLE FOR ENSURING THAT YOUR USE OF THE SERVICES IS IN ACCORDANCE WITH APPLICABLE LAW.

IF YOU ARE DISSATISFIED WITH THE SERVICES OR THESE TERMS OF SERVICE, YOUR SOLE AND EXCLUSIVE REMEDY IS TO STOP USING THE SERVICES. NOTWITHSTANDING THE FORGOING, NOTHING IN THIS SECTION (SECTION 8.2) SHALL BE CONSTRUED TO LIMIT OR DEPRIVE EITHER PARTY OF A REMEDY THAT IS OTHERWISE EXPRESSLY PROVIDED FOR UNDER THESE TERMS OF SERVICE.

THE PARTIES EXPRESSLY ACKNOWLEDGE THAT THE DISCLAIMER OF WARRANTY CONSTITUTES AN ESSENTIAL PART OF THE AGREEMENT BETWEEN THE PARTIES CONTAINED IN THESE TERMS OF SERVICE.

9. Confidential Information

Neither party shall disclose to any third party any information or materials provided by the other party hereunder and reasonably understood to be confidential ("Confidential Information") without the other party's prior written consent, except as otherwise expressly permitted under these Terms of Service; provided, however, AppFolio may use and disclose your Confidential Information (in accordance with our Privacy Notice) as necessary to provide the Services. The foregoing restrictions do not apply to (i) any information that is in the public domain or already in the receiving party's possession, (ii) was known to the receiving party prior to the date of disclosure, (iii) becomes known to the receiving party thereafter from a third party having an apparent bona fide right to disclose the information, or (iv) Confidential Information that the receiving party is obligated to produce pursuant to a court order or a valid administrative subpoena, providing receiving party provides disclosing party of timely notice of such court order or subpoena (unless receiving party is legally precluded from providing such notice).

You agree to ensure that your authorized users keep all passwords and other access information to the Services in strict confidence.

Each party agrees that its violation of this Section 9 may cause irreparable injury to the other party, entitling the other party to seek injunctive relief in addition to all legal remedies. This Section 9 will survive termination or expiration of your subscription to the Services.

10. Indemnification

10.1. Our Indemnification

We agree to defend, indemnify, and hold you harmless from and against all claims brought or threatened against you by a third party alleging that a provision of the Services as permitted hereunder infringes or misappropriates a third party copyright, trade secret, trademark or patent (*"Infringement Claim"*). If your use of the Services has become, or in our opinion is likely to become, the subject of any Infringement Claim, we may, at our option and expense: (i) procure for you the right to continue using the Services as set forth herein; (ii) modify the Services to make them non-infringing; or (iii) if the foregoing options are not reasonably practicable, terminate your subscription to the Services and refund you any unused prepaid Service Fees. This Section 10.1 states your exclusive remedy for any claim by a third party alleging that the use of the Services as permitted hereunder infringes or

misappropriates a third party copyright, trade secret, trademark or patent. The indemnification obligations in this Section will survive termination or expiration of your subscription to the Services.

10.2. Limitations

We have no liability or obligation with respect to any costs or damages claimed under Section 10.1 if the Infringement Claim arises out of or is in any manner attributable to (i) any modification of any Services by you (or any of your authorized users), or (ii) use of Services in combination with services and products not provided by AppFolio if such infringement would have been avoided without such modification or combination, or (iii) our compliance with your designs or instructions (each an "Excluded Claim").

10.3. Your Indemnification

You agree to defend, indemnify, and hold us and all our affiliates, employees, officers, directors, contractors, agents, licensors, successors and assigns (collectively, the "AppFolio Parties") harmless from any and all claims, judgments, awards, demands, suits, proceedings, investigations, damages, costs, expenses, losses, and any other liabilities (including reasonable attorneys' fees, court costs and expenses) (collectively, "Costs") arising out of or relating to (i) your use of the Services in violation of these Terms of Service, (ii) an Excluded Claim, (iii) any actual or alleged breach by you of any representation, warranty, covenant or obligation under these Terms of Service, or (iv) your gross negligence or willful misconduct. Your indemnification obligations under this Section 10.3 will survive any termination or expiration of your subscription to the Services.

10.4. Conditions of Indemnification

The indemnification obligations under this Section 10 above are conditioned upon (i) the indemnified party notifying the indemnifying party promptly in writing upon knowledge of any claim for which it may be entitled to indemnification hereunder; (ii) to the extent applicable, the indemnified party ceasing use of the claimed infringing Services upon receipt of notice of an Infringement Claim; (iii) the indemnified party permitting indemnifying party to have the sole right to control the defense and settlement of any such claim (provided that the indemnifying party may not settle any claim without the indemnified party's consent unless the settlement unconditionally releases the indemnified party from all liability); (iv) the indemnified party providing reasonable assistance to the indemnifying party, at the indemnifying party's expense, in the defense of such claim; (v) the indemnified party not entering into any settlement agreement or otherwise settling any such claim without indemnifying party's express prior written consent or request (except as set forth in (iii) above); and (vi) the indemnified party complying with any settlement or court order made in connection with the claim (e.g., related to the future use of any infringing materials). For clarity, the indemnified party may participate in the defense or settlement of a claim with counsel of its own choice and at its own expense.

11. Limitation on Liability

EXCEPT IN CONNECTION WITH (I) EITHER PARTY'S INDEMNIFICATION OBLIGATIONS PURSUANT TO THIS AGREEMENT, (II) YOUR PAYMENT OBLIGATIONS PURSUANT TO SECTION 7 (FEES), (III) BREACH OF SECTION 5.3 (YOUR RESPONSIBILITIES), (IV) BREACH OF SECTION 5.4 (YOUR RESTRICTIONS), OR (V) BREACH OF SECTION 12 (DATA PROTECTION), EACH OF OUR LIABILITY UNDER THESE TERMS OF SERVICE WILL BE LIMITED AS FOLLOWS:

TO THE FULLEST EXTENT PERMITTED BY LAW, EACH PARTY'S TOTAL LIABILITY ARISING OUT OF OR IN CONNECTION WITH THESE TERMS OF SERVICE IS LIMITED TO THE SUM OF THE AMOUNTS PAID BY YOU FOR THE SERVICES DURING THE TWELVE (12) MONTHS IMMEDIATELY PRECEDING THE DATE THE CAUSE OF ACTION AROSE.

TO THE FULLEST EXTENT PERMITTED BY LAW, NEITHER PARTY WILL BE RESPONSIBLE FOR LOST PROFITS, REVENUES, DATA, FINANCIAL LOSSES, OR INDIRECT, SPECIAL, CONSEQUENTIAL, EXEMPLARY, PUNITIVE OR INCIDENTAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE SERVICES OR THESE TERMS OF SERVICE. IN ALL CASES NEITHER PARTY WILL BE LIABLE FOR ANY LOSS OR DAMAGE THAT IS NOT REASONABLY FORESEEABLE.

BECAUSE SOME JURISDICTIONS DO NOT ALLOW THE EXCLUSION OR LIMITATION OF LIABILITY FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES, THE ABOVE LIMITATION MAY NOT APPLY TO YOU, IN WHICH CASE OUR LIABILITY SHALL BE LIMITED TO THE FULLEST EXTENT PERMITTED BY LAW.

12. Data Protection

12.1. Your Obligations

You will comply with all applicable privacy, data protection, anti-spam and other laws, rules, regulations and guidelines relating to protection, collection, use and distribution of Personal Information (as defined below). If required by applicable data protection legislation or other law or regulation, you will inform third parties that you are

providing their Personal Information to us for processing and will ensure that any required third parties have given their consent to such disclosure and processing. "Personal Information" means any information that identifies, relates to, describes, or can be reasonably associated with or traced to, directly or indirectly, a individual or household, including an individual's name, address, telephone number, e-mail address, credit card information, social security number or other similar specific factual information, regardless of the media on which such information is stored (e.g., on paper or electronically).

12.2. Service Provider Certification

This Section 12.2 applies only where, and to the extent that, AppFolio processes Personal Information that is subject to the California Consumer Privacy Act ("CCPA") on your behalf as a service provider (as defined in the CCPA) in the course of providing the Services. AppFolio shall not (i) sell (as defined in the CCPA) any Personal Information; (ii) retain, use, or disclose any Personal Information for any purpose other than for the specific purpose of performing the Services, including retaining, using, or disclosing any Personal Information for a commercial purpose (as defined in the CCPA) other than for such specific purpose; or (iii) retain, use, or disclose any Personal Information outside of the direct business relationship between AppFolio and you. AppFolio certifies that it understands and will comply with the restrictions set out in this Section 12.2.

13. Ownership Disputes

Ownership of a database associated with the Services is sometimes disputed between one or more parties. While we will have no obligation to do so, we reserve the right, at any time and in our sole discretion, with or without notice to you, to determine rightful database ownership and to transfer a database to the rightful owner. If we can't reasonably determine the rightful owner, we reserve the right to suspend access to a database until the disputing parties reach a resolution. We also may request joint instructions or certain documentation from the disputing parties, such as a government-issued photo ID, a credit card invoice or a business license, to help determine the rightful owner.

14. Customer Interactions

14.1. Customer Research

We frequently engage with our customers, and may engage with our customers' customers or other third parties related to our customers, to understand how they interact with our Services and how to better develop our Services to meet their collective and ever-evolving needs. While transparency and candor are key to that process, you acknowledge and agree that you will not improperly use or disclose to us any confidential information or trade secrets of any third parties, and will not breach any obligation of confidentiality that you may have to any third party. You further acknowledge and agree that no jointly owned intellectual property shall be created as a consequence of our customer or third party engagement process or practices, and that AppFolio owns all right, title and interest in and to its intellectual property.

14.2. Ownership of Feedback

You and your authorized users may from time to time provide suggestions, comments, ideas or other feedback ("Feedback") to us with respect to the Services. You agree that we are free to use, disclose, reproduce, license or otherwise distribute and exploit the Feedback, entirely without obligation or restriction of any kind on account of intellectual property rights or otherwise.

14.3. Services to Your Customers

Certain of our Services, such as our Online Portal, may make available to your tenants, homeowners, or other customers certain services and products, such as renters insurance. You acknowledge and agree that we make available, through licensed subsidiaries and otherwise, such services and products to your customers. Furthermore, any information that we make available to you about renters insurance is for informational purposes only and is not a solicitation or offer. You acknowledge and agree that renters insurance is offered by AppFolio Insurance Services, Inc. ("AIS"), a licensed insurance producer, and not through AppFolio, Inc. Any questions regarding and requests to purchase renters insurance should be directed only to AIS.

15. Third Party Products and Services

15.1. Third Party Products and Services

The Services and our website may contain links to or integrations with products, services, and websites provided by third parties, which may include our affiliates or subsidiaries. You may choose to use such third party products or services in connection with the Services, including Third Party Applications (see Section 15.2, (AppFolio Stack Marketplace)), however, your receipt or use of any third party products, services or Third Party Applications, and the third parties' use or access to any of your data, is subject to a separate agreement between you and the third party provider. Once you enable or use third party products, services, or Third Party Applications in connection with the Services, you consent to us allowing that third party provider to access or use your data as required for the

interoperation of their products and services with the Services. Such access and use by third party providers may include transmitting, transferring, deleting, or modifying your data, or storing your data on systems belonging to that third party provider and their vendors. You acknowledge and agree that this access and use of your data by a third party provider is subject to the applicable agreement between you and that third party provider. AppFolio makes no guarantee that any third party products, services, or Third Party Applications will work properly with the Services or that third party products, services, or Third Party Applications will continue to work with the Services as they change over time.

15.2. AppFolio Stack Marketplace

We provide a variety of integrations with third party products and services and the Services through our AppFolio Stack Marketplace ("Third Party Applications"). Third Party Applications are not AppFolio Services and remain subject to their own applicable third party providers' terms. We may enable interoperation of the Services with Third Party Applications as set forth in Section 15.1 above (Third Party Products and Services). We may, at any time, remove any Third Party Applications from the AppFolio Stack Marketplace and the third party providers may also update, modify, or remove their own applications at any time.

15.3. Disclaimer of Liability

AppFolio has no liability or responsibility whatsoever for any third party provider's websites, products, services, or Third Party Applications, including their accuracy, reliability, availability, security, data handling, data processing, completeness, usefulness, or quality, even if AppFolio has reviewed, certified, or approved the product, service, or Third Party Application for use in connection with the Services. Use of third party websites, products, services, or Third Party Applications is at your sole discretion and risk and you are solely responsible for your decision to permit any third party provider to use or access your data. The third party provider is solely responsible for ensuring that any information submitted through their websites, products, services, or Third Party Applications to the Services is accurate, complete, and correct. AppFolio is not responsible for the standards or business practices of any third party provider and WE DISCLAIM ALL LIABILITY AND RESPONSIBILITY FOR ANY THIRD PARTY WEBSITES, PRODUCTS, SERVICES, AND THIRD PARTY APPLICATIONS (WHETHER SUPPORT, AVAILABILITY, SECURITY OR OTHERWISE) OR FOR THE ACTS OR OMISSIONS OF ANY THIRD PARTY PROVIDERS OR VENDORS.

16. General Provisions

16.1. Independent Parties

No joint venture, partnership, agency or employment relationship exists between you and AppFolio. You are solely responsible for managing your employees and for any and all compensation, taxes, benefits and liabilities to your employees and any of your other representatives or service providers.

16.2. Assignment

You will not assign or transfer the Services or any of your rights and/or obligations under these Terms of Service without our prior written consent. We may without restriction assign or transfer our rights and/or obligation hereunder, at our sole discretion. Subject to the foregoing, these Terms of Service will bind to the parties' respective successors and assigns.

16.3. Force Majeure

No failure, delay or default in performance of any obligation of a party will constitute an event of default or breach of these Terms of Service to the extent that such failure to perform, delay or default arises out of a cause that is beyond the control and without negligence of such party, including (but not limited to) natural disasters (e.g. lightning, earthquakes, hurricanes, floods); wars, riots, terrorist activities, and civil commotions; a local exchange carrier's activities, and other acts of third parties; explosions and fires; embargoes, strikes, and labor disputes; governmental decrees; failures of telecommunications providers or internet service providers; and failures of third party suppliers, service providers or vendors. The party affected by such cause shall take all reasonable actions to minimize the consequences of any such cause.

16.4. Applicable Law

These Terms of Service and any dispute arising out of or relating to the Services and/or these Terms of Service will be interpreted in accordance with the laws of the State of California, without regard to conflict-of-law provisions. All disputes arising out of or related to these Terms of Service shall be subject to the exclusive jurisdiction and venue of the California state courts located in Santa Barbara, California and federal courts of the Central District of California (unless we both agree to some other location). We each hereby expressly consent to the personal and exclusive jurisdiction of such courts.

16.5. Notices

You agree that we will provide notices, statements and other messages to you in the following ways: (i) within the Service, or (ii) to the contact information you last provided us (e.g., e-mail, mobile number, physical address, etc.). You agree to keep your contact information up to date.

16.6. No Waiver; Cumulative Remedies

Either party's failure to enforce any right or provision under these Terms of Service will not constitute a waiver of that right or provision. Except as expressly set forth in these Terms of Service, the exercise by either party of any of its remedies under these Terms of Service are in addition to (and not exclusive of) any other remedies permitted at law or in equity.

16.7. Severability

If any provision of these Terms of Service is deemed invalid, then that provision will be limited or eliminated by the court to the minimum extent necessary, and the remaining provisions of these Terms of Service will remain in full force and effect.

16.8. Entire Agreement

These Terms of Service and (i) the terms you agree to set forth in order forms and online sign-up flows, (ii) the AppFolio Value+ Terms, (iii) the AppFolio Tenant Screening Terms, (iv) the AppFolio Payments Terms, (v) the AppFolio Website Terms, and (vi) any other policies applicable to your use of the Services that we make available to you (each of which is incorporated by reference into these Terms of Service) constitute the sole and entire agreement between you and us, and supersede all prior and contemporaneous oral or written understandings or agreements with AppFolio with respect to the Services. You acknowledge and agree that your agreement to these Terms of Service is not contingent upon the delivery of any future functionality or features not specified herein or in an order form or in the online sign-up flow, as applicable, or dependent upon any oral or written, public or private comments made by us with respect to future functionality or features for the Services. In the event of any conflict between the provisions in these Terms of Service and any order form (including, addenda thereto) or online sign-up flow, the terms of such order form or online sign-up flow will prevail.

16.9. Export

Both parties agree to comply with applicable US export and import laws and regulations. You will not permit your users to access or use the Services in violation of any U.S. export embargo, prohibition or restriction.

16.10. Copyright Policy

AppFolio respects the intellectual property rights of others, and asks that everyone utilizing the Services do the same. Anyone who believes that their work has been reproduced on the Services in a way that constitutes copyright infringement may notify us **here**.

ITEM 2. AppFolio Value+ Terms

Last Updated: October 31, 2023

If you subscribe to APM or APM PLUS, you have the ability to also subscribe to or use Value+ Services. Your use of all Value+ Services are governed by the Terms of Service. In addition, use of certain additional Value+ Services are also governed by the terms and conditions, as set forth below (the "Value+ Terms"). Capitalized terms used but not otherwise defined below shall have the meaning given in the Terms of Service. The Value+ Terms and Terms of Service are intended to be read and work together; however, in the event of any irreconcilable conflict between the Value+ Terms and the Terms of Service, the Value+ Terms shall prevail. If you do not subscribe to or use a Value+ Service, the Value+ Terms for that Service do not apply and shall not be enforced.

1. Self-Guided Showings

1.1. Self-Guided Showings Service

Our self-guided showing service allows prospective tenants to self-tour your properties (the "Self-Showing Service"). The Self-Showing Service is enabled from within AppFolio Property Manager, but is primarily furnished by one or more third party service providers (each, a "Self-Showing Service Provider").

1.2. Self-Showing Service Provider Agreement

Before utilizing the Self-Showing Service, you must accept the relevant Self-Showing Service Provider terms of service (the "Self-Showing Service Provider Terms"), which constitute a legally binding contract directly between you and the Self-Showing Service Provider that governs your use of the Self-Showing Service.

1.3. Requirements

To use the Self-Showing Service, you must purchase a digital lockbox and/or other necessary hardware, software, and/or other products or services from an AppFolio-supported Self-Showing Service Provider, pay the applicable fee to the relevant Self-Showing Service Provider and assign the digital lockbox (and/or other necessary hardware, software, or other products or services) to a unit advertised online through AppFolio Property Manager.

1.4. Role of AppFolio

In the event that you choose to participate in the Self-Showing Service, you acknowledge and agree that (a) the Self-Showing Service is provided solely by the relevant Self-Showing Service Provider and is subject to the Self-Showing Service Provider Terms, and (b) the Services serve only as a conduit for the relevant Self-Showing Service Provider to offer the Self-Showing Service through the Services.

1.5. Your Responsibility

You understand and acknowledge that we have no responsibility or liability with respect to (a) verification of persons who use the Self-Showing Service to gain access to your properties, (b) any use or abuse of the Self-Showing Service, (c) improper entry to a property, and/or (d) any malfunction of your digital lockbox.

2. FolioGuard™ Smart Ensure

2.1. FolioGuard™ Smart Ensure

As part of the Services, we provide a legal liability to landlord software ("Smart Ensure") as a tool to help you manage your liability insurance programs at your properties. This software program is not an insurance policy or insurance product. You understand and agree that we are only providing you a tool to help you more efficiently manage your insurance program at your properties, and that you are ultimately responsible for compliance with your policies and relevant laws and regulations.

2.2. Policy

Separate from Smart Ensure, we make available legal liability to landlord insurance ("LLLI") by an A+ AM Best rated insurer through our business partner, Stern Risk Partners, LLC, a licensed insurance broker ("Broker"). If you elect to purchase LLLI from the Broker and agree to pay the applicable periodic premiums ("Premiums"), a commercial policy ("Policy") will be issued to you by the insurance company through the Broker, which will extend coverage to reported residential dwelling units where your tenants reside ("Resident Units"). The Broker will provide you with the complete Policy upon completion of their on-line insurance application and their binding coverage. Any information that we make available to you about LLLI is for informational purposes only and is not a solicitation or offer. All services from the Broker and insurance company are their own. Once you reach the Broker, we are not involved and have no control over the Policy or Policies involved. You acknowledge and agree that LLLI is offered by the Broker and not through AppFolio, Inc. or AppFolio Insurance Services, Inc. Any questions you have regarding and requests to purchase LLLI should be directed to the Broker. Once issued, you may administer your Policy through Smart Ensure

2.3. Reporting

You may use Smart Ensure to enroll Resident Units to your Policy ("Enrolled Units"). Resident Units not reported through Smart Ensure may not be covered by the Policy.

Further, Smart Ensure's auto enroll feature will automatically enroll your Resident Units into your Policy that do not have proof of renters insurance coverage in AppFolio's software, and un-enroll Enrolled Units that provide such proof. You certify that you are in compliance with these FolioGuard™ Smart Ensure terms in order for the proper functioning of this tool. You are responsible for the correct reporting of Resident Units to become Enrolled Units.

2.4. Coverage

Per the Policy, coverage is limited to Enrolled Units. The Policy provides specific coverage for property damage to an Enrolled Unit by the occupying tenant ("Resident") and is intended to satisfy the minimum liability insurance requirements of your residential lease agreement ("Lease"). You hereby expressly agree to not: (a) represent LLLI as a form of renters insurance or a suitable substitute for renters insurance, or as property insurance or a suitable substitute for property insurance, nor (b) misrepresent it in any other way. LLLI does not provide coverage for Resident contents or liability arising from bodily injury nor does it provide property damage coverage to property of anyone other than you. The Resident is not an insured or additional insured under LLLI. It is your responsibility to understand and refer to your Policy for coverage details, limitations, and exclusions.

2.5. Premiums

You are the named insured ("Named Insured") on the Policy and are responsible for payment of all Premiums associated with the Policy. You agree to pay the Premiums set forth in your Policy. There are no refunds for Premiums even if you elect to terminate your Policy early. You agree to maintain an electronic payment authorization with us and understand it will be used to facilitate your payment of the Premiums in full each month, regardless of your ability to recover fees from your Residents. You understand and agree that your payment of the Premiums will be due on the first of each month for all Enrolled Units during the preceding month and that overdue Premiums may result in cancellation by the insurance company of your Policy and no coverage. If you fail to pay the Premiums, the Broker and insurance company reserve the right to engage a collections agency to collect unpaid Premiums and you agree to pay all costs incurred in connection with the collection of past due amounts, including, without limitation, reasonable

attorneys' and collections agencies' fees plus interest in an amount equal to the lesser of 1.0% per month or the maximum rate permitted by applicable law.

2.6. Fees

If you elect to charge a monthly Smart Ensure fee, such fee must be reasonable, as determined by us, the Broker, or insurance company in our sole discretion. You agree to clearly disclose any such fee that you may charge to your Resident(s). You will not charge one-off fees. Failure to abide by this requirement may result in cancellation by the insurance company of your Policy and/or we may terminate your access to Smart Ensure.

2.7. Recoverable Expenses

You will not charge any fees to your Resident to recover the costs of your liability insurance program unless: (a) you have a signed Lease with the Resident that discloses (i) all minimum insurance requirements, and (ii) that coverage will be purchased by you upon Resident's failure to provide evidence of minimum required insurance; and (b) you have allowed the Resident an opportunity, at Lease execution, to provide evidence that they have met such minimum insurance requirements. You will only enroll Resident Units into the LLLI in the event that the Resident has not provided evidence of minimum required insurance as required by your Lease. You will not enroll Resident Units into the LLLI if you know that the Resident has their own insurance meeting the minimum insurance requirement of your Lease. You will immediately cancel coverage for any Enrolled Unit upon receipt of evidence of Resident insurance meeting the minimum insurance requirement of your Lease. You understand your Policy may be canceled by the insurance company if you have not taken reasonable measures to meet this requirement, and/or we may terminate your access to Smart Ensure.

2.8. Adverse Selection

You will take reasonable measures to roll out LLLI to all eligible Resident Units not having insurance meeting the minimum insurance requirement of the Lease; without consideration to individual Residents. You acknowledge that your Policy may be canceled by the insurance company, or your access to Smart Ensure may be canceled by us, if you have not taken reasonable measures to meet this commitment.

2.9. Accurate Information

If you elect to apply for LLLI, you are responsible for electronically completing and submitting to the Broker an initial written application for consideration in their underwriting LLLI. We are not involved in this underwriting process and do not make a decision on your eligibility to obtain LLLI. You acknowledge that the Broker and insurance company may rely upon the validity, accuracy, and completeness of the information provided by you in your application for LLLI. Subsequent to the initial set-up of Smart Ensure to report LLLI, we may from time to time request that you provide updated information and supporting documentation to us (such as property complex names, addresses), which you will use best efforts to deliver to us within three (3) business days following our request. Failure by you to provide valid, complete, and accurate information and supporting documentation requested within a timely manner may result in cancellation of your Policy by the insurance company, and no coverage.

2.10. Concealment Or Fraud

AppFolio will not provide access to Smart Ensure for reporting units to LLLI and the insurance company will not provide coverage under the Policy when you have: (a) intentionally concealed or misrepresented any material fact or circumstance, (b) engaged in fraudulent conduct, or (c) made false statements relating to any claim or the insurance coverage provided under the Policy.

2.11. Resident Notice

It is your responsibility to communicate details of LLLI, including types and level of coverage provided under the Policy, to Residents occupying Enrolled Units. You do not need to provide Residents with any formal or customized certificates of insurance. A generic notice of insurance or statement of disclosure is available from the Broker in electronic and/or paper format summarizing relevant coverage terms under your Policy.

2.12. Conflict Between Terms of Service and Policy

These Value+ Terms do not modify or amend in any way the terms of the Policy.

2.13. Termination and Non-Compliance

We may, at our sole discretion, restrict or remove your access to the LLI Software for violation of these Value+ Terms, or any related policies or guidelines.

3. Premium Listing & Post to Internet Services

3.1. Premium Listing

Our Premium Listing service allows you to post your vacant listings to numerous listing sites and receive leads back via our guest card system, which records the web-submitted and telephone-submitted leads for your review ("Premium Listing").

3.2. Lead Information

All information you enter into Premium Listing ("Lead Information") is solely your responsibility. We do not review or approve any Lead Information. You grant us a non-exclusive, worldwide, royalty-free right to publish, distribute, use, reproduce, and modify Listing Information. We reserve the right to modify, delete, omit, terminate or delay any Lead Information for violating these Value+ Terms.

3.3. Verified Leads

You will be charged for each Verified Lead. As used herein, "Verified Lead" means an individual that inquires about a property listing via (i) mobile application or web form, if such application or form results in you receiving three (3) or more of the following pieces of information, (a) individual's name, (b) individual's email, (c) individual's' phone, and (d) message; or (ii) telephone call or voicemail the duration of which is fifteen (15) seconds or longer. Notwithstanding the foregoing, once you are charged for a Verified Lead, you will not be charged for a subsequent Verified Lead by the same individual for the same property listing for a period of thirty (30) days following the date of the original Verified Lead.

3.4. Representations and Warranties

In connection with your use of Premium Listing and/or Post to Internet, you represent and warrant: (a) each property listed is an actual property that you own, manage, or have authorization to represent as a realtor or locator, (b) each listing includes a working phone number of the owner, agent or manager who can show the property to prospective renters, (c) the actual and accurate street address of each property is listed in the "Street Address" field, (d) the monthly rent amount listed for each unit equals at least the average monthly rent for the term of the lease, (e) the availability listed for each property is accurate as of the time each property is updated, (f) each property's "Official Property Name" field only contains the true legal name of a property, not any form of property description, listing title, or marketing text, (g) each property's "Nearest Intersection" field only contains two street names representing an intersection reasonably close to the property and does not contain any form of property description, listing title, or marketing text, (h) you will not charge a fee to renters to view a rental list or charge a fee to view a property; and (i) each property is a residential rental property only and is not listed for the purpose of a sale.

3.5. Telephone Recording

You acknowledge and agree that when using the telephone call tracking feature in Premium Listing, the phone calls you receive may be recorded and made available for our review and to verify the validity of telephone leads.

3.6. Partner Websites and Services

You acknowledge that we will share your listings with partner websites. When you update (or delete) your listing, we will update (or remove) your listing details in the data feeds to the partner websites. You understand that we do not own or manage any of the partner websites, and we have no responsibility for the actions or inactions of any other website, including causing a partner website to remove a listing.

4. Maintenance Contact Center and Smart Maintenance

4.1. Maintenance Services

If you subscribe to our Maintenance Contact Center or Smart Maintenance services ("Maintenance Services") we will monitor telephonic, SMS message, and online maintenance requests from your tenants and arrange for service requests to be sent to your designated technicians.

4.2. Responsibilities

Our Maintenance Services obligations are limited to receiving and responding to telephonic, SMS message, and online maintenance requests and for transmitting service requests to designated technicians. We are not responsible for any delayed response, work performed, or harm caused to persons or property by a dispatched technician. You are solely responsible for updating the contact information of all designated technicians.

4.3. Notification

We will notify you when a service request is dispatched to a technician. You are solely responsible for any subsequent correspondence or actions that may be required after initial service request dispatch.

4.4. Authorization to Accept Fees

You acknowledge and agree that we are permitted to accept on your or your tenant's, homeowner's or owner's behalf any and all fees required to initiate a service request (an "Initiation Fee"). You further acknowledge and agree that we will have no liability to you or your tenants, homeowners or owners for any Initiation Fee and you shall indemnify us upon demand for any Initiation Fee we may incur or be held responsible for.

5. Tenant Debt Collections

5.1. Third Party Collections Service

You may elect to utilize a nationwide contingency-based tenant debt collection service provided directly by Hunter Warfield, Inc. ("Hunter Warfield"), a nationally licensed collections agency (the "Tenant Debt Collections

Service"). The Tenant Debt Collections Service enables you to electronically submit past due tenant debt from the Services directly to Hunter Warfield for collections, and is available only for debts incurred under a residential lease (specifically, excluding HUD/Federally Assisted Accounts, commercial leases, HOA fees, and leases of active military personnel called to duty).

5.2. Collections Service Agreement

Before utilizing the Tenant Debt Collections Service, you must first enter into a separate written agreement with Hunter Warfield (the "Collections Service Agreement").

5.3. Role of AppFolio

You acknowledge and agree that (a) the Tenant Debt Collections Service is performed solely by Hunter Warfield subject to the terms and conditions of the Collections Service Agreement, and (b) the Services are only a conduit for the submittal of past due tenant debt to Hunter Warfield and are in no way, either directly or indirectly, involved in or responsible for the debt collection process.

5.4. Your Responsibility

You are solely responsible for tenant information and documentation stored in the Services and for its accuracy and completeness at the time past due tenant debt is submitted to Hunter Warfield.

6. Artificial Intelligence Leasing Assistant (Lisa)

6.1. Communications With Third Parties

You are solely responsible for the accuracy, completeness, and compliance with laws of the communications and representations made to individuals by the artificial intelligence leasing assistant ("AI Assistant") on your behalf. You acknowledge that you are solely liable for any harm that arises from those communications and representations.

6.2. Configuration

The AI Assistant may be configured in different ways. Some configurations may have legal implications. For instance, obtaining or failing to obtain express consent to receive SMS messages from the AI Assistant may have implications under the Telephone Consumer Protection Act of 1991 and certain state laws. We encourage you to consult with your legal advisers on the configuration of the AI Assistant. You are solely liable for any failure to comply with applicable laws in connection with the elections you make in the configuration of the AI Assistant.

7. Mailing Service

7.1. Mailing Service

Our mailing service is a self sign-up service which allows you to automate and send a variety of mailers through a fully integrated solution within AppFolio (the "Mailing Service").

7.2. Mailers

All information you enter into the Mailing Service ("Mailers") is solely your responsibility. We do not review or approve any Mailers or the content therein. You grant us a non-exclusive, worldwide, royalty-free right to publish, distribute, use, and reproduce Mailers in order to provide the Mailing Service.

7.3. Limitations

Use of the Mailing Service is limited to operational mail, which is defined as Mailers which are transactional or functional in nature, such as invoices, notices, statements, and other confidential mail. You may not use the Mailing Service to send Mailers for marketing, advertising, or promotional purposes.

7.4. Production and Fees

You understand and agree that upon submission to the Mailing Service, Mailers are considered final and are immediately processed for production and cannot be canceled, edited, or re-routed. You are responsible for all fees and applicable taxes, which are subject to change upon notice, for each Mailer submitted to the Mailing Service and any other features within AppFolio which utilizes the Mailing Service (such as bulk violations and delinquencies).

7.5. Delivery

Once Mailers are transferred from the Mailing Service to the United States Postal Service ("USPS"), USPS is responsible for all timing, tracking, and delivery of the Mailers. All questions or disputes related to non-delivery, mis-delivery, or late delivery of Mailers must be addressed with USPS directly. USPS may adjust addresses or the final destination of Mailers pursuant to USPS's internal processing and system requirements. You acknowledge and agree that AppFolio is not responsible for USPS's actions or any delivery delays or failures.

8. Security Deposit Alternative Service

8.1. Security Deposit Alternative Service

As part of the Services, you may choose to enable the security deposit alternative service provided by third party provider Obligo, Inc. ("Obligo"). Obligo's security deposit alternative service provides you the ability to offer your tenants an alternative to paying a traditional security deposit at the time of move-in ("SDA Service"). Your use

of the SDA Service is subject to the terms as set forth in Section 15 of the AppFolio Property Manager Terms Of Service (Third Party Products and Services) contained herein. To enable your use of the SDA Service, you must accept the relevant Obligo terms of services ("Obligo Terms"). You understand that the SDA Service is not an insurance offering.

8.2. Role of AppFolio

In the event that you choose to enable the SDA Service, you acknowledge and agree that the Services serve only as a conduit for your access to the SDA Service. While you may manage and access components of the SDA Service from the Services, your access and use remains subject to the terms contained in the Obligo Terms. We are not a party to the Obligo Terms nor any other agreement between you, your tenants and Obligo, and we expressly disclaim all liability with respect to such agreements. We do not control and are not affiliates with Obligo, and have no responsibility or liability for any action or failure to act by Obligo.

8.3. Your Responsibility

You understand and acknowledge that (a) we have no responsibility or liability with respect to any use or abuse of the SDA Service, (b) we do not provide the SDA Services and are not responsible for any security deposit amount, fee, or other sums connected to your use of the SDA Service, (c) we have no liability or obligations in the case of any data breach or otherwise compromised data as a result of your relationship with Obligo, (d) your sole recourse in such case of a data breach or other similar event will be against Obligo.

9. Leasing Signals

9.1. Your Responsibility

You are solely responsible for (a) the accuracy and completeness of your property and unit information, (b) configuration of all settings within Leasing Signals, and (c) any pricing decisions or changes made, advertised, or published when using Leasing Signals. You shall not use, and shall not permit your authorized users to use, Leasing Signals for any unlawful purpose.

10. Database API Beta

Access and use of the Database API Beta is governed by the Beta Terms and the additional Database API beta terms ("Database API Beta Terms") in this Section. In the event of any conflict between the Beta Terms and the Database API Beta Terms, the Database API Beta Terms shall prevail with respect to the subject matter herein.

10.1. Limited License Grant

Subject to the availability of the Database API Beta, as determined by AppFolio in its sole discretion (the "Database API Beta Period"), and your compliance with the Terms of Service, we hereby grant you non-exclusive, non-transferable, non-sublicensable license, during the Database API Beta Period, to use the Database API Beta to submit to and obtain information from the Services in accordance with any associated documentation provided, or otherwise made available to you by AppFolio, and solely as necessary in connection with your use of the Services. AppFolio reserves all rights not expressly granted herein.

10.2. Use Restrictions

You shall not, directly or indirectly, and shall not authorize any third party to: (i) decompile, disassemble, reverse engineer, or otherwise attempt to derive the source code, algorithms, or associated know-how of the Database API Beta or Services, in whole or in part; (ii) use the Database API Beta in any manner for the purpose of developing, distributing, or making products or services commercially available that compete with the Services, in whole or in part; (iii) use the Database API Beta in any manner to copy, modify, or create derivative works the Services, in whole or in part; (iv) circumvent or otherwise interfere with any authentication or security measures of the Database API Beta and Services or otherwise interfere with or disrupt the integrity or performance of the foregoing; (v) test the vulnerability of AppFolio systems or networks; (vi) sell, sublicense, transfer, assign, lease, rent, distribute, or grant a security interest in the Database API Beta or Services, or any rights to any of the foregoing; (vii) remove any proprietary notices from the Database API Beta or Services; (viii) use the Database API Beta to override, or otherwise interfere with any AppFolio-implemented communications to end users, consent screens, user settings, alerts, warning, or the like; (ix) use the Database API Beta to replicate or attempt to replace the user experience of the Services; (x) use the Database API Beta to perform bulk extracts or imports of data if such extract or import would abnormally impact server resource utilization or otherwise cause an adverse impact on transaction times or the user experience of other end users of the Services; or (xi) use the Database API Beta for any purposes governed by the Fair Credit Reporting Act or Fair Debt Collection Practices Act.

10.3. Your Responsibility

You are solely responsible and liable for (i) managing and maintaining access and permissions for your authorized users of the Database API (ii) all uses of the Database API Beta resulting from access provided by you or your authorized users, directly or indirectly, whether such access or use is permitted by or in violation of the Beta

Terms and Database API Beta Terms, (iii) your authorized users' compliance with the Beta Terms and Database API Beta Terms; and (iv) the accuracy, completeness and appropriateness of all data or information submitted to the Services through your use of the Database API Beta. You acknowledge and agree that AppFolio is under no obligation to fix or provide any technological resources to fix, correct, or recover any of your content within Services that may be corrupted, altered, or incorrect as a result of your or your authorized users' use of the Database API Beta.

10.4. AppFolio's Rights

AppFolio may suspend or revoke your or any of your authorized users' access to the Database API Beta for noncompliance with the Beta Terms or Database API Beta Terms at any time for any reason. Further, AppFolio reserves the right to revoke API keys for the Database API Beta at any time.

11. Termination

We may, in our sole discretion, suspend, cease providing and/or terminate your ability to access any of the Value+ Services, which are the subject of these Value+ Terms at any time for any reason.

12. Indemnification

In addition to your indemnification obligations in the Terms of Service, you agree to defend, indemnify, and hold the AppFolio Parties harmless from any and all Costs arising out of or relating to your, your authorized users, or your tenant's or homeowner's use of any of the Value+ Services, which are the subject of these Value+ Terms.

ITEM 3. AppFolio Tenant Screening Terms

Last Updated: October 31, 2023

If you subscribe to APM or APM PLUS, then you may elect to apply for our online tenant screening services (the "Screening Services"). Your use of the Screening Services is governed by the Terms of Service and the terms and conditions set forth below (the "Screening Terms"). Capitalized terms used but not otherwise defined below shall have the meaning given in the Terms of Service. The Screening Terms and Terms of Service are intended to be read and work together; however, in the event of any irreconcilable conflict between the Screening Terms and the Terms of Service, the Screening Terms shall prevail. If you do not apply for Screening Services, the Screening Terms do not apply and shall not be enforced.

1. Use of the Screening Services

1.1. Purpose; Compliance

You may use the Screening Services solely to screen prospective tenants ("Applicants") for the purposes of making informed decisions about their suitability as a tenant. Your use of the Screening Services is subject to your compliance with these Screening Terms. In the event you fail to comply with these Screening Terms, as determined in our sole discretion, we may terminate your access to the Screening Services in whole or in part.

1.2. Authorized Use

Subject to your compliance with these Screening Terms and payment of all fees for the Screening Services, you are hereby authorized to request and use the criminal, eviction, employment, income, and/or credit information (collectively, the "Information") of your Applicants solely to enable you to make informed decisions in the tenant screening process ("Permissible Purpose"). You certify and warrant that you will request and use the Information solely on Applicants and solely for the Permissible Purpose, and for no other purpose. In the event that you violate these Screening Terms or any related policies or guidelines, we reserve the right to restrict or terminate your access to the Screening Services.

1.3. End User Certification

1.3.1 Certification. You certify that you are an end-user of the Information (including, without limitation, the credit information) and that you will not resell, rent, lease, sublicense, deliver, display, distribute or otherwise transfer such Information to any third party, except as expressly required by applicable laws. You shall receive and maintain all Information in strict confidence and shall: (a) request the Information pursuant to the procedures prescribed by us; (b) request and use the Information solely for a certified one-time use for the Permissible Purpose; (c) not disclose the Information to any third party except, if required by applicable laws, to the subject of the Information in connection with an adverse action based on the Information; and (d) comply with all applicable laws, rules, regulations and guidelines in your use of the Information.

1.3.2 California Certification. You also certify that, under the Investigative Consumer Reporting Agencies Act ("ICRAA"), California Civil Code Sections 1786 *et seq*., and the Consumer Credit Reporting Agencies Act ("CCRAA"), California Civil Code Sections 1785.1 *et seq*., if you are located in the State of California, and/or your request for and/or use of the Information pertains to a California resident, you will do the following: (a) request and use the Information solely for a permissible purpose identified under California Civil Code Sections 1785.11 and 1786.12; (b) as required by California Civil Code Section 1786.16(a)(3), notify the Applicant in writing that an

investigative consumer report and/or consumer credit report will be made regarding the Applicant's character, general reputation, personal characteristics and mode of living, which shall include the name and address of the investigative consumer reporting agency that will prepare the report, as well as a summary of the provisions of California Civil Code Section 1786.22, no later than three days after the date on which the Information was first requested; (c) provide the Applicant a means by which he/she may indicate on a written form, by means of a box to check, that the Applicant wishes to receive a copy of any investigative consumer report and/or consumer credit report that is prepared as set out in California Civil Code Section 1786.16(b)(1); and (d) comply with California Civil Code Sections 1785.20 and 1786.40 if the taking of adverse action is a consideration, which shall include, but may not be limited to, advising the Applicant against whom an adverse action has been taken that the adverse action was based in whole or in part upon information contained in an investigative consumer report and/or consumer credit report, informing the Applicant in writing of the name, address, and telephone number of the investigative consumer reporting agency or consumer reporting agency, and provide the Applicant of a written notice of his/her rights under the ICRAA and the CCRAA.

1.4. Compliance

You agree and warrant that the Information will not be used in violation of any applicable federal, state or local laws, rules, regulations or guidelines, including but not limited to the Fair Credit Reporting Act 15 U.S.C. 1681 *et seq*. ("FCRA"), Equal Credit Opportunity Act, the Fair Housing Act, Title VII of the Civil Rights Act of 1964 and any state or local law equivalent of such laws. You accept full responsibility for complying with all such laws and for using the Information you receive in a legally acceptable fashion. It shall be your sole responsibility to ensure that you are in full compliance with applicable laws and all of our policies and procedures before requesting or using any Information, and you understand that a failure to do so may subject you to civil or criminal liability. You acknowledge that you will be receiving credit information of the Applicants from one or more national credit bureaus (a "National Credit Bureau"). Being the recipient of consumer information, you are required to comply with the provisions of the FCRA and certify that you have received, read and understand the Obligations of Users under the FCRA and shall comply with the FCRA Requirements listed below.

1.5. Applicant Consent

You will obtain permission in writing from each Applicant before using the Screening Service to obtain any Information of such Applicant. You will collect separate permission in writing from each Applicant for each screening report which is run using the Screening Services that contain the Information ("Screening Report"). Each written permission is to be used one time only. If you wish to run an additional Screening Report on an Applicant, you must obtain an additional separate written permission. You will retain consent forms and any adverse action notices in your records in accordance with applicable laws. Further, you agree to provide copies of any and all of the foregoing materials to us upon our request.

1.6. Information Security

You agree to have reasonable procedures for the fair and equitable use of the Information and to secure against unauthorized access, use, disclosure and loss. You agree to take reasonable security measures to protect the security and dissemination of the Information including, without limitation, restricting terminal access, utilizing passwords to restrict access to terminal devices, and securing access to, dissemination and destruction of electronic and hard copy reports. Without limiting the foregoing, you represent and warrant that you shall comply with the Access Security Requirements, listed below, as amended from time to time. You shall implement security breach notification procedures in accordance with applicable laws. In the event of a security breach, you shall immediately notify us in writing and comply with our compliance requirements and those of the National Credit Bureaus and under any applicable laws.

1.7. No Warranties

You understand that we obtain the Information reported through the Screening Service from various third party sources "AS IS," and therefore are providing the information to you "AS IS." You further agree that we cannot and will not, for the fee charged for the Screening Service, be an insurer or guarantor of the accuracy or reliability of the Information. You release us, our employees, our third party information providers, agents and independent contractors from liability for any loss or expense suffered as a result of any inaccuracy in the Information.

1.8. Certain Limitation of Screening Services

Without limiting any part of Section 1.7 (No Warranties), you acknowledge and agree to the following express limitations of the Screening Services:

1.8.1. A part of the Screening Services are a search of United States databases of landlord-tenant and criminal records ("Public Records"). In certain situations, the availability of Public Records is limited by our compliance with federal, state, and local regulations and laws, as well as industry guidelines and best practices. We

will not report or provide Public Records when not permitted by law, or contrary to industry guidelines and best practices as determined by us in our sole discretion.

1.8.2 We reserve the right to report any Public Records with only a seven (7) year look back period.

1.8.3 There are certain courts and jurisdictions where Public Records are not made available through electronic means or certain Public Records are subject to additional costs. In such circumstances, we may not obtain such Public Records and report them to you.

1.8.4 We apply certain matching and filtering rules to Public Records before disclosing such Public Records on our Screening Reports. These rules include a requirement for certain information to be present and matched; the type and amount of information varies depending on the circumstances. At times, including where a name is identified by us as a "common name," we require certain specific data to be present and matched before a Public Record can be reported on a Screening Report. This additional data and matching requirement is intended to help ensure Public Records are attributed to the correct individual. In cases where certain specific data is not available to meet our matching and filtering rules, the applicable Public Record will not be reported on Screening Reports.

1.9. No Legal Opinion

We do not guarantee your compliance with all applicable laws in your use of the Information, and do not provide legal or other compliance related opinions upon which you may rely in connection with your use of the Information. You understand that any conversation or communication with our employees or representatives regarding searches, verifications or other services offered by us are not to be considered a legal opinion regarding such use. You agree that you will consult with your own legal or other counsel regarding the use of the Information, including but not limited to, the legality of using or relying on the Information.

1.10. Decisions

All rental decisions will be made by you. You acknowledge and agree that we only apply your policies to the Information and provide preliminary recommendations as to actions concerning an Applicant. You further acknowledge and agree that all decisions whether or not to accept a particular Applicant, as well as the length of and terms of any rental, will be made by you. You are also solely responsible for setting your policies in line with federal, state and local laws and rules, and are solely responsible for reviewing the contents of any Screening Report provided and the Information contained therein before making a decision on an Applicant. We shall have no liability to you or any other person or entity for any acceptance of, or the failure to accept, an Applicant, or the terms of any such acceptance, regardless of whether or not your decision was based on recommendations, reports or other information provided to you by us.

1.11. Right to Inspect

We may inspect your offices and records to verify qualification and compliance under these Screening Terms and applicable laws. In addition, you agree to supply any qualifying documents requested by us including, without limitation, documents to verify ownership of rental units and business and professional licenses. You agree to cooperate fully and unconditionally with us in any periodic reviews, audits or investigations of your compliance with the obligations under these Screening Terms and applicable laws.

1.12. Death Master File

1.12.1 Access to the Death Master File ("DMF") as issued by the Social Security Administration requires an entity to have a legitimate fraud prevention interest or a legitimate business purpose pursuant to a law, governmental rule regulation, or fiduciary duty, as such business purposes are interpreted under 15 C.F.R § 1110.102(a)(1).

1.12.2 The National Technical Information Service has issued the Interim Final Rule for temporary certification permitting access to the DMF. Pursuant to section 203 of the Bipartisan Budget Act of 2013 and 15 C.F.R SS 1110.102, access to the DMF is restricted to only those entities that have a legitimate fraud prevention interest or a legitimate business purpose pursuant to a law, governmental rule regulation, or fiduciary duty, as such business purposes are interpreted under 15 C.F.R §1110.102(a)(1). As our screening reports may contain information from the DMF, we would like to remind you of your continued obligation to restrict your use of deceased flags or other indicia within any of our screening reports to legitimate fraud prevention or business purposes in compliance with applicable laws, rules, and regulations and consistent with your applicable FCRA (15 U.S.C. §1681 *et seq*) or Gramm-Leach-Bliley Act (15 U.S.C. §6801 *et seq*) use. Your continued use of the Screening Services affirms your commitment to comply with these Screening Terms and all applicable laws.

1.12.3 You acknowledge you will not take any adverse action against any consumer without further investigation to verify the information from the deceased flags or any other indicia within one of our screening reports.

1.12.4 Furthermore, you agree to notify AppFolio Consumer Relations (**www.appfolio.com/consumer**) should you observe any DMF information on one of our screening reports.

1.13. Certification of Information Security Program

You certify that you shall implement and maintain a comprehensive information security program written in one or more readily accessible parts and that contains administrative, technical, and physical safeguards that are appropriate to your size and complexity, the nature and scope of your activities, and the sensitivity of the information provided to you by us; and that such safeguards shall include the elements set forth in 16 C.F.R. § 314.4 and shall be reasonably designed to (i) ensure the security and confidentiality of the information provided by us, (ii) protect against any anticipated threats or hazards to the security or integrity of such information, and (iii) protect against unauthorized access to or use of such information that could result in substantial harm or inconvenience to any consumer.

2. FCRA Requirements

2.1. Familiarity with FCRA

The FCRA applies to you as a user of consumer information. We suggest that you and your employees become familiar with the following sections in particular: § 604. Permissible Purposes of Reports; § 607. Compliance Procedures; § 615. Requirement on users of consumer reports; § 616. Civil liability for willful noncompliance; § 617. Civil liability for negligent noncompliance; § 619. Obtaining information under false pretenses; § 621. Administrative Enforcement; § 623. Responsibilities of Furnishers of Information to Consumer Reporting Agencies; § 628. Disposal of Records. Each of these sections is of direct consequence to users who obtain reports on consumers.

2.1.1 As directed by the law, consumer reports may be issued only if they are to be used for extending credit, review or collection of an account, employment purposes, underwriting insurance or in connection with some other legitimate business transaction such as in investment, partnership, etc.

2.1.2 You certify that you have read the "**Notice of Users of Consumer Reports, Obligations of Users**" and that you have received a copy of the **consumer rights summary** as prescribed by the Consumer Financial Protection Bureau ("CFPB") under § 609 of the FCRA.

2.1.3 You certify that under your FCRA duties outlined in Section 2.1, you will not take adverse action against a consumer based in whole or in part upon Information in a Screening Report without providing to the consumer to whom the Information relates an FCRA compliant adverse action letter, along with a written description of the consumer's rights as prescribed by the CFPB.

2.1.4 We strongly endorse the letter and spirit of the FCRA. We believe that this law and similar state laws recognize and preserve the delicate balance between the rights of the consumer and the legitimate needs of commerce.

2.1.5 In addition to the FCRA, other federal and state laws addressing such topics as computer crime and unauthorized access to protected databases have also been enacted. As a user of consumer reports, we expect that you and your staff will comply with all relevant federal statutes and the statutes and regulations of the states in which you operate.

2.2. Access Security Requirements

2.2.1 We must work together to protect the privacy and information of consumers. The following information security measures are designed to reduce unauthorized access to consumer information. It is your responsibility to implement these controls. If you do not understand these requirements or need assistance, it is your responsibility to employ an outside service provider to assist you. We reserve the right to make changes to these Access Security Requirements without notification. The information provided herewith provides minimum baselines for information security. The term "Authorized User(s)" means you, and your employees that you have authorized to view and utilize the Screening Services, and with respect to the access and use of Screening Reports, have been trained on your obligations under this agreement, and with relevant federal and state laws.

2.2.2 In accessing AppFolio's Screening Services, you agree to follow these security requirements. These requirements are applicable to all systems and devices used to access, transmit, process, or store the Information:

2.2.3 Implement Strong Access Control Measures, including as follows:

(a) Do not provide your AppFolio user names/identifiers (user IDs) or user passwords to anyone. No one from AppFolio will ever contact you and request your password.

(b) Proprietary or third party system access software must authenticate Authorized Users before accessing the Information. Additionally, such systems should have AppFolio password(s) hidden.

(c) Ensure that passwords are not transmitted, displayed or stored in clear text.

(d) Authorized Users must change their AppFolio password immediately when: (i) any system access software is replaced by another system access software or is no longer used; (ii) the hardware on which the software resides is upgraded, changed or disposed of; or (iii) any suspicion exists of their password being disclosed to an unauthorized party.

(e) Protect Authorized Users' AppFolio password(s) so that only key personnel know this sensitive information. Unauthorized personnel should not have knowledge of these password(s). User IDs and passwords shall only be assigned to Authorized Users based on least privilege necessary to perform job responsibilities.

(f) Create a separate, unique user ID for each user to enable individual authentication and accountability for access to AppFolio. Each Authorized User of the system access software must also have a unique login password.

(g) Ensure that Authorized User IDs are not shared, posted or otherwise divulged in any manner.

(h) Keep Authorized User passwords confidential.

(i) Develop strong passwords that are: (i) not easily guessable (i.e. your name or company name, repeating numbers and letters or consecutive numbers and letters); (ii) contain a minimum of eight (8) alpha/numeric characters for standard user accounts; and (iii) for interactive sessions (i.e. non system-to-system) ensure that passwords are changed periodically (every 90 days is recommended).

(j) Implement password protected screensavers with a maximum fifteen (15) minute timeout to protect unattended workstations. Systems should be manually locked before being left unattended.

(k) Active logins to credit Information systems must be configured with a thirty (30) minute inactive session timeout.

(l) Restrict the number of Authorized Users who have access to consumer information and ensure that only Authorized Users have access to Screening Reports and Information. Ensure that Authorized Users have a business need to access such information and understand these requirements to access such information are only for the permissible purposes listed in the permissible purpose information section of these Screening Terms.

(m) Authorized Users must NOT install Peer-to-Peer file sharing software on systems used to access, transmit or store consumer data.

(n) Ensure that you and your employees do not access your own Screening Reports or those reports of any family member(s) or friend(s). Screening Reports on any person may only be accessed for the purposes of prospective tenant screening, and not for any other means (employment background checks may not be run). Unauthorized access to Screening Reports may subject the user to civil and criminal liability under the FCRA punishable by fines and imprisonment.

(o) Implement a process to terminate access rights immediately for Authorized Users when those Authorized Users are terminated or when they have a change in their job tasks and no longer require access to the Information.

(p) Implement a process to perform periodic user account reviews to validate whether access is needed as well as the privileges assigned.

(q) Implement a process to periodically review user activities and account usage, ensure the user activities are consistent with the individual job responsibility, business need, and in line with contractual obligations.

(r) Implement physical security controls to prevent unauthorized entry to your facility and access to systems used to obtain consumer information. Ensure that access is controlled with badge readers, other systems, or devices including authorized lock and key.

2.3. Maintain a Vulnerability Management Program

2.3.1 Keep operating system(s), firewalls, routers, servers, personal computers (laptop and desktop) and all other systems current with appropriate system patches and updates.

2.3.2 Configure infrastructure such as firewalls, routers, servers, mobile devices, personal computers (laptops and desktops), and similar components to industry best security practices, including disabling unnecessary services or features, removing or changing default passwords, IDs and sample files/programs, and enabling the most secure configuration features to avoid unnecessary risks.

2.3.3 Implement and follow current best security practices for computer virus detection scanning services and procedures:

(a) Use, implement and maintain a current, commercially available computer virus detection/scanning product on all computers, systems and networks, if applicable anti-virus technology exists. Anti-virus software deployed must be able to detect, remove, and protect against all known types of malicious software such as viruses, worms, spyware, adware, Trojans, and root-kits.

(b) Ensure that all anti-virus software is current, actively running, and generating audit logs; ensure that anti-virus software is enabled for automatic updates and performs scans on a regular basis.

(c) If you suspect an actual or potential virus, immediately cease accessing the system and do not resume the inquiry process until the virus has been eliminated.

2.4. Protect Data

2.4.1 Develop and follow procedures to ensure that Information is protected throughout its entire information lifecycle (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the Information (i.e., tape, disk, paper, etc.)

2.4.2 All Information is classified as confidential and must be secured to this requirement at a minimum.

2.4.3 Procedures for transmission, disclosure, storage, destruction and any other information modalities or media should address all aspects of the lifecycle of the Information. Information should not be stored on non-company owned assets such as personal computer hard drives, or portable and/or removable data storage equipment or media.

2.4.4 Encrypt all Information when stored or transferred on any system, including but not limited to laptops, mobile devices, personal computers, servers and databases using strong encryption such as AES256 or above. Do not ship hardware or software between your locations, or to third parties, without first deleting all Authorized User passwords and IDs, and any Information.

2.4.5 Information must not be stored locally on mobile devices.

2.4.6 When using mobile devices to access Information, ensure that such devices are protected via device pass-code.

2.4.7 Applications utilized to access Information via mobile devices must protect Information while in transmission such as SSL protection and/or use of VPN, etc.

2.4.8 Only open email attachments and links from trusted sources and after verifying legitimacy.

2.4.9 When no longer in use, ensure that hard-copy materials containing Information are crosscut shredded, incinerated, or pulped such that there is reasonable assurance the hard-copy materials cannot be reconstructed.

2.4.10 When no longer in use, electronic media containing Information is rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion, or otherwise physically destroying the media (for example, degaussing).

2.5. Maintain an Information Security Policy

2.5.1 Develop and follow a security plan to protect the confidentiality and integrity of Information as required under the GLB Safeguard Rule.

2.5.2 Suitable to complexity and size of the organization, establish and publish information security and acceptable user policies identifying user responsibilities and addressing requirements in line with this document and applicable laws and regulations.

2.5.3 Establish processes and procedures for responding to security violations, unusual or suspicious events and similar incidents to limit damage or unauthorized access to information assets and to permit identification and prosecution of violators. If you believe Information may have been compromised, immediately notify AppFolio within twenty-four (24) hours.

2.5.4 The FACTA Disposal Rules requires that you implement appropriate measures to dispose of any sensitive information related to consumer reports and records that will protect against unauthorized access or use of that Information.

2.5.5 Implement and maintain ongoing mandatory security training and awareness sessions for all staff to underscore the importance of security within your organization.

2.5.6 When using third party service providers (e.g. application service providers) to access, transmit, store or process Information, ensure that service provider is compliant with a third party assessment program.

2.6. Build and Maintain a Secure Network

2.6.1 Protect Internet connections with dedicated, industry-recognized firewalls that are configured and managed using industry best security practices.

2.6.2 Internal private Internet Protocol (IP) addresses must not be publicly accessible or natively routed to the Internet. Network address translation (NAT) technology should be used.

2.6.3 Administrative access to firewalls and servers must be performed through a secure internal wired connection only.

2.6.4 Any stand-alone computers that directly access the Internet must have a desktop firewall deployed that is installed and configured to block unnecessary/unused ports, services and network traffic.

2.6.5 Change vendor defaults.

2.6.6 For wireless networks connected to or used for accessing or transmission of Information, ensure that networks are configured and firmware on wireless devices updated to support strong encryption (for example, IEEE 802.11i) for authentication and transmission over wireless networks.

2.7. Regularly Monitor and Test Networks

2.7.1 Perform regular tests on Information systems (port scanning, virus scanning, vulnerability scanning). Ensure that issues identified via testing are remediated according to the issue severity (e.g. fix critical issues immediately, high severity in 15 days, etc.).

2.7.2 Ensure that audit trails are enabled and active for systems and applications used to access, store, process, or transmit Information; establish a process for linking all access to such systems and applications. Ensure that security policies and procedures are in place to review security logs on a daily or weekly basis and that follow-up to exceptions is required. Maintain audit trail history for at least three (3) months.

2.7.3 Use current best practices to protect your telecommunications systems and any computer system or network device(s) you use to provide services hereunder to access AppFolio systems and networks. These controls should be selected and implemented to reduce the risk of infiltration, hacking, access penetration or exposure to an unauthorized third party by: (a) protecting against intrusions; (b) securing the computer systems and network devices; and (c) and protecting against intrusions of operating systems or software.

2.8. Mobile and Cloud Technology

2.8.1 Storing Information on mobile devices is prohibited.

2.8.2 Mobile applications development must follow industry known secure software development standard practices such as OWASP and OWASP Mobile Security Project adhering to common controls and addressing top risks.

2.8.3 Mobile applications development processes must follow secure software assessment methodology which includes appropriate application security testing (for example: static, dynamic analysis, penetration testing) and ensuring vulnerabilities are remediated.

2.8.4 Mobility solution server/system should be hardened in accordance with industry and vendor best practices such as Center for Internet Security (CIS) benchmarks, NIS, NSA, DISA and/or other.

2.8.5 Mobile applications and data shall be hosted on devices through a secure container separate from any personal applications and data. See details below. Under no circumstances is the Information to be exchanged between secured and unsecured applications on the mobile device.

2.8.6 When using cloud providers to access, transmit, store, or process Information, ensure that: (a) appropriate due diligence is conducted to maintain compliance with applicable laws and regulations and contractual obligations, and (b) cloud providers must have gone through independent audits and are compliant with one or more of the following standards, or a current equivalent: (i) ISO 27001, (ii) PCI DSS, (iii) EI3PA, (iv) SSAE 18 – SOC 2 or SOC 3, Type 2, (v) FISMA, and (vi) CAI / CCM assessment.

2.9. General

2.9.1 We may from time to time audit the security mechanisms you maintain to safeguard access to Information, Information systems and electronic communications. Audits may include examination of systems security and associated administrative practices.

2.9.2 In cases where you are accessing Information and Information systems via third party software, you agree to make available to AppFolio, upon request, audit trail information and management reports generated by the third party software, regarding individual Authorized Users.

2.9.3 You shall be responsible for and ensure that third party software, which accesses Information and/or Information systems, is secure, and protects this third party software against unauthorized modification, copy and placement on systems which have not been authorized for its use.

2.9.4 You shall conduct software development (for software which accesses Information and/or Information systems; this applies to both in-house or outsourced software development) based on the following requirements:

(a) Software development must follow industry known secure software development standard practices such as OWASP adhering to common controls and addressing top risks.

(b) Software development processes must follow secure software assessment methodology which includes appropriate application security testing (for example: static, dynamic analysis, penetration testing) and ensuring vulnerabilities are remediated.

(c) Software solution server/system should be hardened in accordance with industry and vendor best practices such as Center for Internet Security (CIS) benchmarks, NIS, NSA, DISA and/or other.

2.9.5 Reasonable access to audit trail reports of systems utilized to access systems shall be made available to AppFolio upon request, for example during breach investigation or while performing audits.

2.9.6 Data requests from you to AppFolio must include the IP address of the device from which the request originated, where applicable.

2.9.7 You shall report actual security violations or incidents that impact Information to AppFolio within twenty-four (24) hours. You agree to provide notice to AppFolio of any confirmed security breach that may involve Information related to the contractual relationship, to the extent required under and in compliance with applicable law. Telephone notification is preferred at 866.648.1536 or contact us using the in-app messaging tool. For more information see: **https://help.appfolio.com/s/article/Submit-a-Support-Request**.

2.9.8 You acknowledge and agree that you (a) have received a copy of these requirements, (b) have read and understand your obligations described in the requirements, (c) will communicate the contents of the applicable requirements contained herein, and any subsequent updates hereto, to all Authorized Users and (d) will abide by the provisions of these requirements when accessing the Information.

2.9.9 You understand that your access to the Information is monitored and audited by AppFolio, without further notice.

2.9.10 You acknowledge and agree that you are responsible for all activities of your Authorized Users, and for ensuring that mechanisms to access Information are secure and in compliance with these Screening Terms.

2.9.11 When using third party service providers to access, transmit, or store Information, additional documentation may be required by AppFolio.

2.9.12 AppFolio acknowledges that not all of these Access Security Requirements may apply in all circumstances.

2.10. Experian Specific Security Requirements

The following security requirements represent the minimum security requirements acceptable to Experian, AppFolio's provider of credit reports, RentBureau, and Experian Income Verification reports, and are intended to ensure that you have appropriate controls in place to protect information and systems, including any Experian information that you receive, process, transfer, transmit, store, deliver, and/or otherwise access. These security requirements are only required for Experian Information and are largely encompassed by the security requirements in this Section - FCRA Requirements. It is your responsibility to implement and comply with these Experian specific security requirements.

2.10.1 Definitions

"Experian Information" means Experian highly sensitive information including, by way of example and not limitation, data, databases, application software, software documentation, supporting process documents, operation process and procedures documentation, test plans, test cases, test scenarios, cyber incident reports, consumer information, financial records, employee records, and information about potential acquisitions, and such other information that is similar in nature or as mutually agreed in writing, the disclosure, alteration or destruction of which would cause serious damage to Experian's reputation, valuation, and/or provide a competitive disadvantage to Experian.

"Resource" means all of your devices, including but not limited to laptops, PCs, routers, servers, and other computer systems that store, process, transfer, transmit, deliver, or otherwise access the Experian Information.

2.10.2 You shall have industry standard information security policies and procedures in place, such as ISO 27002 and/or the standards within this section, which is aligned to Experian's information security policy.

2.10.3 Resources (including physical, on premise or cloud hosted infrastructure) will be kept current with appropriate security specific system patches. You will perform regular penetration tests to further assess the security of systems and resources. You will use end-point computer malware detection/scanning services and procedures.

2.10.4 Logging mechanisms will be in place sufficient to identify security incidents, establish individual accountability, and reconstruct events. Audit logs will be retained in a protected state (i.e., encrypted, or locked) with a process for periodic review.

2.10.5 You will use security measures, including anti-virus software, to protect communications systems and network devices to reduce the risk of infiltration, hacking, access penetration by, or exposure to, an unauthorized third-party.

2.10.6 You will use security measures, including encryption, to protect Experian Information in storage and in transit to reduce the risk of exposure to unauthorized parties.

2.10.7 All remote access connections to your internal networks and/or computer systems will require authorization with access control at the point of entry using multi-factor authentication. Such access will use secure channels, such as a Virtual Private Network (VPN).

2.10.8 Processes and procedures will be established for responding to security violations and unusual or suspicious events and incidents. You will report actual or suspected security violations or incidents that may affect Experian to Experian within twenty-four (24) hours of your confirmation of such violation or incident.

2.10.9 Each user of any Resource will have a uniquely assigned user ID to enable individual authentication and accountability. Access to privileged accounts will be restricted to those people who administer the Resource and individual accountability will be maintained. All default passwords (such as those from hardware or software vendors) will be changed immediately upon receipt.

2.10.10 All passwords will remain confidential and use 'strong' passwords that expire after a maximum of 90 calendar days. Accounts will automatically lockout after five (5) consecutive failed login attempts.

2.10.11 You shall require all your personnel to participate in information security training and awareness sessions at least annually and establish proof of learning for all personnel.

2.10.12 You shall be subject to remote and/or onsite assessments of your information security controls and compliance with these Security Requirements.

2.11. Record Retention

2.11.1 The Federal Equal Credit Opportunities Act ("ECOA") states that a creditor must preserve all written or recorded information connected with an application for 25 months. In keeping with the ECOA, AppFolio requires that you retain the credit application and, if applicable, a purchase agreement for a period of not less than 25 months. When conducting an investigation, particularly following a breach or a consumer complaint that your company impermissibly accessed their credit report, AppFolio will contact you and will request a copy of the original application signed by the consumer or, if applicable, a copy of the sales contract.

2.11.2 Under Section 621(a)(2)(A) of the FCRA, any person that violates any of the provisions of the FCRA may be liable for a civil penalty of not more than $3,500 per violation.

3. Additional Terms Relating To FICO Scores

3.1. In the event we make available to you (which we may elect to do in our sole discretion), certain credit scoring services known as "Experian/Fair Isaac Model" the terms in this Section 3 shall apply.

3.2. We purchase Experian/Fair Isaac Model for resale of the Scores and reason codes to you as an end-user of the information. Experian/Fair Isaac Model is an application of a risk model developed by Fair Isaac Corporation ("Experian/Fair Isaac") which employs a proprietary algorithm and which, when applied to credit information relating to individuals with whom you have a credit relationship or with whom you contemplate entering into a credit relationship will result in a numerical score ("Score" or, collectively, "Scores"); the purpose of the models being to rank said individuals in order of the risk of unsatisfactory payment.

3.3. AppFolio is reselling the Scores and reason codes to you subject to your strict compliance with the following provisions and payment of all applicable fees:

3.3.1 You warrant that you have a "permissible purpose" to obtain the information derived from the Experian/Fair Isaac Model under the FCRA, as it may be amended from time to time, and any similar applicable state fair credit reporting statute.

3.3.2 You shall limit your use of Scores and reason codes solely to use in your own business with no right to transfer or otherwise sell, license, sublicense or distribute said Scores or reason codes to third parties.

3.3.3 You agree that you will not publicly disseminate any results of the validations or other reports derived from the Scores without each of Experian's or Fair Isaac's express written permission. You agree to maintain internal procedures to minimize the risk of unauthorized disclosure and agree that such Scores and reason codes will be held in strict confidence and disclosed only to those of your employees with a "need to know" and to no other person.

3.3.4 Notwithstanding any contrary provision of these Screening Terms, you may disclose the Scores to credit applicants, when accompanied by the corresponding reason codes, in the context of bona fide lending transactions and decisions only.

3.3.5 You shall comply with all applicable laws and regulations in using the Scores and reason codes purchased from AppFolio, including, without limitation, the ECOA, Regulation B, and/or the FCRA, and you agree that the Scores will not be used for adverse action as defined by the ECOA or Regulation B, unless adverse action reason codes have been delivered to you along with the Scores.

3.3.6 You, your employees, agents or subcontractors are prohibited from using the trademarks, service marks, logos, names, or any other proprietary designations, whether registered or unregistered, of Experian

Information Solutions, Inc. or Fair Isaac Corporation, or the affiliates of either of them, or of any other party involved in the provision of the Experian/Fair Isaac Model without such entity's prior written consent.

3.3.7 Nothing contained in these Screening Terms shall be deemed to grant you any license, sublicense, copyright interest, proprietary rights, or other claim against or interest in any computer programs utilized by AppFolio, Experian and/or Fair Isaac or any third party involved in the delivery of the scoring services hereunder. You acknowledge that the Experian/Fair Isaac Model and its associated intellectual property rights in its output are the property of Fair Isaac. You may not attempt, in any manner, directly or indirectly, to discover or reverse engineer any confidential and proprietary criteria developed or used by Experian/Fair Isaac in performing the Experian/Fair Isaac Model.

3.3.8 By providing Scores to you under these Screening Terms, AppFolio grants to you a limited license to use information contained in reports generated by the Experian/Fair Isaac Model solely in your own business with no right to sublicense or otherwise sell or distribute said information to third parties. Before directing AppFolio to deliver Scores to any third party, you agree to enter into a contract with such third party that (1) limits use of the Scores by the third party only to the use permitted to you, and (2) identifies Experian and Fair Isaac as express third party beneficiaries of such contract.

3.3.9 You hereby release and hold harmless AppFolio, Fair Isaac and/or Experian and their respective officers, directors, employees, agents, sister or affiliated companies, and any third-party contractors or suppliers of AppFolio, Fair Isaac or Experian from liability for any damages, losses, costs or expenses, whether direct or indirect, suffered or incurred by you resulting from any failure of the Scores to accurately predict that a consumer will repay their existing or future credit obligations satisfactorily.

3.3.10 The aggregate liability of Experian/Fair Isaac to you is limited to the lesser of the fees paid by AppFolio to Experian/Fair Isaac for the Experian/Fair Isaac Model resold to you during the six (6) month period immediately preceding your claim, or the fees paid by you to AppFolio under the resale contract during said six (6) month period, and excluding any liability of Experian/Fair Isaac for incidental, indirect, special or consequential damages of any kind.

3.3.11 You agree to indemnify, defend, and hold each of AppFolio, Experian and Fair Isaac harmless from and against any and all claims, suits, proceedings, investigations, damages, losses, expenses, costs, and any and all other liabilities (including reasonable attorneys' fees and court costs and expenses) arising out of or resulting from any nonperformance by you of any obligations to be performed by you under these additional terms and conditions, provided that AppFolio and/or Experian/Fair Isaac have given you prompt notice of, and the opportunity and the authority (but not the duty) to, defend or settle any such claim. You shall not agree to any settlement without the prior written consent of AppFolio, Experian and Fair Isaac.

3.3.12 You acknowledge that the Scores result from the joint efforts of Experian and Fair Isaac. You further acknowledge that each Experian and Fair Isaac have a proprietary interest in said Scores and agree that either Experian or the Fair Isaac may enforce those rights against you as third party beneficiaries of these additional terms and conditions as they may desire.

4. Additional Terms Related to VantageScore Credit Score

4.1. In the event we make available to you (which we may elect to do in our sole discretion), certain credit scoring services known as "VantageScore Credit Score" the terms in this Section 4 shall apply. We purchase the VantageScore Credit Score for resale to you as an end-user of the information. The VantageScore Credit Score interprets credit information relating to individuals with whom you have a credit relationship or with whom you contemplate entering into a credit relationship, to better inform your decisions in that relationship.

4.2. AppFolio is reselling the VantageScore Credit Score and reason codes to you subject to your strict compliance with the following provisions and payment of all applicable fees:

4.2.1 You warrant that you have a "permissible purpose" to obtain the information derived from the VantageScore Credit Score under the FCRA, as it may be amended from time to time, and any similar applicable state fair credit reporting statute.

4.2.2 You shall limit your use of VantageScore Credit Score and reason codes solely to use in your own business with no right to transfer or otherwise sell, license, copy, reuse, disclose, sublicense or distribute said VantageScore Credit Score or reason codes to third parties. You shall not use the VantageScore Credit Score for model development or model calibration.

4.2.3 You agree that you will not publicly disseminate any results of the validations or other reports derived from the VantageScore Credit Score without Experian's express written permission. You agree to maintain internal procedures to minimize the risk of unauthorized disclosure and agree that such VantageScore Credit Score

and reason codes will be held in strict confidence and disclosed only to those of your employees with a "need to know" and to no other person.

4.2.4 Notwithstanding any contrary provision of these Screening Terms, you may disclose the VantageScore Credit Scores to credit applicants who are the subject of the VantageScore Credit Score, when accompanied by the corresponding reason codes; to government regulatory agencies when approved in writing by Experian; or as required by law.

4.2.5 You shall comply with all applicable laws and regulations in using the VantageScore Credit Scores and reason codes purchased from AppFolio, including, without limitation, the ECOA, Regulation B, and/or the FCRA, and you agree that the VantageScore Credit Scores will not be used for adverse action as defined by the ECOA or Regulation B, unless adverse action reason codes have been delivered to you along with the VantageScore Credit Scores.

4.2.6 You, your employees, agents or subcontractors are prohibited from using the trademarks, service marks, logos, names, or any other proprietary designations for VantageScore Credit Scores and VantageScore credit scoring models, whether registered or unregistered, of VantageScore Solutions, LLC, or the affiliates of either of them, or of any other party involved in the provision of the VantageScore Credit Scores without such entity's prior written consent.

4.2.7 Nothing contained in these Screening Terms shall be deemed to grant you any license, sublicense, copyright interest, proprietary rights, or other claim against or interest in any computer programs utilized by AppFolio and/or Experian or any third party involved in the delivery of the scoring services hereunder. You acknowledge that the VantageScore Credit Scores and its associated intellectual property rights in its output are the property of VantageScore Solutions, LLC and Experian Information Solutions, Inc. You may not attempt, in any manner, directly or indirectly, to discover or reverse engineer any confidential and proprietary criteria developed or used by Experian in performing the VantageScore Credit Scores.

4.2.8 You agree to indemnify, defend, and hold each of AppFolio and Experian harmless from and against any and all claims, suits, proceedings, investigations, damages, losses, expenses, costs, and any and all other liabilities (including reasonable attorneys' fees and court costs and expenses) arising out of or resulting from any nonperformance by you of any obligations to be performed by you under these additional terms and conditions, provided that AppFolio and/or Experian have given you prompt notice of, and the opportunity and the authority (but not the duty) to, defend or settle any such claim. You shall not agree to any settlement without the prior written consent of AppFolio and Experian.

5. Additional Terms Related to Income Verification Services

5.1. AppFolio's Income Verification Service (IVS) reports are purchased from outside vendors for resale to you as the end-user of that information. In the event we make available to you (which we may elect to do in our sole discretion) income verification reports provided by Nova Credit Inc. ("Nova"), Experian, through Finicity, and/or Work Number®, a service provided by Equifax Workforce Solutions LLC (a provider of Equifax Verification Solutions)("EVS"), the terms in this Section 5 shall apply.

5.2. Experian Verification Reports (defined herein)

Experian, through Finicity, interprets Account Data relating to Applicants with whom you contemplate entering into a leasing agreement with and produces a Verification Report; the purpose of the Verification Report being to identify Applicant's income streams, their frequency, and estimated annual income.

5.2.1 Definitions

As used herein this Section 5.2 of the Screening Terms.

"Account Data" means data and other information collected using the Consumer Credentials from the Provider Services, which may include medical information (such as payment information related to the rendering of medical or healthcare services) and employment information (such as deposit information from an employer), for the creation of one or more Verification Reports, and any derivatives or modifications thereof, which can be provided in the format agreed to by Experian. Account Data (and all derivatives thereof, including the Verification Reports, as applicable) shall constitute the confidential information of Experian subject, at all times, to obligations of confidential treatment under the Agreement, and shall not be shared by you with, or accessed by, an affiliate, or any other third party, except as expressly provided herein.

"User Interface" means the user interface that will be used for the collection of Account Data by Finicity.

"Consumer Credentials" means the Applicant's log-in credentials or other access information to the Provider Services that Finicity will use with the Applicant's consent and at the Applicant's direction for its access to

the Provider Services for the purpose of collecting the Account Data and creating the Verification Reports and delivering the same to you.

"Finicity" means Finicity Corporation, a Mastercard company, the originating consumer reporting agency and provider of certain services related to the provision of the Account Data and Verification Reports. Finicity is an independent contractor of Experian, the ultimate provider of these services.

"Provider Services" means the online services or information that may be available to Applicants by providers, such as online banking, online payment, online investment account download, online bill pay, online trading and other account information made available by provider(s).

"Verification Report" is a report that identifies income streams, and estimates annual income of an individual Applicant, and identifies frequency of deposits and account owner based solely on the Account Data.

5.2.2 You agree the delivery of the Verification Report is contingent on:

(a) The collection of the Consumer Credentials through the User Interface;

(b) Applicant's explicit consent for the (i) collection of the Consumer Credentials through the User Interface (on behalf of, and explicitly naming, Finicity); (ii) provision of the Consumer Credentials to Finicity through the User Interface; and (iii) retention and use of the Consumer Credentials, one-time (or more, as may be necessary for Finicity to comply with its obligations under applicable law), by Finicity; all of which shall be performed in order for Finicity to use the Consumer Credentials to access the Provider Services, and collect and aggregate the Account Data to: (x) deliver the Account Data to AppFolio, you, and other third parties to create the applicable Verification Reports, and deliver the same to AppFolio, you, and to other third parties, and (y) deliver the Account Data to Experian for use in accordance with all applicable laws, rules and regulations; and Finicity's ability to access the Provider Services for the purpose of collecting and providing the Account Data, and to create and deliver each Verification Report.

5.2.3 You agree that Experian is not responsible for the provision of any Verification Report for any Applicant that does not provide his or her consent, Consumer Credentials, or required Applicant uploaded documentation, as applicable. In addition, Experian is not responsible for the inclusion of data from any Provider Services into any Verification Report if a provider of the Provider Services does not permit Finicity access to the Provider Services in order for Finicity to access, collect and use the Account Data for use as contemplated herein. You agree to provide AppFolio with your applicable permissible purpose code for each Verification Report you retrieve.

5.2.4 AppFolio is reselling the Verification Reports to you subject to your strict compliance with the following provisions and payment of all applicable fees:

(a) You may not be a reseller of the income verification services or Verification Report, or directly or indirectly charge a consumer any costs or fees, or accept any other payment or valuable consideration from a consumer, for prequalification or any information derived therefrom, including, without limitation, by offering the income verification services as the sole additional feature of a higher-priced service offering or as an incentive to or bundled with a fee-based offering.

(b) You may not use, or permit your respective employees, agents and subcontractors to use, the trademarks, service marks, logos, names or any other proprietary designations of Experian, whether registered or unregistered, without prior written consent from Experian. Experian reserves the right to review your press releases and other collateral, as needed, in order to limit the use of Experian's name.

(c) You shall not advertise, represent, claim or infer that you can (a) remove accurate but negative information from the Applicant's credit report or (b) help the Applicant restore a credit report or improve or enhance the consumer's credit score, record, history or rating. You shall avoid the following terms: clear your credit, fix your credit, advice on correcting your credit, clean up your credit, repair your credit, guidance on how to correct your credit report, help to improve your score, etc.

(d) You agree that the income verification service (including all Verification Reports and Account Data) shall not be used, disclosed, transmitted, or accessed in any way outside the United States or its territories.

5.3. EVS The Work Number® (defined herein)

EVS's The Work Number® is a service used to verify certain tenant screening related information provided by current and prior employers, including employment and income information ("EVS Tenant Screening Information"). You will be charged for the EVS Tenant Screening Information by AppFolio. Access to EVS Tenant Screening Information will only be available to you while you are an active customer of AppFolio, and continue to meet applicable credentialing requirements, Screening Terms, and the Terms of Services.

5.3.1 You will not disclose EVS Tenant Screening Information to the subject of the EVS Tenant Screening Information except as permitted or required by law, but will refer the subject to us. You will indemnify and

hold us and our agents and service providers (including without limitation, Equifax Workforce Solutions LLC (a provider of Equifax Verification Solutions), a Missouri corporation ("EVS")) harmless on account of any expense or damage arising or resulting from the publishing or other disclosure of EVS Tenant Screening Information by you, your employees or agents contrary to the Screening Terms, Terms of Service, or applicable law.

5.3.2 You will comply with all applicable laws, statutes and regulations regarding the EVS Tenant Screening Information. Where applicable, you will comply with Title V of the Gramm-Leach-Bliley Act, 15 U.S.C. Sec. 6801 et seq. ("GLB") and the implementing regulations issued thereunder and any other applicable statutes or federal laws, you will not use or disclose any of the EVS Tenant Screening Information other than in accordance with Section 6802(c) or with one of the General Exceptions of Section 6802(e) of the GLB and applicable regulations and all other Privacy Laws.

5.3.3 If we and/or EVS reasonably believe that you have violated Section 2 of the Screening Terms, we and/or EVS may, in addition to any other remedy authorized by the Terms of Service, with reasonable advance written notice to you, and at our and/or EVS's sole expense, conduct, or have a third party conduct on its behalf, an audit of your network security systems, facilities, practices and procedures to the extent we reasonably deem necessary, including an on-site inspection, to evaluate your compliance with the data security requirements contained therein.

5.3.4 We and/or EVS may periodically conduct audits of you from time to time, during normal business hours, at all locations containing relevant records with ten (10) days prior notice regarding your compliance with the FCRA and other certifications in this Agreement. Audits will be conducted by email whenever possible and will require you to provide DocuSign documentation as to permissible use of particular EVS Tenant Screening Information. You shall (i) fully cooperate with and in such an audit, and (ii) promptly correct any discrepancy revealed by such audit. In addition, we will be required to provide EVS documentation indicating that we validated your legitimacy prior to the use of the EVS Tenant Screening Information, and we will also provide a copy of your agreement to use the EVS Tenant Screening Information. You give consent to us and EVS to conduct such audits and agree that any failure to cooperate fully and promptly in the conduct of any audit, or your material breach of these terms, constitute grounds for immediate suspension or termination of this service. If we terminate your access to the EVS Tenant Screening Information due to the conditions in the preceding sentence, you (i) unconditionally release and agree to hold us and EVS harmless and indemnify us and EVS from and against any and all liabilities of whatever kind or nature that may arise from or relate to such termination, and (ii) covenant you will not assert any claim or cause of action of any kind or nature against us or EVS in connection with such termination.

5.3.5 You acknowledge and agree that the EVS Tenant Screening Information described herein may be modified by EVS. Should EVS modify the EVS Tenant Screening Information, we will provide such revised terms of service to you, which will supersede prior versions. All modifications will be governed by the Terms of Service Section 2 - Modification of these Terms of Services.

5.4. Nova Verification of Income Services (defined herein)

5.4.1. You acknowledge that through the Verification of Income Services provided by Nova ("Verification of Income Services"), you may invite an applicant to request a verification of income report from Nova, subject to Nova's ability to obtain the applicant's relevant income data. You acknowledge that when the applicant's data is available, Nova will provide the applicant's verification of income report to AppFolio. AppFolio does not guarantee or warrant the accuracy of the data received from Nova or the applicant and Nova does not guarantee or warrant the accuracy of the data received from the applicant.

5.4.2. You further agree that each Verification of Income result provided by AppFolio shall only be used during one (1) tenant screening session.

5.4.3. As an express condition of accessing and using the Verification of Income Services, you acknowledge and agree that you shall do so only for the purpose of verifying, where available, the applicant's employment or income information for applicants to your properties in connection with an application for rental housing in accordance with these Terms of Service, the FCRA, all other applicable laws and regulations (the "Nova Permissible Purpose").

5.4.4. You acknowledge that all of the terms and conditions in these Terms of Service apply to your use of the Verification of Income Services, including but not limited to all use, confidentiality, and security obligations, and AppFolio's right to conduct random as well as regular monitoring of your access to and use of the Verification of Income Services for the purpose of validating that you are accessing and using the Verification of Income Services only for the Nova Permissible Purpose and in accordance with these Terms of Service.

5.4.5. You acknowledge that AppFolio and Nova and their respective parent, subsidiary or affiliated companies may aggregate, compile, and use any information derived from the provision of the Verification of Income

Services in order to improve, develop, or enhance the Verification of Income Services and/or other services offered; provided that no personally identifiable information belonging to you or any applicant is identifiable as originating from, or can be traced back to, you or any applicant.

ITEM 4. AppFolio Payments Terms

Last Updated: October 31, 2023

If you subscribe to APM or APM PLUS, then you may elect to apply for our payments services, as more fully described below (the "Payments Services"). If you apply for the Payments Services, you are responsible for completing and submitting an initial written application and supporting documentation about your business and financial status. We will rely upon the validity, accuracy and completeness of the information in your application and supporting documentation in determining, in our sole discretion, (i) if you meet our then-current underwriting criteria; and (ii) the credit and account processing standards and limits that will apply to your use of the Payments Services.

If your application is approved, your use of the Payments Services is governed by the Terms of Service, the terms and conditions set forth below (the "Payments Terms"), and the policies and guidelines we make available to you from time to time. Capitalized terms used but not otherwise defined below shall have the meaning given in the Terms of Service. The Payments Terms and Terms of Service are intended to be read and work together; however, in the event of any irreconcilable conflict between the Payments Terms and the Terms of Service, the Payments Terms shall prevail.

Subsequent to your initial acceptance and provision of the Payments Services, we may from time to time request you to provide updated information and supporting documentation to confirm your then-current business and financial status, which you shall deliver to us within three (3) business days of our request. In addition, you certify that you will keep any such information up to date within the AppFolio Services. Any failure to provide such information and supporting documentation within a timely manner or failure to satisfy our then-current underwriting criteria (as determined in our sole discretion) will be deemed a material breach of the Payments Terms and result in the termination of your right to use the Payments Services.

1. Card Payment Services

AppFolio's Card Payment services are powered by two separate card processing partners: (i) Wells Fargo Bank; and (ii) Worldpay, LLC. Your use of the Card Payment Services will be governed by the applicable processing terms below, and such applicability shall be determined by the card processor that processed the relevant transaction. AppFolio, in its sole discretion, may choose which processor shall process your card transactions.

1.1. Wells Fargo Bank Card Processing Terms

1.2. Verification

We will require you to provide information to verify your identity, or the identity of any ultimate beneficial owner of a bank account you have onboarded to the AppFolio Payments Services ("UBO"), as a condition of providing you with access to the credit and debit card payment processing services (the "Card Services"). Such information may include a government-issued identification, such as a passport or driver's license, a business license, employer identification number (EIN), a valid U.S. credit card, a verified U.S. bank account, or other financial or personal information. We may make, directly or through third parties, any inquiries we consider necessary to validate information that you provide to us. We may also ask for permission to inspect your business location. If you refuse any of these requests or provide inaccurate, untrue, or incomplete information, we may suspend or terminate your use of the Card Services in our sole discretion. By accepting the Payments Terms, you specifically (i) certify that you have the authority to authorize us to request identity verifying information about you, or a UBO; (ii) authorize us to request identity verifying information about you, or a UBO, from third parties, including a consumer report that contains your name and address, background, credit, or banking information, as necessary; (iii) and certify you will keep such information up to date with the AppFolio Services. You agree that we are permitted to contact and share information about you, a UBO, and your AppFolio account with Wells Fargo Bank ("Bank"), who serves as the sponsoring bank in connection with the Card Services, and other financial institutions. This includes sharing information (a) about transactions for regulatory or compliance purposes, (b) for use in connection with the management and maintenance of the service, (c) to create and update our/and or their customer records about you or a UBO and to assist us and/or them in better serving you, and (d) to conduct our risk management process.

1.3. Acceptable Cards

The Card Services allow you to accept payments initiated with eligible credit and debit cards bearing the trademarks of Mastercard International Incorporated ("Mastercard"), DFS Services LLC ("DFS") and Visa U.S.A., Inc. ("Visa" and together with Mastercard and DFS, the "Card Brands"). We may remove or add cards that are accepted via the Card Services at any time without prior notice.

1.4. Our Limited Role

In connection with the Card Services, we merely collect and relay information and do not receive, take possession or custody of, or otherwise hold any funds on behalf of any third parties. We are a registered Independent Sales Organization of Bank.

1.5. Appointment of Bank and AppFolio as Your Agent

By accepting the Payments Terms, you hereby appoint Bank and AppFolio as your agent in connection with the Card Services for the limited purpose of processing amounts received ("Payments") from users paying via the Card Services ("Payors") on your behalf as payment for goods and/or services provided by you and transmitting such Payments to you. The foregoing agency appointment will remain in full force and effect while you use the Card Services. You agree that receipt of Payors' Payments by AppFolio or Bank in connection with the Card Services pursuant to the Payments Terms constitutes receipt of Payments by you and therefore satisfies Payors' respective payment obligations to you as if the Payors paid you directly, even if Payors' Payments are never transmitted to you. Accordingly, you agree not to seek Payments from Payors in the event that you do not receive Payors' Payments in connection with the Card Services.

If you use the Card Services to accept Payments owed to other individuals or entities for which you provide property management services ("Payees"), you represent and warrant that you have all requisite power, authorization, and authority to, among other things, (a) appoint AppFolio and Bank as each Payee's agent for the limited purpose of processing Payors' Payments on behalf of each Payee as payment for goods and/or services provided by the Payee and transmitting such Payments to you or the Payee; and (b) agree, on behalf of each Payee, that receipt of Payors' Payments by AppFolio or Bank on the Payee's behalf constitutes receipt of Payors' Payments by the Payee and satisfies Payors' respective payment obligations to the Payee as if the Payors paid the Payee directly, even if Payors' Payments are never transmitted to you or the Payee.

Notwithstanding the foregoing, and for clarity, where a Payor itself disputes a payment previously made and prevails (i.e., a chargeback is permitted), you agree we do not have any obligation to take further action for you, unless otherwise required by applicable law or Card Brand Rules (as defined below).

1.6. Restricted Use

You may use the Card Services only in accordance with, and subject to, the Payments Terms. You must comply with all applicable laws, rules, and regulations ("Applicable Law"), including, but not limited to, those applicable to your use of the Card Services. You may not act as a payment intermediary, aggregator or service bureau or otherwise resell the Card Services or use the Card Services to handle, process or transmit funds for any third party, except as expressly permitted by the Payments Terms. You also may not use the Card Services to process cash advances.

1.7. Prohibited Transactions

You acknowledge and agree that you will not use the Card Services to accept Payments in connection with the following businesses or business activities (collectively, "Prohibited Transactions"), which we may revise from time to time: (i) adult products or services, such as adult book stores, video stores, toys; adult websites and content; adult entertainment (misc.); any products on the Internet containing graphic or nude content; audio (phone sex and adult phone conversations); companion/escort services; dating services (sexually-oriented); dating/matchmaking services/apps (non-sexually oriented); fetish products; illegal activity (e.g., child pornography, bestiality); massage parlors (sexually-oriented); membership, clubs, subscriptions; prostitution; gentleman's clubs, topless bars, and strip clubs; and video (web-based sexually oriented video), (ii) airlines (including travel or freight related entities that own or lease aircrafts to facilitate transportation of passengers and/or cargo), (iii) bail bonds, (iv) bankruptcy lawyers, (v) bidding fee auctions (a/k/a penny auctions), (vi) business/investment opportunities operating as "get-rich-quick schemes" (e.g., real estate purchase with no money down), (vii) businesses physically located outside the U.S. (off shore acquiring), (viii) businesses selling age or legally restricted products or services (e.g., sale of alcohol) (ix) cell phones/pagers (billing for services only), (x) centralized reservation services, (xi) chain letters, (xii) charities without 501(c)(3) or equivalent status, (xiii) collection agencies or firms involved in recovering/collecting past due receivables, (xiv) counterfeit goods/replicas (e.g., knock-offs, imitations, bootlegs), (xv) credit repair/restoration or card protection (including identity theft protection), (xvi) cruise lines (including travel related entities that own or lease ships to facilitate transportation of passengers), (xvii) data pass (merchants up-selling or cross-selling products of other merchants and then sharing the cardholder data with the third party or receiving cardholder data from third parties), (xviii) debt consolidation and mortgage reduction/consulting services, (xix) decryption and descrambler products including mod chips, (xx) door-to-door sales, (xxi) drug paraphernalia, (xxii) embassy, foreign consulate, or other foreign government, (xxiii) essay mills/paper mills (i.e., ghost writing services that sell essays, term papers, etc. with the intent that the purchasers will submit documentation as their own), (xxiv) extended warranties, (xxv) fake references and other services/products that foster deception (including fake IDs and government documents), (xxvi)

file sharing services, (xxvii) fortune tellers, (xxviii) gambling involving: legal gambling where the cardholder is not present when the bet is made, lotteries, illegal gambling, including unlicensed/legal Internet gambling, sports forecasting or odds making, games of chance (includes sweepstakes or raffles), (xxix) government grants, (xxx) illegal drugs, substances designed to mimic illegal drugs, and/or other psychoactive products (e.g., K2, salvia divinorum, nitrate inhalers, bath salts, synthetic cannabis, herbal smoking blends, herbal incense, and HCG/HGH-like substances), (xxxi) illegal products/services or any service providing peripheral support of illegal activities, (xxxii) jammers or devices that are designed to block, jam or interfere with cellular and personal communication devices/signals, (xxxiii) mail order spouse and international match-making services, (xxxiv) marijuana, marijuana products, marijuana services and marijuana-related businesses (excluding hemp), (xxxv) medical benefit/discount/subscription packages (not licensed insurance), (xxxvi) membership/subscriptions in excess of one year (i.e., two year, three year, lifetime, etc.) (xxxvii) merchants engaged in activity prohibited by a Card Brand, (xxxviii) merchants engaged in any form of deceptive marketing practices, including, but not limited to: hidden disclosure, bogus claims and endorsements, pre-checked opt out boxes, refund/cancellation avoidance, and poorly disclosed negative options, (xxxix) merchants offering substantial rebates or special incentives (e.g., free gift, prize, sweepstakes, or contest) as an inducement to purchase products/services, (xl) merchants that have ransom-like or extortion-like basis for their business model (e.g., mug shot removal, digital forensic & incident response (DFIR) companies who use the account to accept funds ultimately use to pay ransomware to criminals), (xli) merchants utilizing tactics to evade Card Brand excessive chargeback monitoring programs, (xlii) money service businesses, including: provider or seller of prepaid access/stored value, including both open-loop and closed-loop (closed-loop prepaid access includes gift cards, phone cards, subway cards, college campus cards, game cards and other limited-use prepaid access devices when the value can exceed $2,000) exceeding $2,000; money transmitters; wire transfer; quasi-cash; cash advances (by non-financial institutions); currency exchange or dealer; issuer/seller/redeemer of money orders or traveler's checks; and check cashers, (xliii) multi-level marketing or pyramid schemes, (xliv) negative response marketing techniques by any type of merchant (i.e., customer is automatically charged if he/she does not return the merchandise at the end of a free trial period), (xlv) nutraceuticals (e.g., acai berry or health-related teas or drinks), (xlvi) unsecured loan/lines originating from non-bank lenders or non-FDIC/NCUA insured banks (including payday loans, short term loans, and title loans), (xlvii) prescription drug sales, (xlviii) products/services that promote hate, violence, harassment or abuse, (xlix) pseudo-pharmaceuticals (e.g., weight-loss, anti-aging, muscle-building, sexual-stimulant supplements, colon cleansers, and detox products), (l) security brokers, (li) shipping/forwarding brokers, (lii) social media "click farms" (i.e., the sale of clicks/likes/reviews/endorsements on social media sites), (liii) telemarketing companies involved with the following methods of operations: offering a free gift, prize, or sweepstakes/contest entry as an inducement to purchase their product or service; inbound telemarketing companies that receive calls as the result of post cards or similar mailings (as opposed to catalog or media advertising); outbound telemarketing for unsolicited services/ products with payment accepted over the phone, mail order/telephone order (e.g., tech support, credit card protection, debt reduction, student loan management, travel-related arrangement services); or selling products/services as an agent for a third party, (liv) third-party payment processors/aggregators/payment service companies (e.g., bill payment service providers, crowdfunding, peer-to-peer payments, digital wallets, commissary accounts) falling outside of Card Brand-approved requirements (Payment Facilitators), (lv) timeshare, vacation clubs/ memberships, (lvi) tobacco products (including cigarettes), (lvii) virtual currency that can be monetized, re-sold or converted to physical/digital goods/services or otherwise exit the virtual world, virtual currency exchangers and administrators for open virtual currencies (direct purchase), and virtual currency related businesses (i.e., enablement of a person to accept, provide, support, invest, and/or facilitate virtual currency products), (lviii) weapons, ammunitions, and firearm parts, Internet/MOTO, (lix) animal and wildlife products classified as endangered or protected, (lx) bearer share entities, (lxi) shell banks, (lxii) hate groups, (lxiii) cannabidiol/CBD related products, services, and businesses, (lxiv) consumer/non-medical facility purchase of human body parts, tissues and/or fluids (e.g., human organs, bone marrow, cornea, eye, skin, fetus, human bonds, human milk, human gametes, excluding hair and teeth), (lxv) third party agents including Independent Sales Organizations or Payment Facilitators, (lxvi) financial trading platforms, funding portals, and other similar investment entities (e.g., security broker/dealers); (lxvii) hemp including growers with USDA Plan and License and manufacturers of hemp-based products (excluding mature stalks and the fiber produced from them, ingestible products made from the seeds of mature stalks, and any compound, manufacture, etc. of mature stalks (except the resin), fiber, oil, cake, or the sterilized seed incapable of germination); (lxviii) marketplaces; (lxix) weapons marketed for hunting, such as crossbows and knives; (lxx) for profit higher eduction; and (lxxi) US government entities (including but not limited to any agency, department, division, board, bureau, or other part of the government of the US or any other political subdivisions, including states, countries, cities, public educational institutions, government-owned healthcare facilities, and/or special purpose districts).

1.8. Applicable Card Brand Rules

The Card Brands require that you comply with their applicable bylaws, rules, and regulations ("Card Brand Rules"), which are available at:

https://www.mastercard.us/en-us/merchants/get-support/merchant-learning-center.html;
https://usa.visa.com/dam/VCOM/download/about-visa/visa-rules-public.pdf; and
https://www.discovernetwork.com/merchants/index.html.

The Card Brands have the right to amend the Card Brand Rules. We may be required to change the Payments Terms in connection with amendments to the Card Brand Rules.

For clarity, please note that the Card Brand Rules may prohibit you from, among other things as set forth in the respective links above, (a) assessing a surcharge for the use of a card in connection with any transaction, and/or (b) dispensing cash on any card transaction.

1.9. Account Deposits

Subject to the payout schedule below and the Payments Terms, and once your designated bank account(s) ("Bank Account") information is verified, Payments actually received by Bank for transactions submitted through the Card Services (less any applicable fees) will be deposited in your Bank Account. Funds for any given transaction will not be deposited until the transaction is deemed complete. Availability of funds deposited in your Bank Account will be determined by the financial institution that holds your Bank Account. You are responsible for monitoring your transactions and ensuring that payments to you in connection with the Card Services are correct. You must notify us of any errors in payments made to you within thirty (30) days of the error first appearing on your electronic transaction history. Failure to notify us of such an error will be deemed a waiver of any right to amounts owed to you.

1.10. Standard Payout Schedule

Once you validate your Bank Account, a transfer of funds will automatically be initiated to your Bank Account at the end of every business day, if and to the extent you are owed amounts hereunder. Payouts to your Bank Account will normally register within 3-4 business days of when the transaction is initiated.

1.11. Availability of Funds

Should we need to conduct an investigation or resolve any pending dispute related to your AppFolio database and/or your Bank Account, payout may be deferred or access to your funds may be restricted while we conduct such investigation and for up to 3 business days after. Payout may also be deferred or access to your funds may also be restricted as required by Applicable Law, court order, or Card Brand Rule or if otherwise requested by law enforcement or a governmental entity.

1.12. Your Account History

When a payment is made to your Bank Account, we will update your AppFolio database and provide you a transaction confirmation. The confirmation will serve as your receipt. Summaries of your account activity, including monthly statements, are available through your AppFolio database. Except as required by Applicable Law, you are solely responsible for (a) compiling and retaining permanent records of all transactions and other data associated with your Bank Account and your use of the Card Services and (b) reconciling all transactional information that is associated with your Bank Account. If you believe that there is an error or unauthorized transaction activity is associated with your Bank Account, you must contact us immediately.

1.13. Reserve

At any time and from time to time, payments to you may be suspended or delayed and/or we may designate an amount of funds that must be maintained in your Bank Account or in a separate reserve account to secure the performance of your payment obligations for the Card Services (the "Reserve"). We may require a Reserve for any reason, including without limitation, if you have a high rate of chargebacks (as defined below), refunds, or other indications of performance problems related to your use of the Card Services. The Reserve will be in an amount as reasonably determined by us to cover anticipated chargebacks, returns, unshipped merchandise and/or unfulfilled products or services or credit risk based on your processing history or such amount designated by Bank. The Reserve may be raised, reduced or removed at any time by us, in our sole discretion, based on your payment history, a credit review or otherwise as we or Bank may determine or require. If you do not have sufficient funds in your Reserve, the Reserve may be funded from any funding source associated with your AppFolio database, including, but not limited to, any funds (a) deposited by you, (b) due to you under the Payments Terms, or (c) available in your bank account or other payment instrument registered with us. You grant us a security interest in and lien on any and all funds held in any Reserve and also authorize us to make any withdrawals or debits from the Reserve, without prior notice to you, to collect amounts that you owe us under the Payments Terms, including, without limitation, for any reversals of deposits or transfers made to your Bank Account. You will execute any additional documentation required for us to

perfect our security interest in any funds in the Reserve. This security interest will survive for as long as we hold funds in your Reserve.

1.14. Refunds and Returns

By accepting payment card transactions through the Card Services, you agree to process returns of, and provide refunds and adjustments for, your services to your customers through your Bank Account in accordance with the Payments Terms, the Card Brand Rules and Applicable Law. The Card Brand Rules require you to: (a) maintain a fair return, cancellation or adjustment policy; (b) disclose your return or cancellation policy to customers at the time of purchase, (c) not give cash refunds to a customer in connection with a card transaction, unless required by law, and (d) not accept cash or any other item of value for preparing a card transaction refund. The amount of the refund/adjustment must include any associated taxes required to be refunded and cannot exceed the amount shown as the total on the original transaction data except by the exact amount required to reimburse the customer for postage that the customer paid to return merchandise. Please be aware, if your refund policy prohibits returns or is unsatisfactory to the cardholder, you may still receive a chargeback relating to such transactions.

1.15. Your Liability for Chargebacks

The amount of a transaction may be reversed from or charged back to your Bank Account (a "Chargeback") if the transaction (a) is disputed, (b) is reversed for any reason by the Card Brand, Bank, or a Payor's or our financial institution, (c) was not authorized or we have any reason to believe that the transaction was not authorized, or (d) is allegedly unlawful, suspicious, or in violation of the Payments Terms.

1.16. Our Collection Rights for Chargebacks

For any transaction that results in a Chargeback, the Chargeback amount may be withheld in a Reserve. We may deduct the amount of any Chargeback and any associated fees, fines, or penalties assessed by the Card Brand or Bank from your Bank Account (including, without limitation, any Reserve), any proceeds due to you, or other payment instrument registered with us. If you have pending Chargebacks, payouts may be delayed to your Bank Account. Further, if we reasonably believe that a Chargeback is likely with respect to any transaction, the amount of the potential Chargeback may be withheld from payments otherwise due to you under the Payments Terms until such time that: (a) a Chargeback is assessed due to a Payor's complaint, in which case we will retain the funds; (b) the period of time under Applicable Law by which the Payor may dispute that the transaction has expired; or (c) we determine that a Chargeback on the transaction will not occur. If we are unable to recover funds related to a Chargeback for which you are liable, you will pay us the full amount of the Chargeback immediately upon demand. You agree to pay all costs and expenses, including, without limitation, attorneys' fees and other legal expenses, incurred by or on behalf of us in connection with the collection of all account deficit balances unpaid by you.

1.17. Excessive Chargebacks

If we determine that you are incurring an excessive amount of Chargebacks, we may establish controls or conditions governing your AppFolio database, including, without limitation, by (a) establishing new processing fees, (b) creating a reserve in an amount reasonably determined by us to cover anticipated Chargebacks and related fees, (c) delaying payouts, and (d) terminating or suspending your use of the Card Services.

1.18. Contesting Chargebacks

You agree to assist us when requested, at your expense, to investigate any of your transactions processed through the Card Services. Towards that end, you permit us to share information about a Chargeback with the Payor, the Payor's financial institution, and your financial institution in order to investigate and/or mediate a Chargeback. We may also share such information with other parties as permitted by Applicable Law or Card Brand Rules. If we decide, in our sole discretion, to contest a Chargeback, we may request additional transaction related information from you. Examples of when we may determine not to contest a Chargeback include (but are not limited to) instances where (i) there is insufficient or incomplete evidence to make a defense, or (ii) the Card Brand Rules preempt a fight. If the Chargeback is contested successfully, we will release the reserved funds to your Bank Account. If a Chargeback dispute is not resolved in your favor by the Card Brand or issuing bank or we choose not to contest the Chargeback, we may recover the Chargeback amount and any associated fees as described in the Payments Terms. You acknowledge that Chargebacks are a risk associated with accepting payment by credit card. You further acknowledge that your failure to assist us in a timely manner where we choose to investigate and/or contest a Chargeback transaction, including, but not limited to, by providing necessary documentation within two (2) days of our request, may result in an irreversible Chargeback. We reserve the right, upon notice to you, to charge a fee for mediating and/or investigating Chargeback disputes.

1.19. Our Set-off Rights

To the extent permitted by law, we may set off against the amount of any obligation you owe us under the Payments Terms, including, without limitation, any Chargebacks. All fees will be charged at the time we process a transaction and are deducted first from the transferred or collected funds and thereafter from.

1.20. Our Processing Errors

We will attempt to rectify processing errors that you notify us of or that we discover. If the error resulted in your receipt of less than the correct amount to which you were entitled, your Bank Account will be credited for the difference. If the error results in your receipt of more than the correct amount to which you were entitled, the extra funds will be debited from your Bank Account. Your failure to notify us of a processing error within thirty (30) days of when it first appears on your electronic transaction history will be deemed a waiver of any right to amounts owed to you.

1.21. Access to Cardholder Data and Card Data Security

If and to the extent you get access to Cardholder Data (as defined below), you shall at all times be compliant with the Payment Card Industry Data Security Standards (PCI DSS) and Applicable Law and shall certify such compliance in accordance with the Card Brand Rules or when asked by AppFolio to do so. You shall also use only PCI-compliant service providers in connection with the storage or transmission of a cardholder's account number, expiration date, and CVV2 (collectively, the "Cardholder Data"). You must not store CVV2 data at any time. If you receive Cardholder Data in connection with the Card Services, you shall not (i) use the Cardholder Data for any purpose other than for the Card Services, (ii) use the Cardholder Data for any purpose that you know or should know to be fraudulent or in violation of any Card Brand Rules, or (iii) sell, purchase, provide or exchange in any manner or disclose Cardholder Data to anyone other than the Card Brands or in response to a government request.

1.22. Commercial Entity User Agreement

This Commercial Entity User Agreement ("Commercial Entity Agreement" or "CEA") is applicable to you if you use the Payments Services to process more than $1,000,000 through any one of Visa, Mastercard, Discover, JCB or Diners Club (the "Cards") in a 12 month period.

YOU HAVE AGREED TO THE PAYMENTS TERMS, WHICH SET FORTH REQUIREMENTS REGARDING THE CARD SERVICES AND ARE INCORPORATED INTO THIS CEA BY REFERENCE.

BY ACCEPTING THE PAYMENTS TERMS, YOU CONSENT TO BE BOUND BY THIS CEA, WHICH CONSTITUTES A LEGALLY BINDING CONTRACT BETWEEN YOU AND WELLS FARGO BANK, N.A. ("WELLS FARGO") TO GOVERN THE AUTHORIZATION AND SETTLEMENT OF TRANSACTIONS CONDUCTED BETWEEN YOU AND YOUR CUSTOMERS USING THE CARDS THROUGH THE CARD SERVICES.

Any rights not expressly granted herein are reserved by Wells Fargo. Wells Fargo may terminate provision of credit and debit card processing services provided by Wells Fargo to AppFolio and you in connection with payments made to you through the Card Services and enforce any of the provisions of these Payments Terms that relate to the credit and debit card processing services provided by Wells Fargo. This CEA replaces any other CEA you may have already agreed to with AppFolio and Wells Fargo.

1.22.1 Purpose. When your customer pays you through the Card Services, he/she has the option of paying you through a funding source offered by AppFolio, including the Cards. Since you may be the recipient of a payment through a Card issued by the Card Brands, the Card Brands require that you enter into a direct contractual relationship with a bank who is a member of the Card Brands. By entering into this CEA, you are fulfilling the Card Brands' rule of entering into a direct contractual relationship with a member bank, and you are agreeing to comply with the Card Brand Rules as they pertain to the Card payments you receive through the AppFolio Services.

1.22.2 Card Brand Rules. You agree to comply with all Card Brand Rules as may be applicable to you from time to time. You acknowledge that the Card Brands have established guidelines, merchant monitoring programs and reports to track merchant activity, such as excessive credits and chargebacks, and increased deposit activity. In the event you breach any Card Brand Rule, you may be subject to: (i) incremental chargebacks and/or fees; (ii) settlement delay or withholding; (iii) termination of your AppFolio user agreement and this CEA; or (iv) audit and imposition of fines. You agree to follow all requirements of this CEA in connection with each Card transaction and to comply with all applicable Card Brand Rules.

Without limiting the generality of the foregoing, you shall comply with the following requirements and restrictions:

(a) Deposit Transactions. You agree to accept Card payments through the Card Services only for bona fide transactions between you and your customer for your services or goods. You shall not submit a transaction for the refinance or transfer of an existing obligation that was uncollectible. You acknowledge that, for Card payments, AppFolio may obtain an authorization for transaction amounts prior to completing the transaction.

You shall not request or use a cardholder's information for any purpose other than to support payment for your services or goods.

(b) Minimum or Maximum Thresholds. You agree that you shall not set maximum transaction amounts or impose surcharges as a condition of honoring Card payments. Any minimum transaction amount must not be greater than $10 and can only be applied to cards issued in the United States or United States Territories.

(c) No Surcharges; Taxes. You may not add tax to any transaction unless so permitted by Applicable Law and, in such case, only if included in the transaction amount and not collected separately.

(d) Card Brands' Marks. You are authorized to use the appropriate Card Brands' logos or marks on your promotional materials and website (as applicable) only to indicate that Cards are accepted as funding sources for your transactions.

(e) Cash Advances. You shall not disburse or advance any cash to your customers (except as authorized by the Card Brands) or to yourself or any of your representatives, agents, or employees in connection with a transaction, nor shall you accept payment for effecting credits or issuing refunds to your customers.

(f) Discrimination. You agree that you shall not engage in any acceptance practice that discriminates against or discourages the use of Cards in favor of any other card brand.

(g) Access to Cardholder Data and Card Data Security. If and to the extent you get access to Cardholder Data, you shall at all times be compliant with PCI DSS and Applicable Law and shall certify such compliance in accordance with the Card Brand Rules or when asked by AppFolio to do so. You shall also use only PCI-compliant service providers in connection with the storage or transmission of Cardholder Data. You must not store CVV2 data at any time. If you receive Cardholder Data in connection with the Card Services, you shall not (i) use the Cardholder Data for any purpose other than to support Card payments for your services, (ii) use the Cardholder Data for any purpose that you know or should know to be fraudulent or in violation of any Card Brand Rules, (iii) sell, purchase, provide or exchange in any manner or disclose Cardholder Data to anyone other than Wells Fargo or Card Brands (as applicable) or in response to a government request.

(h) AppFolio Customer Identification. You agree to prominently and unequivocally inform your customers of your identity at all points of interaction. You must include the address of your permanent establishment at such points of interaction.

(i) Chargebacks. You shall use all reasonable methods to resolve disputes with your customers. Should a chargeback dispute occur, you shall promptly comply with all requests for information from AppFolio or Wells Fargo. You shall not attempt to recharge a customer for an item that has been charged back, unless the customer has authorized such actions.

(j) Refund Policy. Refund Policy. If you limit refund/exchange terms or other specific conditions for transactions, your policy must be clearly provided to your customers prior to the transaction, as part of the confirmation process, and in accordance with Applicable Law. Proper disclosure would include wording that is prominently displayed and states "NO REFUND" or something substantially similar and includes any special terms, including those required by Applicable Law. You acknowledge that qualifying your refund or exchange terms does not completely eliminate your liability for a refund because consumer protection laws and Card Brand Rules frequently allow the cardholder to still dispute these items.

(k) Compliance with Applicable Laws; Privacy Policy Display. You will not access and/or utilize the Card Services for illegal purposes and will not interfere or disrupt networks connected with the Card Services. You agree to comply with all Applicable Laws, including but not limited to, laws requiring you to display your consumer privacy policy on your website as well as your security method for transmission of payment data.

(l) Limited Acceptance. Pursuant to the Card Brand Rules, you understand that you are allowed to limit your acceptance to either (i) only accept Non-PIN Debit transactions; or (ii) only accept Card transactions; however, by using the Card Services you are electing full acceptance.

(m) Recurring Transactions. If you permit recurring transactions, you must (i) obtain your customer's consent to periodically charge the customer on a recurring basis for the services or goods purchased; (ii) retain this permission for the duration of the recurring services or goods and in accordance with any Applicable Laws, Card Brand Rules or other applicable rules, and provide it upon request to AppFolio, Wells Fargo or your customer's Card issuing bank; and (iii) retain written documentation specifying the frequency of the recurring charge, the duration of time during which such charges may be made and the amount or range of amounts that may be charged. You must not submit any recurring transaction after receiving: (i) a cancellation notice from your customer (so long as such notice was timely provided, as determined in accordance with Applicable Law and Card Brand Rules); or (ii) notice

from AppFolio, Wells Fargo or any Card Brand that the Card is not to be honored. In your transaction data, you should include an electronic indicator that the transaction is a recurring transaction.

1.22.3 Payment Instructions. You authorize and instruct Wells Fargo to allow AppFolio to direct all amounts due to you for credit or debit card processing through Wells Fargo. AppFolio will serve as your agent for purposes of directing your proceeds from credit and debit card-funded processing services.

1.22.4 Term and Termination. This CEA is effective upon the date you electronically agreed to or accepted the Payments Terms or otherwise agreed to this CEA (by "click-through" or otherwise), and shall remain effective so long as you use the Card Services. This CEA will terminate automatically upon any termination or expiration of your subscription to the Card Services, provided that those terms which by their nature are intended to survive termination (including indemnification obligations and limitations of liability) shall survive. This CEA may be terminated by Wells Fargo, at any time, based on (i) a breach of any of your obligations under this CEA or the Payments Terms or (ii) the termination of the payment processing relationship between AppFolio and Wells Fargo. Notwithstanding the above, Wells Fargo and/or AppFolio, at its sole discretion, may terminate this CEA at any time for any reason.

1.22.5 Indemnification. In addition to your indemnification obligations set forth in the Terms of Service, you agree to indemnify and hold AppFolio and Wells Fargo harmless from and against all losses, liabilities, damages and expenses resulting from and/or arising out of: (a) any breach of any warranty, covenant or agreement or any misrepresentation by you under this CEA; (b) your or your employees' negligence or willful misconduct in connection with Card-funded transactions or otherwise arising from your provision of services to customers paying for such services through the Cards; (c) any third-party indemnification(s) AppFolio and/or Wells Fargo is obligated to make as a result of your actions (including indemnification of any Card Brand or your customer's Card issuing bank); or (d) failure to comply with Applicable Law or Card Brand Rules.

1.22.6 Warranty Disclaimer. WELLS FARGO DISCLAIMS ALL REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, MADE TO YOU OR ANY OTHER PERSON, INCLUDING WITHOUT LIMITATION, ANY WARRANTIES REGARDING QUALITY, SUITABILITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE OF THE SERVICES PROVIDED UNDER THIS CEA TO THE EXTENT PERMITTED BY LAW.

1.22.7 Limitation of Liability. Notwithstanding anything in this CEA to the contrary, in no event shall the parties hereunder, or their affiliates or any of their respective directors, officers, employees, agents or subcontractors, be liable under any theory of tort, contract, or strict liability or other legal theory for lost profits, lost revenues, lost business opportunities, or exemplary, punitive, special, incidental, indirect or consequential damages, each of which is hereby excluded by agreement of the parties, regardless of whether such damages were foreseeable or whether any party or any entity has been advised of the possibility of such damages. Notwithstanding anything in this CEA to the contrary, in no event shall Wells Fargo be liable or responsible for any delays or errors in Wells Fargo's performance of the services caused by Wells Fargo's service providers or other parties or events outside of Wells Fargo's reasonable control, including AppFolio. Notwithstanding anything in this CEA to the contrary, AppFolio's and Wells Fargo's cumulative liability for all losses, claims, suits, controversies, breaches or damages for any cause whatsoever (including those arising out of or related to this CEA) and regardless of the form of action or legal theory and whether or not arising in contract or tort shall not exceed the fees paid to Wells Fargo under this CEA (net of Card Brand fees, third-party fees, interchange, assessments, penalties and fines) for the six (6) months prior to the time the liability arose, such amount not to exceed ten thousand dollars ($10,000).

The foregoing sentence shall not exclude or limit any liability of any party for death or personal injury caused by negligence or fraud, deceit or fraudulent misrepresentation, howsoever caused.

1.22.8 Governing Law; Arbitration. This CEA shall be governed by and construed in accordance with the laws of the State of California. Any dispute with respect to this CEA between you and Wells Fargo, including a dispute as to the validity or existence of this CEA and/or this clause, shall be resolved by binding arbitration in accordance with the rules of the American Arbitration Association. Venue for any such arbitration shall be Santa Barbara County, California.

1.22.9 Assignment; Amendments. This CEA may only be assigned in connection with a permitted assignment under the Payments Terms. Wells Fargo may assign its rights under this CEA without your consent. This CEA may be amended by you only upon mutual written agreement with Wells Fargo. Wells Fargo may amend this CEA at any time via AppFolio posting a revised version on the AppFolio website(s). The revised version will be effective at the time AppFolio posts it. In addition, if the revised version includes a substantial change, to the extent required by Applicable Law, Wells Fargo will provide you with 30 days' prior notice of such change via AppFolio posting a notice on the AppFolio website(s). After such a notice is posted, you will be considered as having expressly

consented to all changes to the CEA if you continue to use the Card Services. For the purpose of this CEA, a "substantial change" will be any change that involves a reduction to your rights or increases your responsibilities.

1.22.10 Waiver. The failure of a party to assert any of its rights under this CEA, including the right to terminate this CEA in the event of a breach or default by the other party, will not be deemed to constitute a waiver by that party of its right to enforce each and every provision of this CEA in accordance with its terms.

1.22.11 Relationship Between the Parties. No agency, partnership, joint venture or employment relationship is created between AppFolio's customer and Wells Fargo by way of this CEA. In the performance of their respective obligations hereunder, the parties are, and will be, independent contractors. Except to the extent that AppFolio has been appointed as an agent of its customer, no party will bind, or attempt to bind, the other party to any contract or the performance of any obligation, and no party will represent to any third party that it has any right to enter into any binding obligation on the other party's behalf.

1.22.12 Severability. Whenever possible, each provision of this CEA will be interpreted in such a manner as to be effective and valid under Applicable Law, but if any provision hereof will be prohibited by or determined to be invalid by a court of competent jurisdiction, such provision will be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this CEA.

2. Worldpay, LLC Card Processing Terms

2.1. Verification

We will require you to provide information to verify your identity, or the identity of any ultimate beneficial owner of a bank account you have onboarded to the AppFolio Payments Services ("UBO"), as a condition of providing you with access to the credit and debit card payment processing services (the "Card Services"). Such information may include a government-issued identification, such as a passport or driver's license, a business license, employer identification number (EIN), a valid U.S. credit card, a verified U.S. bank account, or other financial or personal information. We may make, directly or through third parties, any inquiries we consider necessary to validate information that you provide to us. We may also ask for permission to inspect your business location. If you refuse any of these requests or provide inaccurate, untrue, or incomplete information, we may suspend or terminate your use of the Card Services in our sole discretion. By accepting the Payments Terms, you specifically (i) certify that you have the authority to authorize us to request identity verifying information about you, or a UBO; (ii) authorize us to request identity verifying information about you from third parties, including a consumer report that contains your name and address, background, credit, or banking information, as necessary; (iii) and certify you will keep such information up to date with the AppFolio Services. You agree that we are permitted to contact and share information about you, or a UBO, your AppFolio account, and all other information obtained under the Payments Terms with Worldpay, LLC ("Processor"), located at 8500 Governors Hill Drive, Symmes Township, OH 45249-1384, who serves as the payment processor in connection with the Card Services, and other financial institutions, including Card Brands. This includes sharing information (a) about transactions for regulatory or compliance purposes, (b) for use in connection with the management and maintenance of the service, (c) to create and update our/and or their customer records about you and to assist us and/or them in better serving you, and (d) to conduct our risk management process.

2.2. Acceptable Cards

The Card Services allow you to accept payments initiated with eligible credit and debit cards bearing the trademarks of Mastercard International Incorporated ("Mastercard"), DFS Services LLC ("DFS") and Visa U.S.A., Inc. ("Visa" and together with Mastercard and DFS, the "Card Brands"). We may remove or add cards that are accepted via the Card Services at any time without prior notice.

2.3. Our Limited Role

In connection with the Card Services, we merely collect and relay information and do not receive, take possession or custody of, or otherwise hold any funds on behalf of any third parties. We are a registered payment facilitator and a party to the Payments Terms on behalf of, and as an agent of, Processor.

2.4. Appointment of Processor and AppFolio as Your Agent

By accepting the Payments Terms, you hereby appoint Processor and AppFolio as your agent in connection with the Card Services for the limited purpose of processing amounts received ("Payments") from users paying via the Card Services ("Payors") on your behalf as payment for goods and/or services provided by you and transmitting such Payments to you, as well as to initiate credit and debit ACH entries to the receiving entity's bank account. The foregoing agency appointment will remain in full force and effect while you use the Card Services. You agree that receipt of Payors' Payments by AppFolio or Processor in connection with the Card Services pursuant to the Payments Terms constitutes receipt of Payments by you and therefore satisfies Payors' respective payment obligations to you as if the Payors paid you directly, even if Payors' Payments are never transmitted to you. Accordingly, you agree not to

seek Payments from Payors in the event that you do not receive Payors' Payments in connection with the Card Services.

If you use the Card Services to accept Payments owed to other individuals or entities for which you provide property management services ("Payees"), you represent and warrant that you have all requisite power, authorization, and authority to, among other things, (a) appoint AppFolio and Processor as each Payee's agent for the limited purpose of processing Payors' Payments on behalf of each Payee as payment for goods and/or services provided by the Payee and transmitting such Payments to you or the Payee; and (b) agree, on behalf of each Payee, that receipt of Payors' Payments by AppFolio or Processor on the Payee's behalf constitutes receipt of Payors' Payments by the Payee and satisfies Payors' respective payment obligations to the Payee as if the Payors paid the Payee directly, even if Payors' Payments are never transmitted to you or the Payee.

Notwithstanding the foregoing, and for clarity, where a Payor itself disputes a payment previously made and prevails (i.e., a chargeback is permitted), you agree we do not have any obligation to take further action for you, unless otherwise required by applicable law or Card Brand Rules (as defined below).

2.5. Restricted Use

You may use the Card Services only in accordance with, and subject to, the Payments Terms. You must comply with all applicable laws, rules, and regulations ("Applicable Law"), including, but not limited to, Card Brand Rules (as defined in Section 1.7) and those applicable to your use of the Card Services. You may not act as a payment intermediary, aggregator or service bureau or otherwise resell the Card Services or use the Card Services to handle, process or transmit funds for any third party, except as expressly permitted by the Payments Terms. You also may not use the Card Services to process cash advances. You may not discriminate against cards or issuers (e.g., limited acceptance options) except in full compliance with the Applicable Law.

2.6. Prohibited Transactions

You acknowledge and agree that you will not use the Card Services to accept Payments in connection with the following businesses or business activities (collectively, "Prohibited Transactions"), which we may revise from time to time: (i) adult products or services, such as adult book stores, video stores, toys; adult websites and content; adult entertainment (misc.); any products on the Internet containing graphic or nude content; audio (phone sex and adult phone conversations); companion/escort services; dating services (sexually-oriented); fetish products; illegal activity (e.g., child pornography, bestiality); massage parlors (sexually-oriented); discount membership, clubs, subscriptions, Coupon merchants or Online Sites; prostitution; gentleman's clubs, topless bars, and strip clubs; video (web-based sexually oriented video); brand or reputational damaging activities, potential or otherwise, including occult; and merchants that may include MCC's 5967, 7273, and 7841, (ii) airlines including Charter Airlines, (iii) animal and wildlife products classified as endangered or protected, (iv) any merchant accepting a Card as payment for a dishonored check or for an item deemed uncollectible by another merchant, (v) any merchant selling goods or services that represent a violation of any law, statute, or regulation, (vi) Any merchant or product, service or activity that is deceptive, unfair, predatory, or prohibited by one or more Card Brands, (vii) Any merchant selling products that infringe on the intellectual property rights of others, including counterfeit goods/replicas (e.g., knock-offs, imitations, bootlegs), or any product or service that infringes on the copyright, trademark, or trade secrets of any third party, such as many Cyberlockers, (viii) any merchant that accepts a Card at a scrip-dispensing terminal, (iv) bail bonds, (x) bankruptcy lawyers, (xi) bearer share entities, (xii) bidding fee auctions (a/k/a penny auctions), (viii) business/investment opportunities, merchants, or programs and inclusive of Brokers and Dealers operating as "get-rich-quick schemes" (e.g., real estate purchase with no money down), Real Estate Flipping, (viv) businesses physically located or operating outside the U.S. (off shore acquiring), (xv) businesses selling age or legally restricted products or services (e.g., sale of alcohol), (xvi) Card-not-present tobacco, tobacco products (including cigarettes), e-Cigarettes and "vape" supplies and accessories, (xvii) cell phones/pagers (billing for services only), Prepaid Phone Services, or Sales of Mobile Minutes, (xviii) centralized reservation services, (xix) chain letters, (xx) charities without 501(c)(3) or equivalent status, (xxi) collection agencies or firms involved in recovering/collecting past due receivables, (xxii) Commodity Trading, Security Trading, or security brokers, (xxiii) credit repair/restoration, Credit Counseling, or card protection (including identity theft protection), (xxiv) cruiselines, (xxv) data pass (merchants up-selling or cross-selling products of other merchants and then sharing the cardholder data with the third party or receiving cardholder data from third parties), or other Up-Selling merchants, (xxvi) Debt/Tax Elimination, Debt/Tax Reduction or Debt Consulting Services, including debt consolidation and mortgage reduction/consulting services, (xxvii) decryption and descrambler products including mod chips, (xxviii)direct marketing: Continuity or Subscription services or merchants including MCC 5968 and 5969, (xxix) Direct Marketing-Inbound Telemarketing including videotext services and MCC 5967; telemarketing companies involved with the following methods of operations: offering a free gift, prize, or sweepstakes/contest entry as an inducement to purchase their product or service; inbound telemarketing companies

that receive calls as the result of post cards or similar mailings (as opposed to catalog or media advertising); or selling products/services as an agent for a third party, (xxx) direct marketing-travel related arrangement services including MCC 5962, (xxxi) discount medical or dental plans, including discount insurance and medical benefit packages, (xxxii) distressed property sales and/or marketing, (xxxiii) door-to-door sales, (xxxiv) drug paraphernalia, (xxxv) embassy, foreign consulate, or other foreign government, (xxxvi) essay mills/paper mills (i.e., ghost writing services that sell essays, term papers, etc. with the intent that the purchasers will submit documentation as their own), (xxxvii) extended warranties, (xxxviii) fake references and other services/products that foster deception (including fake IDs and government documents), (xxxix) file sharing services, (xl) Firearms and weapons including ammunition, silencers, components, firearm parts, Internet/MOTO, and suppressors, (xli) fortune tellers, Psychics, and "occult" businesses, (xlii) Gambling Activities and Establishments including MCC 7995, including lotteries, internet gaming, illegal gambling, legal gambling where the cardholder is not present when the bet is made, sports forecasting or odds making, daily fantasy sports, contests, sweepstakes, "special incentives" or offering of prizes as an inducement to purchase goods or service, (xliii) government grants, (xliv) hate groups, (xlv) high interest rate, non-bank consumer lending with an APR >30% including, but not limited to, payday lending/loans and title loans, unsecure loans/lines originating from non-FDIC insured banks; Loan payments conducted on a credit Card, (xlvi) illegal drugs, substances designed to mimic illegal drugs, and/or other psychoactive products (e.g., K2, salvia divinorum, nitrate inhalers, bath salts, synthetic cannabis, herbal smoking blends, herbal incense, and HCG/HGH-like substances), (xlvii) illegal products/services or any service providing peripheral support of illegal activities, (xlviii) infomercial merchants, (xlix) internet/mail-order pharmacies or pharmacy referral sales, (l) jammers or devices that are designed to block, jam or interfere with cellular and personal communication devices/signals, (li) mail order spouse and international match-making services, (lii) marijuana, marijuana products, marijuana dispensaries or related products, including products or services that contain CBDs or provide access to CBDS, and services and marijuana-related businesses (excluding hemp), cannabis-related activities, (liii) membership/subscriptions in excess of one year (i.e., two year, three year, lifetime, etc.), (liv) merchants engaged in any form of deceptive marketing practices, including, but not limited to: hidden disclosure, bogus claims and endorsements, pre-checked opt out boxes, refund/cancellation avoidance, and poorly disclosed negative options, (lv) merchants that have ransom-like or extortion-like basis for their business model (e.g., mug shot removal), (lvi) merchants utilizing tactics to evade Card Brand excessive chargeback monitoring programs, (lvii) money transfer, wire transfers, money Orders, transmitters, and check cashing including merchants required to be registered as money service businesses, including: provider or seller of prepaid access/stored value, including both open-loop and closed-loop (closed-loop prepaid access includes gift cards, phone cards, subway cards, college campus cards, game cards and other limited-use prepaid access devices when the value can exceed $2,000) exceeding $2,000; money transmitters; wire transfer; quasi-cash; cash advances (by non-financial institutions); currency exchange or dealer; issuer/seller/redeemer of money orders or traveler's checks; and check cashers, (lviii) multi-level marketing or pyramid schemes, (lix) "negative option" marketing, renewal, or continuity subscription practices; marketing activities involving low-dollar trials, "pay only for shipping", and/or "free trial" periods after which a credit card is charged periodically or a significantly larger amount; other negative response marketing techniques by any type of merchant (i.e., customer is automatically charged if he/she does not return the merchandise at the end of a free trial period), (lx) nutraceuticals (e.g., acai berry or health-related teas or drinks), (lxi) outbound telemarketers and telecom merchants, including MCC's 4814, 4816, and 5966, (lxii) pawn shops, (lxiii) prescription drug sales, (lxiv) products/services that promote hate, violence, harassment or abuse, (lxv) pseudo-pharmaceuticals (e.g., weight-loss, anti-aging, muscle-building, sexual-stimulant supplements, colon cleansers, and detox products), (lxvi) rebate-based businesses or merchants offering substantial rebates or special incentives (e.g., free gift, prize, sweepstakes, or contest) as an inducement to purchase products/services, (lxvii) shipping/forwarding brokers, (lxviii) social media "click farms" (i.e., the sale of clicks/likes/reviews/endorsements on social media sites), (lxix) shell banks, (lxx) software resellers, (lxxi) third-party payment processors/aggregators/payment service companies (e.g., bill pay service, crowd funding, peer-to-peer payments, digital wallets, staged digital wallets, commissary accounts) falling outside of Card Brand-approved requirements (Payment Facilitators), or any merchant or sub-merchant submitting sales for payment that resulted from another commercial entity providing goods or services to the Cardholder, including those businesses that may otherwise qualify themselves as a Payment Service Company or Payment Facilitator, (lxxii) timeshares including resale and related marketing, (lxxiii) telehealth/telemedicine, (lxxiv) tribal entities (e.g., American Indian Tribes), or (lxxv) virtual currency that can be monetized, re-sold or converted to physical/digital goods/services or otherwise exit the virtual world, including Cryptocurrencies (e.g., Bitcoin, Ethereum, etc.).

2.7. Applicable Card Brand Rules

The Card Brands require that you comply with their applicable bylaws, rules, and regulations ("Card Brand Rules"), which are available at:

https://www.mastercard.us/en-us/business/overview/support/rules.html;
https://usa.visa.com/support/consumer/visa-rules.html;
https://www.americanexpress.com/merchantopguide; and
https://www.discoverglobalnetwork.com/content/dam/discover/en_us/dgn/pdfs/MIT-Implementation-Guide.pdf.

The Card Brand Rules in whole are incorporated by reference into the Payments Terms and will control with respect to any conflict in terms between the Payments Terms and such Card Brand Rules.

You covenant that you are not a third-party beneficiary under any agreement with a Card Brand, however, a Card Brand may be a third-party beneficiary of the Payments Terms, and shall have the rights, but not any obligation, necessary to fully enforce the Payments Terms against you.

The Card Brands have the right to amend the Card Brand Rules. We may be required to change the Payments Terms in connection with amendments to the Card Brand Rules.

For clarity, please note that the Card Brand Rules may prohibit you from, among other things as set forth in the respective links above, (a) assessing a surcharge for the use of a card in connection with any transaction, and/or (b) dispensing cash on any card transaction. You are responsible for complying with Card Brand Rules related to your use of Card Brand marks.

2.8. Account Deposits

Subject to the payout schedule below and the Payments Terms, and once your designated bank account(s) ("Bank Account") information is verified, Payments actually received by Processor for transactions submitted through the Card Services (less any applicable fees) will be deposited in your Bank Account. Funds for any given transaction will not be deposited until the transaction is deemed complete. Availability of funds deposited in your Bank Account will be determined by the financial institution that holds your Bank Account. You are responsible for monitoring your transactions and ensuring that payments to you in connection with the Card Services are correct. You must notify us of any errors in payments made to you within thirty (30) days of the error first appearing on your electronic transaction history. Failure to notify us of such an error will be deemed a waiver of any right to amounts owed to you.

2.9. Standard Payout Schedule

Once you validate your Bank Account, a transfer of funds will automatically be initiated to your Bank Account at the end of every business day, if and to the extent you are owed amounts hereunder. Payouts to your Bank Account will normally register within 3-4 business days of when the transaction is initiated.

2.10. Availability of Funds

Should we need to conduct an investigation or resolve any pending dispute related to your AppFolio database and/or your Bank Account, payout may be deferred or access to your funds may be restricted while we conduct such investigation and for up to 3 business days after. Payout may also be deferred or access to your funds may also be restricted as required by Applicable Law, court order, or Card Brand Rule or if otherwise requested by law enforcement or a governmental entity.

2.11. Your Account History

When a payment is made to your Bank Account, we will update your AppFolio database and provide you a transaction confirmation. The confirmation will serve as your receipt. Summaries of your account activity, including monthly statements, are available through your AppFolio database. Except as required by Applicable Law, you are solely responsible for (a) compiling and retaining permanent records of all transactions and other data associated with your Bank Account and your use of the Card Services and (b) reconciling all transactional information that is associated with your Bank Account. If you believe that there is an error or unauthorized transaction activity is associated with your Bank Account, you must contact us immediately.

2.12. Reserve

At any time and from time to time, payments to you may be suspended or delayed and/or we may designate an amount of funds that must be maintained in your Bank Account or in a separate reserve account to secure the performance of your payment obligations for the Card Services (the "Reserve"). We may require a Reserve for any reason, including without limitation, if you have a high rate of chargebacks (as defined below), refunds, or other indications of performance problems related to your use of the Card Services. The Reserve will be in an amount as reasonably determined by us to cover anticipated chargebacks, returns, unshipped merchandise and/or unfulfilled products or services or credit risk based on your processing history or such amount designated by Processor. The Reserve may be raised, reduced or removed at any time by us, in our sole discretion, based on your payment history,

a credit review or otherwise as we or Processor may determine or require. If you do not have sufficient funds in your Reserve, the Reserve may be funded from any funding source associated with your AppFolio database, including, but not limited to, any funds (a) deposited by you, (b) due to you under the Payments Terms, or (c) available in your Bank Account or other payment instrument registered with us. You grant us a security interest in and lien on any and all funds held in any Reserve and also authorize us to make any withdrawals or debits from the Reserve, without prior notice to you, to collect amounts that you owe us under the Payments Terms, including, without limitation, for any reversals of deposits or transfers made to your Bank Account. You will execute any additional documentation required for us to perfect our security interest in any funds in the Reserve. This security interest will survive for as long as we hold funds in your Reserve.

2.13. Refunds and Returns

By accepting payment card transactions through the Card Services, you agree to process returns of, and provide refunds and adjustments for, your services to your customers through your Bank Account in accordance with the Payments Terms, the Card Brand Rules and Applicable Law. The Card Brand Rules require you to: (a) maintain a fair return, cancellation or adjustment policy; (b) disclose your return or cancellation policy to customers at the time of purchase, (c) not give cash refunds to a customer in connection with a card transaction, unless required by law, and (d) not accept cash or any other item of value for preparing a card transaction refund. The amount of the refund/adjustment must include any associated taxes required to be refunded and cannot exceed the amount shown as the total on the original transaction data except by the exact amount required to reimburse the customer for postage that the customer paid to return merchandise. Please be aware, if your refund policy prohibits returns or is unsatisfactory to the cardholder, you may still receive a chargeback relating to such transactions.

2.14. Your Liability for Chargebacks

The amount of a transaction may be reversed from or charged back to your Bank Account (a "Chargeback") if the transaction (a) is disputed, (b) is reversed for any reason by the Card Brand, Processor, or a Payor's or our financial institution, (c) was not authorized or we have any reason to believe that the transaction was not authorized, or (d) is allegedly unlawful, suspicious, or in violation of the Payments Terms.

2.15. Our Collection Rights for Chargebacks

For any transaction that results in a Chargeback, the Chargeback amount may be withheld in a Reserve. We may deduct the amount of any Chargeback and any associated fees, fines, or penalties assessed by the Card Brand or Processor from your Bank Account (including, without limitation, any Reserve), any proceeds due to you, or other payment instrument registered with us. If you have pending Chargebacks, payouts may be delayed to your Bank Account. Further, if we reasonably believe that a Chargeback is likely with respect to any transaction, the amount of the potential Chargeback may be withheld from payments otherwise due to you under the Payments Terms until such time that: (a) a Chargeback is assessed due to a Payor's complaint, in which case we will retain the funds; (b) the period of time under Applicable Law by which the Payor may dispute that the transaction has expired; or (c) we determine that a Chargeback on the transaction will not occur. If we are unable to recover funds related to a Chargeback for which you are liable, you will pay us the full amount of the Chargeback immediately upon demand. You agree to pay all costs and expenses, including, without limitation, attorneys' fees and other legal expenses, incurred by or on behalf of us in connection with the collection of all account deficit balances unpaid by you.

2.16. Excessive Chargebacks

If we determine that you are incurring an excessive amount of Chargebacks, we may establish controls or conditions governing your AppFolio database, including, without limitation, by (a) establishing new processing fees, (b) creating a reserve in an amount reasonably determined by us to cover anticipated Chargebacks and related fees, (c) delaying payouts, and (d) terminating or suspending your use of the Card Services.

2.17. Contesting Chargebacks

You agree to assist us when requested, at your expense, to investigate any of your transactions processed through the Card Services. Towards that end, you permit us to share information about a Chargeback with the Payor, the Payor's financial institution, and your financial institution in order to investigate and/or mediate a Chargeback. We may also share such information with other parties as permitted by Applicable Law or Card Brand Rules. If we decide, in our sole discretion, to contest a Chargeback, we may request additional transaction related information from you. Examples of when we may determine not to contest a Chargeback include (but are not limited to) instances where (i) there is insufficient or incomplete evidence to make a defense, or (ii) the Card Brand Rules preempt a fight. If the Chargeback is contested successfully, we will release the reserved funds to your Bank Account. If a Chargeback dispute is not resolved in your favor by the Card Brand or issuing bank or we choose not to contest the Chargeback, we may recover the Chargeback amount and any associated fees as described in the Payments Terms. You acknowledge that Chargebacks are a risk associated with accepting payment by credit card. You further acknowledge

that your failure to assist us in a timely manner where we choose to investigate and/or contest a Chargeback transaction, including, but not limited to, by providing necessary documentation within two (2) days of our request, may result in an irreversible Chargeback. We reserve the right, upon notice to you, to charge a fee for mediating and/or investigating Chargeback disputes.

2.18. Our Set-off Rights

To the extent permitted by law, we may set off against the amount of any obligation you owe us under the Payments Terms, including, without limitation, any Chargebacks. All fees will be charged at the time we process a transaction and are deducted first from the transferred or collected funds and thereafter from.

2.19. Our Processing Errors

We will attempt to rectify processing errors that you notify us of or that we discover. If the error resulted in your receipt of less than the correct amount to which you were entitled, your Bank Account will be credited for the difference. If the error results in your receipt of more than the correct amount to which you were entitled, the extra funds will be debited from your Bank Account. Your failure to notify us of a processing error within thirty (30) days of when it first appears on your electronic transaction history will be deemed a waiver of any right to amounts owed to you.

2.20. Access to Cardholder Data and Card Data Security

If and to the extent you get access to Cardholder Data (as defined below), you shall at all times be compliant with the Payment Card Industry Data Security Standards (PCI DSS) and Applicable Law and shall certify such compliance in accordance with the Card Brand Rules or when asked by AppFolio or Card Brand to do so. You will cooperate with any such request or audit for certified compliance until the request or audit is completed. You shall also use only PCI-compliant service providers in connection with the storage or transmission of a cardholder's account number, expiration date, and CVV2 (collectively, the "Cardholder Data"). You must not store CVV2 data at any time. If you receive Cardholder Data in connection with the Card Services, you shall not (i) use the Cardholder Data for any purpose other than for the Card Services, (ii) use the Cardholder Data for any purpose that you know or should know to be fraudulent or in violation of any Card Brand Rules, or (iii) sell, purchase, provide or exchange in any manner or disclose Cardholder Data to anyone other than the Card Brands or in response to a government request. Further, you acknowledge and agree that you are responsible for your employees' actions, you will notify us of any third party that will have access to cardholder data, and you will immediately report all instances of a data breach to us immediately after you reasonably identify an incident.

2.21. Merchant Services Agreement for Sub-Merchants

YOU HAVE AGREED TO THE PAYMENTS TERMS, WHICH SET FORTH REQUIREMENTS REGARDING THE CARD SERVICES AND ARE INCORPORATED INTO THIS MERCHANT SERVICES AGREEMENT FOR SUB-MERCHANTS ("MSA") BY REFERENCE.

BY ACCEPTING THE PAYMENTS TERMS, YOU CONSENT TO BE BOUND BY THE TERMS AND CONDITIONS OF THIS IS MSA, EFFECTIVE AS OF THE DATE YOUR TRANSACTION VOLUME EXCEEDS THE APPLICABLE THRESHOLD AMOUNT, WHICH CONSTITUTES A LEGALLY BINDING CONTRACT BETWEEN YOU AND WORLDPAY, LLC. ("WORLDPAY") THIS MSA GOVERNS THE AUTHORIZATION AND SETTLEMENT OF TRANSACTIONS CONDUCTED BETWEEN YOU AND YOUR CUSTOMERS USING CARDS THROUGH THE CARD SERVICES.

Any rights not expressly granted herein are reserved by Worldpay. Worldpay may terminate provision of credit and debit card processing services provided by Worldpay to AppFolio and you in connection with payments made to you through the Card Services and may independently enforce any of the provisions of these Payments Terms that relate to the credit and debit card processing services provided by Worldpay. This MSA replaces any other MSA you may have already agreed to with AppFolio and Worldpay.

3. Merchant Services Agreement For Sub-Merchants ("MSA")

This MERCHANT SERVICES AGREEMENT FOR SUB-MERCHANTS ("Agreement") is made among WORLDPAY, LLC, having its principal office at 8500 Governors Hill Drive, Symmes Township, OH 45249-1384 and its designated Member Bank (collectively "Acquirer") and you ("Sub-merchant") in connection with the agreement between Sub-merchant and AppFolio, Inc. ("Provider"). Acquirer will provide Sub-merchant with certain payment processing services ("Services") in accordance with the terms of this Agreement. In consideration of Sub-merchant's receipt of credit or debit card funded payments, and participation in programs affiliated with Mastercard International Inc. ("Mastercard"), VISA U.S.A. Inc. ("VISA"), Discover ("Discover"), and certain similar entities (collectively, "Associations), Sub-merchant is required to comply with the Operating Regulations (defined below) as they pertain to applicable credit and debit card payments. In addition, if Sub-merchant meets certain requirements under the Operating Regulations or an Association or the Operating Regulations otherwise require, Sub-merchant may

be required to enter into a direct relationship with an entity that is a member of the Associations. By executing this Agreement, Sub-merchant has fulfilled such requirement. However, Acquirer understands that Sub-merchant may have contracted with Provider to obtain certain processing services and that Provider may have agreed to be responsible to Sub-merchant for all or part of Sub-merchant's obligations contained herein.

NOW, THEREFORE, in consideration of the foregoing recitals and of the mutual promises contained herein, the parties agree as follows:

3.1. **Certain Sub-merchant Responsibilities**. Sub-merchant agrees to comply, and to cause employees and third parties acting as Sub-merchant's agent ("Agents") to comply, with each Association's and other payment network's by-laws, operating regulations and/or all other rules, policies and procedures, including but not limited to the Payment Card Industry Data Security Standard, the VISA Cardholder Information Security Program, the Mastercard Site Data Protection Program, and any other program or requirement that may be published and/or mandated by the Associations or payment networks, including with respect to the use of an Association's mark(s) (collectively "Operating Regulations"). Such Operating Regulations are incorporated by reference, and will control with respect to any conflict in terms between this Agreement and such Operating Regulation. Sub-merchant acknowledges and agrees that it is not a third-party beneficiary of any Operating Regulation, however, an Association may be a third-party beneficiary of this Agreement, and that certain Operating Regulations govern the relationships between various parties such as the Associations, Processor, Member Bank, and/or other entities (e.g., partners, etc.), and that any failure by Processor to abide by such Operating Regulation does not provide the basis for a breach of the Agreement claim by Merchant or any other third party. The Associations make excerpts of their Operating Regulations available online, including via:

https://www.mastercard.us/en-us/business/overview/support/rules.html;
https://usa.visa.com/support/consumer/visa-rules.html;
https://www.discoverglobalnetwork.com/content/dam/discover/en_us/dgn/pdfs/MIT-Implementation-Guide.pdf;
https://www.americanexpress.com/merchantopguide.

Sub-merchant also agrees to comply with all applicable state, federal, and local laws, rules, and regulations ("Laws"). Sub-merchant hereby authorizes Acquirer to conduct background checks on Sub-merchant, including but not limited to credit checks and banking and financial history investigations, and share any information required by an Association. Without limiting the foregoing, Sub-merchant agrees that it will fully comply with any and all anti-money laundering laws and regulations, including but not limited to the USA PATRIOT Act, the Bank Secrecy Act, the Federal Trade Commission and obligations imposed by the US Treasury's Office of Foreign Assets Control (OFAC), and provide all necessary documentation to Acquirer promptly upon request. For purposes of this section, Agents include, but are not limited to, Sub-merchant's software providers and/or equipment providers.

If appropriately indicated in Sub-merchant's agreement with Provider, Sub-merchant may be a limited-acceptance merchant, which means that Sub-merchant has elected to accept only certain Visa and Mastercard card types (i.e., consumer credit, consumer debit, and commercial cards) and Sub-merchant must display appropriate signage to indicate the same. Acquirer has no obligation other than those expressly provided under the Operating Regulations and applicable law as they may relate to limited acceptance. Sub-merchant, and not Acquirer, will be solely responsible for the implementation of its decision for limited acceptance, including but not limited to policing the card type(s) accepted at the point of sale. Sub-merchant shall only complete sales transactions produced as the direct result of bona fide sale made by Sub-merchant to cardholders and is expressly prohibited from presenting sales transactions which are produced as a result of sales made by any person or entity other than Sub-merchant, or for any purposes related to any fraudulent, unauthorized, illegal or prohibited activity, including but not limited to money-laundering or financing of terrorist activities. All fees associated with each Associations' transactions must be separate and distinguishable from fees associated with other Card transactions.

Sub-merchant may set a minimum transaction amount to accept a card that provides access to a credit account, under the following conditions: i) the minimum transaction amount does not differentiate between card issuers; ii) the minimum transaction amount does not differentiate between Mastercard, Visa, or any other acceptance brand; and iii) the minimum transaction amount does not exceed ten dollars (or any higher amount established by the Federal Reserve).

Sub-merchant may set a maximum transaction amount to accept a card that provides access to a credit account, under the following conditions: Sub-merchant is a i) department, agency or instrumentality of the U.S. government; ii) corporation owned or controlled by the U.S. government; or iii) Sub-merchant whose primary business is reflected by one of the following MCCs: 8220, 8244, 8249 – Schools, Trade or Vocational; and the maximum transaction amount does not differentiate between Mastercard, Visa, or any other acceptance brand.

3.2. **Sub-merchant Prohibitions.** Sub-merchant must not i) require a cardholder to complete a postcard or similar device that includes the cardholder's account number, card expiration date, signature, or any other card account data, including CVV2, in plain view when mailed; ii) add any tax or surcharge to transactions, except in compliance with Operating Regulations and applicable law; iii) request or use an account number for any purpose other than as payment for its goods or services; iv) disburse funds in the form of travelers checks if the sole purpose is to allow the cardholder to make a cash purchase of goods or services from Sub-merchant; v) disburse funds in the form of cash unless Sub-merchant is dispensing funds in the form of travelers checks, TravelMoney cards, or foreign currency (in such case, the transaction amount is limited to the value of the travelers checks, TravelMoney cards, or foreign currency, plus any commission or fee charged by the Sub-merchant), or Sub-merchant is participating in a cash back service; vi) submit any transaction receipt for a transaction that was previously charged back to the Acquirer and subsequently returned to Sub-merchant, irrespective of cardholder approval; vii) accept a Visa consumer credit card or commercial Visa product issued by a U.S. issuer to collect or refinance an existing debt; viii) accept a card to collect or refinance an existing debt that has been deemed uncollectable; or ix) submit a transaction that represents collection of a dishonored check. Sub-merchant further agrees that, under no circumstance, will Sub-merchant store cardholder data in violation of the Laws or the Operating Regulations including but not limited to the storage of track-2 data. Neither Sub-merchant nor its Agent shall retain or store magnetic-stripe data subsequent to the authorization of a sales transaction.

3.3. **Settlement.** Upon receipt of Sub-merchant's sales data for card transactions, Acquirer will process Sub-merchant's sales data to facilitate the funds transfer between the various Associations and Sub-merchant. After Acquirer receives credit for such sales data, subject to the terms set forth herein, Acquirer or an affiliate of Acquirer will fund Sub-merchant, either directly to the Sub-merchant- Owned Designated Account or through Provider to an account designated by Provider ("Provider Designated Account"), at Acquirer's discretion, for such card transactions. Sub-merchant agrees that the deposit of funds to the Provider Designated Account shall discharge Acquirer or an affiliate of Acquirer of its settlement obligation to Sub-merchant, and that any dispute regarding the receipt or amount of settlement shall be between Provider and Sub-merchant. Acquirer or an affiliate of Acquirer will debit the Provider Designated Account for funds owed to Acquirer as a result of the Services provided hereunder, provided that Acquirer or an affiliate of Acquirer may also debit Sub-merchant's designated demand deposit account ("Sub-merchant-Owned Designated Account") upon receipt of such account information from Sub-merchant or Provider, or if Acquirer or an affiliate of Acquirer deposits settlement funds into the Sub-merchant-Owned Designated Account. Further, if a cardholder disputes a transaction, if a transaction is charged back for any reason, or if Acquirer or an affiliate of Acquirer reasonably believes a transaction is unauthorized or otherwise unacceptable, the amount of such transaction may be charged back and debited from Sub-merchant or Provider.

3.4. **Term and Termination.** This Agreement shall be binding upon Sub-merchant upon Sub-merchant's execution. The term of this Agreement shall begin, and the terms of the Agreement shall be deemed accepted and binding upon Acquirer, on the date Acquirer accepts this Agreement by issuing a merchant identification number, and shall be coterminous with Provider's agreement with Sub-merchant.

Notwithstanding the foregoing, Acquirer may immediately cease providing Services and/or terminate this Agreement without notice if (i) Sub-merchant or Provider fails to pay any amount to Acquirer when due, (ii) in Acquirer's opinion, provision of a service to Sub-merchant or Provider may be a violation of the Operating Regulations or any Laws, (iii) Acquirer believes that Sub-merchant has violated or is likely to violate the Operating Regulations or the Laws, (iv) Acquirer determines Sub-merchant poses a financial or regulatory risk to Acquirer, Member Bank, or an Association, (v) Acquirer's agreement with Provider terminates, (vi) any Association de-registers Provider, (vii) Acquirer ceases to be a member of the Associations or fails to have the required licenses, or (viii) Acquirer is required to do so by Member Bank or any of the Associations.

3.5. **Limits of Liability.** Sub-merchant agrees to provide Acquirer, via a communication with Provider, with written notice of any alleged breach by Acquirer of this Agreement, which notice will specifically detail such alleged breach, within thirty (30) days of the date on which the alleged breach first occurred. Failure to so provide notice shall be deemed an acceptance by Sub-merchant and a waiver of any and all rights to dispute such breach.

EXCEPT FOR THOSE EXPRESS WARRANTIES MADE IN THIS AGREEMENT, ACQUIRER DISCLAIMS ALL WARRANTIES, INCLUDING, WITHOUT LIMITATION, ANY EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Sub-merchant's sole and exclusive remedy for any and all claims against Acquirer arising out of or in any way related to the transactions contemplated herein shall be termination of this Agreement. In the event that Sub-merchant has any claim arising in connection with the Services, rights, or obligations defined in this Agreement, Sub-merchant shall proceed against Provider and not against Acquirer, unless otherwise specifically set forth in the Operating Regulations. In no event

shall Acquirer have any liability to Sub-merchant with respect to this Agreement or the Services. Sub-merchant acknowledges Acquirer is only providing this Agreement to assist in Provider's processing relationship with Sub-merchant, that Acquirer is not liable for any action or failure to act by Provider, and that Acquirer shall have no liability whatsoever in connection with any products or services provided to Sub- merchant by Provider. If Provider is unable to provide its services to Sub-merchant in connection with this Agreement and Acquirer elects to provide those services directly, Sub-merchant acknowledges and agrees that the provisions of this Agreement will no longer apply and the terms of Acquirer's then-current Bank Card Merchant Agreement, which would be provided to Sub-merchant upon request, will govern Acquirer's relationship with Sub-merchant. If Provider subsequently provides its services to Sub-merchant in connection with this Agreement, Acquirer will cease to provide such services after receipt of notice from Provider and this Agreement will govern Acquirer's relationship with Sub-merchant.

3.6. **Miscellaneous.** This Agreement is entered into, governed by, and construed pursuant to the laws of the State of Ohio without regard to conflicts of law provisions. This Agreement may not be assigned by Sub-merchant without the prior written consent of Acquirer. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, transferees, and assignees. This Agreement is for the benefit of, and may be enforced only by, Acquirer and Sub-merchant and is not for the benefit of, and may not be enforced by, any other party. Sub-merchant shall not disclose any Acquirer confidential information to any person or entity (other than to those employees or agents of Sub-merchant who participate directly in the performance of this Agreement and need access to such information, or, only to the extent strictly necessary, in response to a valid subpoena, court order, or Association requirement.) Acquirer may amend this Agreement upon notice to Sub-merchant in accordance with Acquirer's standard operating procedure. An Association may audit or direct the audit of Sub-merchant at any time, and nothing herein shall limit an Association from limiting or terminating an agreement with Sub-merchant. If any provision of this Agreement is determined to be illegal or invalid, such illegality or invalidity of that provision will not affect any of the remaining provisions and this Agreement will be construed as if such provision is not contained in the Agreement. "Member Bank" as used in this Agreement shall mean a member of VISA, Mastercard and/or Discover, as applicable, that provides sponsorship services in connection with this Agreement. As of the commencement of this Agreement, Member Bank shall be Fifth Third Bank, N. A., located in Cincinnati, OH, 45263. Member Bank is a party to this Agreement. Member Bank may be changed, and its rights and obligations assigned to another similarly situated bank by Acquirer at any time without notice to Sub-merchant.

4. RealNet Payments Terms and Conditions

YOU HAVE AGREED TO THE PAYMENTS TERMS, WHICH SET FORTH REQUIREMENTS REGARDING THE CARD SERVICES AND ARE INCORPORATED INTO THIS REALNET PAYMENTS TERMS AND CONDITIONS ("RNP AGREEMENT") BY REFERENCE.

BY ACCEPTING THE PAYMENTS TERMS, YOU CONSENT TO BE BOUND BY THE TERMS AND CONDITIONS OF THIS IS RNP AGREEMENT, EFFECTIVE AS OF THE DATE YOUR ACCEPTANCE OF THE PAYMENT TERMS, WHICH CONSTITUTES A LEGALLY BINDING CONTRACT BETWEEN YOU AND REALNET PAYMENTS LLC. ("RNPLLC") THIS RNP AGREEMENT GOVERNS THE AUTHORIZATION AND SETTLEMENT OF TRANSACTIONS CONDUCTED BETWEEN YOU AND YOUR CUSTOMERS USING CARDS THROUGH THE CARD SERVICES.

5. RealNet Terms and Conditions

You ("Sub-merchant") desires to use enhanced payment services pursuant to which RealNet Payments LLC ("RNPLLC") will receive, hold, and disburse funds on behalf of Sub-merchant to and/or from third parties ("Dynamic Payout Sub-merchant Service(s)") pursuant to these RealNet Payments Terms and Conditions, which are entered into between Sub-merchant and RNPLLC as provided below, ("RNP Agreement"), as may be modified by RNPLLC via notice to Sub-merchant (which may be in the form of email communication or such other communication as RNPLLC elects). RNPLLC is a licensed money transmitter in applicable United States ("U.S.") jurisdictions.

A. Description of Service.

1. Description of Service. The Dynamic Payout Sub-merchant Service(s) is provided by and through RNPLLC as a licensed money transmitter designed to enable:

i. Sub-merchant to initiate payments using settlement methods RNPLLC makes available to Sub merchant from time to time (e.g., ACH, Real Time Payments) (each, a "Payment") to or from Sub-merchant's designated counterparties in connection with payment obligations that arise in the ordinary course of [Sub-merchant's] business and in accordance with this RNP Agreement, applicable laws, and [Operating Regulations]; and,

ii. Sub-merchant to load funds to, receive funds into, and hold funds in an RNPLLC stored-value wallet ("Wallet") for the purpose of making Payments.

2. To facilitate your use of the Dynamic Payout Sub-merchant Service, RNPLLC shall receive messages or instructions (which may be in electronic form) on Sub-merchant's behalf solely from AppFolio, (i) in the RNPLLC-prescribed format, (ii) containing the information, including but not limited to the source of funds Sub-merchant wishes to use, and meeting the deadlines and other requirements specified by RNPLLC from time to time, (iii) requesting RNPLLC to initiate a Payment or to load funds to the Wallet, or otherwise as approved by RNPLLC, in each case as applicable (such instructions, "Authorized Instructions"). By using the Dynamic Payout Sub-merchant Service: (a) Sub-merchant authorizes AppFolio to settle funds to Sub-merchant's account at RNPLLC as well as to any other authorized account, and (b) acknowledges and agrees that all Authorized Instructions received by RNPLLC, whether directly or through AppFolio on behalf of Sub-merchant, are authorized by Sub-merchant and that RNPLLC shall have no responsibility to validate any Authorized Instructions nor any liability arising from the timing of Wallet loads, settlement instructions, or other execution by RNPLLC of Authorized Instructions provided to RNPLLC by AppFolio on behalf of Sub-merchant. At the inception of this RNP Agreement, permitted funds sources include Sub-merchant's designated operating Account, funds held in Sub-merchant's Wallet with RNPLLC, and other payment methods at RNPLLC's discretion.

B. General Terms. By using the Dynamic Payout Services, Sub-merchant acknowledges and agrees to the following terms:

1. Dynamic Payout Sub-merchant Services are offered to Sub-merchant for commercial purposes only, may not be used to attempt a credit to or debit from any third party that is not a Sub-merchant customer that has entered into an agreement with Sub-merchant authorizing Sub-merchant to initiate such credits and debits, and cannot be used by consumers for personal, family, or household purposes. Dynamic Payout Sub-merchant Services are provided in accordance with RNPLLC's then-current standards and service-delivery process, which may change from time-to-time in RNPLLC's sole discretion.
2. All funds eligible for Dynamic Payout Sub-merchant Services and processed by RNPLLC may be held in a custodial capacity by RNPLLC, as an agent of Sub-merchant, in a pooled account titled in the name of RNPLLC for the benefit of its customers, including Sub-merchant, and Sub-merchant hereby appoints RNPLLC as such agent.
3. Sub-merchant may not use the Dynamic Payout Sub-merchant Services to make payments on behalf of any other party without the prior express written consent of RNPLLC, at the sole discretion of RNPLLC.
4. Dynamic Payout Sub-merchant Services are not available in all countries or jurisdictions, including Afghanistan, Burma (Myanmar), Crimea, Cuba, Eritrea, Gaza Strip, Iran, Iraq, Ivory Coast, Laos, Liberia, Libya, Nauru, North Korea, Somalia, Sudan, Syria, the West Bank, Yemen, and other jurisdictions designated from time to time by RNPLLC;
5. Sub-merchant shall not use the Dynamic Payout Services to make payments to or involving any Specially Designated National or Blocked Person ("SDN") as designated by the United States Department of Treasury Office of Foreign Assets Control ("OFAC"), directly or indirectly, nor to any entity having 50% or more aggregate ownership by SDN(s).
6. Sub-merchant agrees it has no right, title or interest in any funds on deposit or any funds in the possession of, or in transit to or from, AppFolio, RNPLLC, Member Bank or any affiliate thereof.
7. Dynamic Payout Sub-merchant Services may involve the participation of one or more subcontractors of RNPLLC, or involve products or services made available through the Associations (e.g., VisaDirect, Mastercard Send, etc.);
8. The RNPLLC Wallet does not constitute a demand deposit account;
9. By submitting an Authorized Instruction to RNPLLC, including through AppFolio as applicable, Sub-merchant authorizes RNPLLC to take any action it deems necessary to facilitate the requested transaction, including debiting or credit [Sub-merchant's] or [Sub-merchant's] counterparties' bank accounts;
10. Not all aspects of the Dynamic Payout Sub-merchant Services are supported by all Card issuers. Certain financial institutions, Card issuers, and/or RNPLLC may (i) delay settlement of funds by the Dynamic Payout Sub-merchant Services, and/or (ii) set limits (e.g., daily, rolling 7-day, rolling 30-day, etc.) on transaction counts and/or transaction amounts or other limits regarding the provision of Dynamic Payout Sub-merchant Services that may at times be beyond the control of RNPLLC. Funds associated with declined transactions will be returned to the Wallet pending further Authorized Instructions from Sub-merchant or AppFolio. If for any reason any undisbursed funds remain in Sub-merchant's Wallet beyond RNPLLC's standards, which may be modified from time to time in RNPLLC's sole discretion, such funds may be sent to Sub-merchant's or AppFolio's account on file at the sole discretion of RNPLLC.

C. Additional Dynamic Payout Services Terms and Conditions.

Provision of Data to RNPLLC. RNPLLC may request certain information regarding Sub-merchant from AppFolio in connection with providing the Dynamic Payout Sub-merchant Services. Sub-merchant irrevocably authorizes AppFolio to share with RNPLLC or its affiliates, Sub-merchant's confidential and other information , including any information provided by Sub-merchant prior to Sub-merchant's first use of the Dynamic Payout Sub-merchant Services (e.g., information used in AppFolio's underwriting, etc.) and for RNPLLC to share Sub-merchant's confidential information with AppFolio. No sharing of information pursuant to the authorizations granted under this RNP Agreement will constitute a violation of any of RNPLLC's confidentiality obligations, if any such obligations exist.

1. Representation of Regulatory Compliance. By using the Dynamic Payout Sub-merchant Services, you represent and warrant that (i) you are not subject to sanctions programs administered or enforced by OFAC and that you will comply with all applicable U.S. economic sanctions laws when using the Dynamic Payout Sub-merchant Services, (ii) the information you have provided to RNPLLC is true, accurate, and complete, (iii) your actual and intended use(s) of the Dynamic Payout Sub-merchant Services comply(ies) with applicable law and do(es) not constitute or facilitate money laundering or any other illicit activity, (iv) you have all necessary authorizations, consents, registrations, permits, and other rights in connection with your activities related to the Dynamic Payout Sub-merchant Services, including, as applicable and where permitted by RNPLLC, the distribution of funds to third parties, and (v) you are compliant with and shall continue to meet all applicable laws, and all Operating Regulation requirements related to the use of the Dynamic Payout Sub-merchant Services.

7. UIGEA (Regulation GG)

The Unlawful Internet Gambling Enforcement Act of 2006 ("UIGEA") prohibits restricted transactions, which are transactions involving unlawful internet gambling, from being processed through this account or otherwise through the customer relationship. The Dynamic Payout Sub-merchant Services are subject to restrictions on activity or closure if RealNet Payments LLC has actual knowledge that restricted transactions have taken place in or through the customer relationship.

Sub-merchants certifies that it does not participate nor plan to participate in any unlawful UIGEA activity as described above.

Cannabis-Related Activity

RealNet Payments LLC does not provide services to companies that are directly or indirectly involved in cannabis-related activities.

Sub-merchant certifies that it and its customers do not participate nor plan to participate in cannabis-related activity.

Certification of OFAC and Sanctions Compliance

OFAC administers and enforces economic sanctions programs primarily against countries and groups of individuals, such as terrorists and narcotics traffickers. United States persons must comply with OFAC regulations, including all U.S. citizens and permanent resident aliens regardless of where they are located, all persons and entities within the U.S., all U.S. incorporated entities and their foreign branches. In addition, some U.S. persons are required to comply with economic sanctions administered by the U.S. Department of the State.

Sub-merchant certifies that it has implemented a risk-based program to prevent transactions with jurisdictions, entities, individuals, and other parties subject to sanctions of OFAC and the U.S. Department of the State.

2. Additional Terms and Conditions; Certain Sub-merchant Responsibilities. RNPLLC may refuse to act on any Authorized Instruction if RNPLLC learns or determines that facilitating one or more transactions in accordance with Authorized Instructions is not permitted for whatever reason (e.g., Sub-merchant's designated payee is a person or entity not supported by the Dynamic Payout Sub-merchant Services program requirements, including that the disbursement or transaction amount exceeds the amount permitted under the Dynamic Payout Sub-merchant Services program requirements, the disbursement or transaction is or may be illegal, or could result in regulatory or other scrutiny, is outside the scope of the program requirements, or is or may be impermissible for any other reason); or that AppFolio has informed RNPLLC that Sub-merchant is in default of any provision of its agreement with AppFolio or otherwise has an unsatisfied monetary obligation with RNPLLC or its affiliates.

As between RNPLLC and Sub-merchant, Sub-merchant is wholly responsible for designing and implementing all corresponding processes necessary to effectuate and receive Dynamic Payout Sub-merchant Services from RNPLLC, including obtaining any necessary authorizations from Sub-merchant customers prior to submitting Authorized Instructions using the Dynamic Payout Sub-merchant Services. Sub-merchant shall, at its own cost, make all necessary changes or updates to its systems or procedures, including in the event RNPLLC updates the Dynamic Payout Services in response to a change in applicable law or regulation, or the Operating Regulations, or for any other reason. Sub-merchant agrees and understands that the processes for submitting Authorized Instructions and other aspects of the

Dynamic Payout Sub-merchant services are available to Sub-merchant only through AppFolio's services, and that in the event of termination of AppFolio's agreement with Sub-merchant, Sub-merchant may no longer be eligible for or able to obtain the Dynamic Payout Sub-merchant services and RNPLLC may terminate this RNP Agreement and the Dynamic Payout Sub-merchant Services without notice to Sub-merchant.

Sub-merchant acknowledges and agrees that Authorized Instructions that are not in conformity with RNPLLC's then-current specifications, Authorized Instructions that are or may be in contravention of law or Operating Regulations, or Authorized Instructions that attempt to draw upon, or if executed will cause, a negative balance in Sub-merchant's Wallet or any other account utilized under the RNP Agreement may be rejected in RNPLLC's sole discretion. Sub-merchant shall always maintain an open bank account that RNPLLC can access via the ACH network. Sub-merchant irrevocably authorizes RNPLLC to debit and/or credit such account to settle any and all fees and other amounts due RNPLLC under this RNP Agreement including, without limitation, in the event of any overpayment, incorrect payment or returned payment, and such authority shall remain in effect for a period of one calendar year following the date of termination of this RNP Agreement. Sub-merchant authorizes RNPLLC to require Sub-merchant to prepay an amount of funds sufficient for RNPLLC to facilitate transactions to Sub-merchant's designated authorized payees, in each case in RNPLLC's sole discretion and to debit any Sub-merchant banking account on file with RNPLLC in the event of any negative Wallet balance in an amount sufficient to bring any negative Wallet balance to at least $0.00 or otherwise to exercise any right of RNPLLC hereunder. RNPLLC shall not have any liability arising from (i) Sub-merchant's or any third party's inability to receive the services that results from Sub-merchant's or AppFolio's failure to change or update its systems accordingly, (ii) inaccuracies in the Card account information or instructions provided to RNPLLC by Sub-merchant or AppFolio, (iii) RNPLLC executing any instructions from Sub-merchant or AppFolio on behalf of Sub-merchant regarding the release or holding of funds, including where such instructions are in violation of law or Operating Regulations, and/or (iv) any breach by Sub-merchant of its obligations under the AppFolio Terms of Services including, but not limited to, any misrepresentation by Sub-merchant under this RNP Agreement. Upon notice to Sub-merchant, RNPLLC may alter or discontinue all or any portion of the Dynamic Payout Sub-merchant Services, including but not limited to changing the fee(s) or the feature functionality set(s). RNPLLC may immediately terminate all or part of the Dynamic Payout Sub-merchant Services in its sole discretion or if (a) directed to do so by Member Bank or an Association, (b) if in RNPLLC's opinion, Sub-merchant's or AppFolio's activities may result in increased regulatory scrutiny or reputational harm, including if directed to do so by a regulator or as a result of any failure of Sub-merchant's control environment described in this RNP Agreement, or (c) if the breach of this RNP Agreement by Sub-merchant leads to or has the potential to lead to a violation of Operating Regulations, or law, or the rules or regulations of any governmental agency, federal, state, local, or otherwise. Sub-merchant acknowledges and agrees that the Associations and/or RNPLLC may at any time change or remove any of the attributes, standards, requirements, or functional specifications related to the Dynamic Payout Sub-merchant Services or withdraw such service in whole or in part. Such change, amendment, or withdrawal of the Dynamic Payout Sub-merchant Services shall not constitute a breach of the RNP Agreement. Sub-merchant shall provide RNPLLC and/or its designee with reports and other information for the reconciliation of Sub-merchant's accounts, if requested by RNPLLC. Sub-merchant shall also provide RNPLLC and AppFolio with prompt notice as to any reports or communications from the Associations or state, federal or local regulators to Sub-merchant relative to the actual or threatened assessment of any fines or penalties to be charged by an Association or any relevant state, federal or local regulator to Sub-merchant.

D. Start of Services. The Dynamic Payout Sub-merchant Services begin on the earlier of (i) the date that RNPLLC receives (directly or indirectly) Authorized Instructions from, or on behalf of, Sub-merchant, and (b) (ii) the date that RNPLLC first receives an instruction to load funds into a Sub-merchant Wallet.

E. Sub-merchant acknowledges that the Dynamic Payout Sub-merchant Services are provided by RNPLLC in accordance with RNPLLC's standards. RNPLLC reserves the right to amend, modify, and or add to the terms of these on 60 days' notice to Sub-merchant, or such shorter time as required by Operating Regulations or applicable law, which may be delivered to AppFolio on Sub-merchant's behalf, including if it becomes necessary to do so for regulatory or other reasons. RNPLLC shall not have any liability for delayed or declined transactions on account of any action or inaction by AppFolio, any Association, or Card issuing bank that affects the designed result of the Dynamic Payout Sub-merchant Services. Sub-merchant agrees to indemnify, defend, and hold RNPLLC harmless from any and all proceedings, losses, claims, costs, damages, demands, liabilities, and expenses whatsoever, including all reasonable legal and accounting fees and expenses and all reasonable collection costs incurred by RNPLLC ("RNPLLC Losses"), and each of its respective directors, officers, employees, affiliates and agents resulting from or arising out of Sub-merchant's use of the Dynamic Payout Sub-merchant Services, except to the extent such RNPLLC Losses occurred due to RNPLCC's gross negligence or willful misconduct. To the extent applicable, Dynamic Payout Sub-merchant Services are subject to the terms and restrictions of the Operating Regulations and other Association

requirements for push payment transactions, RNPLLC or its affiliate's, and/or Member Bank's standards (which may be updated from time to time), as well as to the terms, restrictions, and conditions in these terms and conditions. The Dynamic Payout Sub-merchant Services are provided "as is". Notwithstanding any applicable obligations of RNPLLC as a licensed money transmitter, RNPLLC PROVIDES NO, AND DISCLAIMS ALL, WARRANTIES OF ANY KIND (EXPRESS OR IMPLIED) WITH RESPECT TO THE DYNAMIC PAYOUT SUB-MERCHANT SERVICES, INCLUDING WITHOUT LIMITATION (I) THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, (II) THAT THE DYNAMIC PAYOUT SUB-MERCHANT SERVICES WILL ENSURE SUB-MERCHANT, OR ITS PAYEES RECEIVE FUNDS IN AN EXPEDITED OR THE MOST EXPEDITIOUS POSSIBLE TIME-FRAME FOR ANY PARTICULAR TRANSACTION OR FOR ITS TRANSACTIONS IN THE AGGREGATE. RNPLLC's liability related to or arising out of this RNP Agreement shall in no event exceed an amount equal to the lesser of (a) actual monetary damages incurred by Sub-merchant or (b) fees paid to and retained by RNPLLC for the particular Services in question for the one calendar month immediately preceding the date on which RNPLLC received a written notice from Sub-merchant detailing RNPLLC's material nonperformance under this RNP Agreement. In no event shall RNPLLC be liable for lost profits, lost business or any incidental, special, consequential, or punitive damages (whether or not arising out of circumstances known or foreseeable by Sub-merchant suffered by Sub-merchant, their customers, or any third party in connection with the Dynamic Payout Sub-merchant Services provided hereunder. AS AN EXPRESS INDUCEMENT FOR RNPLLC TO ENTER INTO THIS ADDENDUM, SUB-MERCHANT ACKNOWLEDGES AND AGREES THAT THE DYNAMIC PAYOUT SUB-MERCHANT SERVICES ARE PROVIDED BY RNPLLC AND NOT APPFOLIO. IN ADDITION TO ANY OTHER RIGHTS OF RNPLLC, RNPLLC SHALL HAVE A RIGHT TO IMMEDIATELY TERMINATE RNPLLC'S OBLIGATIONS UNDER THIS RNP AGREEMENT ON NOTICE TO SUB-MERCHANT, INCLUDING WITHOUT LIMITATION BECAUSE RNPLLC IS NO LONGER PERMITTED TO PROVIDE THE MONEY TRANSMISSION SERVICES AS DESCRIBED HEREIN OR BECAUSE THE AGREEMENT BETWEEN RNPLLC AND APPFOLIO, OR APPFOLIO AND SUB-MERCHANT HAS TERMINATED.

F. Miscellaneous.

1. These terms and conditions shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware without regard to its conflicts of law provisions, and all claims relating to or arising out of this contract, or the breach thereof, whether sounding in contract, tort or otherwise, shall likewise be governed by the laws of Delaware, excluding its choice-of-law principles. The Parties hereby consent and submit to service of process, personal jurisdiction, and venue in the state and federal courts in New Castle County, Delaware, and select such courts as the exclusive forum with respect to any action or proceeding arising out of or in any way relating to this RNP Agreement, or pertaining in any way to the relationship between Sub-merchant and RNPLLC. SUB-MERCHANT AND RNPLLC HEREBY WAIVE THE RIGHT TO TRIAL BY JURY IN ANY MATTER UNDER, RELATED TO, OR ARISING OUT OF THIS RNP AGREEMENT OR ANY TRANSACTIONS OR RELATIONSHIPS CONTEMPLATED HEREBY.
2. RNPLLC shall not be deemed to be in default under this RNP Agreement or liable for any delay or loss in the performance, failure to perform, or interruption of any Services or other responsibilities to the extent resulting, from a Force Majeure Event.
3. Unenforceable Provision. If any term or provision of this RNP Agreement or any application thereof shall be invalid or unenforceable, the remainder of this RNP Agreement and any other application of such term or provision shall not be affected thereby.
4. Notices: All notices, requests, demands and other communications to be delivered by AppFolio hereunder unless specified otherwise herein shall be in writing and shall be delivered by email to RNPLLC's designated contact and by nationally recognized overnight carrier, registered or certified mail, postage prepaid, to RNPLLC at 8500 Governors Hill Drive, Mail Drop 1GH1Y1, Symmes Township, OH 45249-1384, Attention: General Counsel/Legal Department – Payment Facilitator.
5. Binding on Successors; Assignment. This RNP Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, administrators, successors, transferees, and assignees. Neither this RNP Agreement nor any interest herein may directly or indirectly be transferred or assigned by Sub-merchant, in whole or in part, without the prior written consent of RNPLLC. Sub-merchant will remain liable for any amounts owed under this RNP Agreement after an unauthorized transfer or assignment by Sub-merchant, even if RNPLLC continues to provide Services to such transferee or assignee.

6. Third Party Assessments. Notwithstanding any other provision of this RNP Agreement, Sub-merchant shall be responsible for all amounts imposed or assessed to AppFolio, Sub-merchants, RNPLLC, or Member Bank in connection with this RNP Agreement by third parties such as, but not limited to, the Associations. Such amounts include, but are not limited to, fees, fines, assessments, sponsorship fees, penalties, loss allocations, etc. RNPLLC or its affiliate may allocate any such amounts in a manner as it deems advisable in its sole reasonable discretion. Any changes or increases in such amounts shall automatically become effective upon notice to Sub-merchant via RNPLLC's Service Delivery Process and shall be immediately payable by Sub-merchant when assessed.
7. Controlling Documents. This RNP Agreement (including all addenda and schedules and exhibits hereto and all documents and materials referenced herein) supersedes any and all other agreements, oral or written, between the Parties hereto with respect to the subject matter hereof, and sets forth the complete and exclusive agreement between the Parties with respect to the Dynamic Payout Services and, unless specifically provided for herein, other services are not included as part of this RNP Agreement. If there is a conflict between Operating Regulations and this RNP Agreement, the Operating Regulations shall control.
8. No Waiver. If any Party waives in writing an unsatisfied condition, representation, warranty, undertaking or agreement (or portion thereof) set forth herein, the waiving Party shall thereafter be barred from recovering, and thereafter shall not seek to recover, any damages, claims, losses, liabilities, or expenses, including, without limitation, legal and other expenses, from any other Party in respect of the matter or matters so waived. Except as otherwise specifically provided for in this RNP Agreement, the failure of any Party to promptly enforce its rights herein shall not be construed to be a waiver of such rights unless agreed to in writing. Any rights and remedies specifically provided for in any addendum or schedule or exhibit are in addition to those rights and remedies set forth in this RNP Agreement or available to the Parties at law or in equity.
9. Title to the Services. Sub-merchant agrees it is acquiring only a nontransferable, non-exclusive right to use the Services. RNPLLC shall at all times retain exclusive title to the Services, including without limitation, any materials delivered to Sub-merchant hereunder and any invention, development, product, trade name, trademark, service mark, software program, or derivative thereof, developed in connection with providing the Services or during the term of this RNP Agreement. Sub-merchant shall retain exclusive title to all trade name, trademark, service mark, software program, materials and other intellectual property or derivative thereof provided or made available by Sub-merchant under this RNP Agreement.
10. Modification of Agreement. Except as provided in this RNP Agreement, this RNP Agreement including any addendum or schedule or exhibit hereto shall only be modified or amended by an instrument in writing signed by an authorized representative of Sub-merchant and RNPLLC. Any changes, additions, stipulations, or deletions, including lining out, by Sub-merchant or RNPLLC, except where indicated by a space to be filled in (e.g., the space for Sub-merchant's name and address), shall not be deemed to be agreed to or binding upon RNPLLC unless agreed to in writing in the form of an amendment signed by each Party hereto. Sub-merchant agrees that RNPLLC may amend this RNP Agreement upon reasonable notice or as permitted under the requirement to Sub-merchant via RNPLLC's Service Delivery Process if such amendment is a requirement of applicable law or an Association.
11. Headings and Construction. The headings used in this RNP Agreement are inserted for convenience only and will not affect the interpretation of any provision. Sub-merchant and RNPLLC each acknowledge that the limitations and exclusions contained in this RNP Agreement have been the subject of active and complete negotiation between the Parties and represent the Parties' voluntary agreement. The Parties agree that the terms and conditions of this RNP Agreement shall not be construed in favor of or against any Party by reason of the extent to which any Party or its professional advisors participated in the preparation of this document.
12. Authorization. Each of the Parties hereto represents and warrants on behalf of itself that it has full power and authority to enter into this RNP Agreement; that the execution, delivery and performance of this RNP Agreement has been duly authorized by all necessary corporate, limited liability company or partnership or other appropriate authorizing actions; that the execution, delivery and performance of this RNP Agreement will not contravene any applicable by-law, corporate charter, operating agreement, partnership or joint venture agreement, law, regulation, order or judgment; that execution, delivery and performance of this RNP Agreement will not contravene any provision or constitute a default under any other agreement, license or contract which such Party is bound; and, that this RNP Agreement is valid and enforceable in accordance with its terms.

13. Counterparts. This RNP Agreement may be executed and delivered in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.
14. Facsimile and Electronic Signatures. Sub-merchant and RNPLLC agree that electronic signatures will have the same legal effect as original (i.e., ink) signatures and that an electronic, scanned, facsimile, or duplicate copy of any signatures will be deemed an original and may be used as evidence of execution.

G. Definitions.

For the purposes of this RNP Agreement, the following terms shall have the meanings set forth below. Words indicating the singular include the plural and vice versa where the context so requires:

Account shall mean one or more open checking accounts at a financial institution acceptable to RNPLLC which RNPLLC or their agents can access through the ACH system.

"ACH" shall mean the Federal Reserve System's Automated Clearing House system.

"American Express" shall mean American Express Travel Related Services Company, Inc.

"Association" shall mean VISA, Mastercard, Discover, American Express, or any Other Network, as the same are defined herein.

"Card" shall mean valid Mastercard, VISA, Discover, American Express and Other Network cards, account numbers assigned to a Cardholder, or other methods of payment accepted by RNPLLC, for which pricing is set forth in this RNP Agreement.

"Discover" shall mean Discover Financial Services, LLC.

"Force Majeure Event" shall mean, labor disputes, fire, weather or other casualty, power outages, and funding delays, however caused, governmental orders or regulations, or any other cause, whether similar or dissimilar to the foregoing, beyond a Party's reasonable control.

"Mastercard" shall mean Mastercard International, Inc.

"Member Bank" shall mean a member of VISA, Mastercard and/or Other Network, as applicable, that provides sponsorship services in connection with this RNP Agreement or AppFolio's agreement with its acquirer.

"Operating Regulations" shall mean the (i) by-laws, operating regulations and/or all other rules, guidelines, policies and procedures of VISA, Mastercard, Discover, American Express or Other Networks, and (ii) all other generally applicable rules, regulations and requirements of Member Bank which govern any services provided under this RNP Agreement, and (iii) all state and federal laws, rules and regulations which govern or otherwise affect the activities of Sub-merchant, RNPLLC, or Member Bank, including, but not limited to, those of the National Automated Clearing House Association ("NACHA") and the Federal Trade Commission ("FTC"), as any or all of the foregoing may be amended or in effect from time to time.

"Other Network" shall mean any network or card association other than VISA, Mastercard, Discover or American Express that is identified in the Payment Facilitator Price Schedule A or A-1 or any subsequent amendment to this RNP Agreement and in which Sub-merchant participates hereunder.

"Service" shall mean any and all services described in, or provided by RNPLLC to Sub-merchant in support of Sub-merchant's role pursuant to this RNP Agreement.

"Service Delivery Process" shall mean RNPLLC's then-standard methods of communication, service, and support, including but not limited to communication via an online Sub-merchant portal, email communication, statement notices, other written communications, etc.

"VISA" shall mean VISA USA, Inc.

8. eCheck (ACH) Payment Services

8.1. eCheck (ACH) Services

8.1.1 Online Receivables

If you subscribe to the Payments Services, you may elect to apply for inbound eCheck (ACH) payment services for online receivables ("Receivables eCheck Services"). If we approve your application, we will make the Receivables eCheck Services available to you.

8.1.2 Online Payables

If you subscribe to the Payment Services, you may elect to apply for outbound eCheck (ACH) payment services for online payables ("Payables eCheck Services", and, together with Receivables eCheck Services, the "ACH Services"). If we approve your application, we will make the Payables eCheck Services available to you.

Use of our Payables eCheck Services are subject to the terms of this Section 2 of the Payment Terms and that certain JHA Money Center, Inc. Online Payables eCheck Processing Services Agreement (the "eCheck Agreement"), which you executed during the online payments sign-up flow. If you require a copy of your eCheck Agreement, please contact us using the in-app messaging tool. For more information see: **https://help.appfolio.com/s/article/Submit-a-Support-Request**.

8.2. Definitions

As used in this Section 2 of the Payments Terms:

"ACH Transaction" means an electronic payment transaction originated by you or your Customer and processed through the ACH Network in the Federal Reserve System.

"Authorized Account" means the bank account or accounts as designated by you in your written application for ACH Services and/or additional bank accounts subsequently designated by you and communicated to us in writing.

"Customer" means, for purposes of this Section 2, your tenant or homeowner who submits a payment to you by means of an ACH Transaction.

"Entry" means a transaction submitted by you to us for processing by the ACH Services and further defined in the NACHA Rules.

"JHA" means Jack Henry & Associates, Inc., acting through either its (i) Profit Stars Division, our third-party payment processor for Receivables eCheck Services; or (ii) JHA Money Center, Inc. Division, our third-party payment processor for Payables eCheck Services, as applicable.

"NACHA" means the National Automated Clearing House Association.

"NACHA Rules" means the then-current rules, regulations and procedural guidelines published by NACHA and/or all regional payment alliances associated with NACHA.

"Originating Depository Financial Institution" or "ODFI" means the financial institution that receives the Entry from JHA and transmits the Entry to its ACH operator for transmittal to a Receiving Depository Financial Institution for debit or credit to your or your Customer's account, as these terms are further defined in the NACHA Rules.

"Receiving Depository Financial Institution or RDFI" means a financial institution qualified to receive ACH Entries.

"Reject/Return" means the return of an original Entry that either could not be posted or was not able to be identified by the RDFI.

"Settlement Account" means a commercial demand deposit bank account which you have established for JHA's access and use to settle financial payment transactions processed by JHA under the Payments Terms.

8.3. Transmittal of Entries; Timing

You hereby (i) certify that you have the authority to authorize us to initiate ACH credits and debits and adjustments to the Authorized Account(s); and (ii) authorize us to initiate ACH credits and debits and adjustments to the Authorized Account(s). This authorization will remain in effect after termination of the Payments Terms until all of your obligations to us and/or JHA have been paid in full. Confirmation from us of a credit or debit ACH transaction does not constitute a warranty that you will be paid for the transaction.

ACH files received by the processing deadline (imposed by the ODFI and the ACH operator) will be transmitted that day to the Federal Reserve Bank for settlement on the effective Entry day. Files received after the deadline will be transmitted to the Federal Reserve Bank on the next Banking Day as defined in the NACHA Rules. Notwithstanding the foregoing, delivery of funds may take up to five (5) business days to allow Reject/Return codes from the RDFI and the occurrence of Reject or Return codes due to your (or your Customers') use of the ACH Services may result in delayed processing timelines as determined by AppFolio in its sole discretion.

8.4. Exposure Limits

We reserve the right to cease providing you the ACH Services if we (in our sole discretion) determine that your use of the ACH Services results in an unacceptable volume of Rejects or Returns. Additionally, we reserve the right to determine adjustment of fees or potential reserves or terminate your right to use the ACH Services if we (in our sole discretion) determine that other factors may affect the risk of fraud or your instability.

8.5. Recoupment and Set-Off

You shall immediately reimburse us and JHA, via a wire transfer, for any returns or shortfalls that occur in your Settlement Account. JHA reserves the right to delay the availability of funds for deposit without prior written notice to you if, in its sole discretion, JHA deems itself at financial or relative risk for any and all ACH Services performed under the Payments Terms.

You hereby acknowledge and agree that JHA shall have a right of setoff against: (i) any amounts JHA would otherwise be obligated to deposit into your account and (ii) any other amounts JHA may owe you under the Payments Terms.

8.6. Representations and Warranties

8.6.1 We represent and warrant to you that the ACH Services will be performed consistent with ACH transaction processing industry standards and in accordance with the NACHA Rules and Applicable Laws. In the event that you discover an error in the ACH Services that has been caused by us or JHA, and you notify us of the

existence and details of the error within 30 days of the posting of the transaction, we shall use commercially reasonable efforts to correct the error within a reasonable time.

EXCEPT FOR THE FOREGOING WARRANTY, WE MAKE NO OTHER WARRANTIES FOR THE ACH SERVICES AND DISCLAIM ANY AND ALL PROMISES, REPRESENTATIONS AND WARRANTIES WITH RESPECT TO THE ACH SERVICES, WHETHER EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

We do not guarantee the completeness or accuracy of the information provided from a third-party database. We shall have no liability to you for any invalid Customer information provided by you or Entries returned unpaid.

8.6.2 You represent and warrant to us that:

(a) all Entries submitted to us for processing will comply with Applicable Laws and the NACHA Rules;

(b) in connection with all activities covered by the Payments Terms, you will comply with (i) all NACHA Rules and (ii) all Applicable Laws, including, but not limited to, the Federal Fair Credit Reporting Act, Regulation E, Regulation CC, Articles 4 and 4A of the Uniform Commercial Code, the Electronic Fund Transfer Act and the sanctions programs administered by the Office of Foreign Assets Control (OFAC);

(c) all information you provide in your initial application and supporting documentation, and in all subsequent updates thereto, will be valid, complete, accurate and up-to-date when given;

(d) the individual(s) who sign and submit the application for the ACH Services, and all future updates to the application and supporting documentation, will have the legal authority to make and bind you to the agreements, warranties and commitments stated in the Payments Terms and the application submitted on your behalf;

(e) you have verified or will verify the accuracy of transactions processed or payments collected via the ACH Services;

(f) you have secured all necessary permissions, consents, licenses, waivers and releases for the processing of the ACH Services and each part thereof; and

(g) you will not generate transactions that violate any Applicable Law.

8.7. Excluded Services

It is our policy not to provide the ACH Services to any person or organization whose use of the ACH Services involves or pertains to any activity which is illegal under Applicable Law or involves an activity or business with which we decline to accept and conduct business generally ("Excluded Activity or Activities"). As such, you warrant that you will not use the ACH Services to conduct any of the Excluded Activities, which include but are not limited to the following: (a) check advance, check cashers or money services businesses (MSBs), (b) credit repair services, debt consolidation and forgiveness programs, (c) government grant or will-writing kits, (d) internet gambling or accepting payments in connection with internet gambling, (e) internet pharmaceutical sales, (f) internet tobacco or firearms sales, (g) magazine subscriptions, (h) organizations residing outside of North America or U.S. Territories, (i) outbound telemarketing, (j) payday, subprime loan business or predatory consumer lending businesses, (k) pornography or other sexually-oriented business, (l) prepaid vacation/timeshare solicitation services, (m) psychic or horoscope consultation services, (n) sweepstakes, (o) bank drafts, remotely created checks or electronically created payment orders, (p) international ACH transactions (IAT), (q) shell banks, (r) used car dealerships exporting cars, (s) foreign businesses importing cars, (t) title loan businesses, (u) embassy/foreign consulate/foreign mission accounts, (v) cannabis products, (w) crowdfunding, (x) consumer debt collection agencies, (y) cryptocurrency businesses, and (z) any other activity which we deem, in our sole discretion, to adversely reflect on our reputation.

You acknowledge that we reserve the right to reject any proposed Authorized Account or to refuse to process a transaction in connection with the use of the ACH Services in conjunction with any Excluded Activity, as determined in our sole discretion.

9. Check Scanning Services

9.1. Check Scanning Services

If you subscribe to the Payments Services, you may elect to apply for check scanning services ("Check Scanning Services"). If we approve your application, we shall make the Check Scanning Services available to you.

9.2. Definitions

As used herein in this Section 3 of the Payments Terms:

"Authorized Account" means the bank account or accounts designated by you in your written application for Check Scanning Services and/or additional bank accounts subsequently designated by you and communicated to us in writing.

"Bank of First Deposit" means the financial institution that originates a transaction on behalf of its customers.

"Check 21 Rules" means the rules and regulations pertaining to Transactions, including but not limited to the Check Clearing for the 21st Century Act or Check 21 Act.

"JHA" means Jack Henry & Associates, Inc., acting through its Profit Stars Division, our third-party payment processor for Check Scanning Services.

"Reject/Return" means any item, which cannot be processed and is being returned by the paying bank to the Bank of First Deposit for correction or re-initiation.

"Settlement Account" means a commercial demand deposit bank account which you have established for JHA's access and use to settle financial payment transactions processed by JHA under the Payments Terms.

"Transaction" means a Check 21 debit transaction, including any data for such transaction.

9.3. Transmittal of Entries; Timing

You hereby authorize us to initiate debits and adjustments to the Authorized Account(s). This authorization will remain in effect after termination of the Payments Terms until all of your obligations to us and/or JHA have been paid in full. Confirmation from us of a Transaction does not constitute a warranty that you will be paid for the Transaction. Neither AppFolio nor JHA shall be liable for any delay by the Federal Reserve System or paying bank in processing any Transaction that you originate or for the failure of any other parties to any Transaction to process or debit the Transaction.

9.4. Exposure Limits

We reserve the right to cease providing you the Check Scanning Services if we (in our sole discretion) determine that your use of the Check Scanning Services results in an unacceptable volume of Rejects or Returns. Additionally, we reserve the right to determine adjustment of fees or potential reserves or terminate your right to use the Check Scanning Service if we (in our sole discretion) determine that other factors may affect the risk of fraud or your instability.

9.5. Recoupment and Set-Off

You shall immediately reimburse us and JHA for any returns or shortfalls that occur in your Settlement Account. JHA reserves the right to delay the availability of funds for deposit without prior written notice to you if, in its sole discretion, JHA deems itself at financial or relative risk for any and all Check Scanning Services performed under the Payments Terms.

You hereby acknowledge and agree that JHA shall have a right of setoff against: (i) any amounts JHA would otherwise be obligated to deposit into your account and (ii) any other amounts JHA may owe you under the Payments Terms.

9.6. Representations and Warranties

9.6.1 We represent and warrant to you that the Check Scanning Services will be performed consistent with applicable transaction processing industry standards and in accordance with Check21 Rules and Applicable Laws. In the event that you discover an error in the Check Scanning Services that has been caused by us or JHA, and you notify us of the existence and details of the error within 30 days of the posting of the transaction, we shall use commercially reasonable efforts to correct the error within a reasonable time.

EXCEPT FOR THE FOREGOING WARRANTY, WE MAKE NO OTHER WARRANTIES FOR THE CHECK SCANNING SERVICES AND DISCLAIM ANY AND ALL PROMISES, REPRESENTATIONS AND WARRANTIES WITH RESPECT TO THE CHECK SCANNING SERVICES, WHETHER EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

We do not guarantee the completeness or accuracy of the information provided from a third-party database.

9.6.2 You represent and warrant to us that:

(a) each Transaction will be accurate, timely, and authorized by the party whose account will be debited, and will otherwise comply with the Check21 Rules;

(b) in connection with all activities covered by the Payments Terms, you will comply with (i) all then-current Check21 Rules, and (ii) all Applicable Laws, including, but not limited to, the Electronic Fund Transfer Act, Regulation E, and Article 4A of the Uniform Commercial Code;

(c) each Transaction will be for the sum which, on the settlement date with respect to such Transaction, is owed to you from the party whose account will be debited;

(d) you will not use the Check Scanning Services to deposit any original paper check more than once;

(e) all checks processed using the Check Scanning Services will conform to the requirements of the Payments Terms and your deposit agreement with your bank; and

(f) you will review and validate the accuracy and completeness of the check data being captured by the Check Scanning Services, including, but not limited to, the amount of the check and the legibility of the check image generated.

9.7. Security Procedures

You must use the Check Scanning Services with operating systems which are either certified by JHA to operate with the Check Scanning Services or meet the minimum technical operating environment requirements published by JHA. You shall retain all original checks in a locked and secure environment until a completed Transaction is confirmed (which typically occurs in two weeks or less) after which time you shall shred original checks.

10. Bill Pay Services

10.1. Bill Pay Services

If you receive Payments Services, you may elect to electronically submit check and invoice data to Jack Henry & Associates, Inc., acting through its Profit Stars Division ("JHA"), for check printing and mailing in connection with the payment of your bills or invoices (the "Bill Pay Services"). JHA will (a) format and laser print checks based on the data you submit utilizing laser MICR printers, (b) insert those checks into envelopes, and (c) deposit those checks with the U.S. Postal Service for standard mailing. Checks will be drawn on those bank accounts provided by you and which have been underwritten and credentialed as part of the Payments Services. Checks will bear the routing and account number of the associated financial institution. Undeliverable checks will be returned to your address. AppFolio and JHA shall have no responsibility with respect to returned items, and neither AppFolio nor JHA warrant or in any way guarantee payment to the proposed recipient of the funds.

10.2. Representations and Warranties

We represent and warrant to you that the Bill Pay Services will be performed in a commercially reasonable manner. In the event that you discover an error in the Bill Pay Services that has been caused by us or JHA, and you notify us of the existence and details of the error within 30 days of the posting of the transaction, we shall use commercially reasonable efforts to correct the error within a reasonable time.

EXCEPT FOR THE FOREGOING WARRANTY, NEITHER WE NOR JHA MAKES ANY OTHER WARRANTIES FOR THE BILL PAY SERVICES AND WE HEREBY EXPRESSLY DISCLAIM ANY AND ALL PROMISES, REPRESENTATIONS AND WARRANTIES WITH RESPECT TO THE BILL PAY SERVICES, WHETHER EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

We shall have no liability to you for any invalid information provided by you or for any returned items.

You further warrant, represent and covenant to us that (a) you have verified or will verify the accuracy of information sent via the Bill Pay Services, (b) you have secured all the necessary permissions, consents, licenses, waivers and releases for the processing of the Bill Pay Services and each part thereof, and (c) you will not generate transactions that violate Applicable Law or applicable rules.

11. Cash Transaction Payment Services

11.1. Cash Transaction Payment Services

If you subscribe to the Payments Services, you may elect to enable cash transaction payment services ("Cash Transaction Payment Services"). The Cash Transaction Payment Services are made available to you pursuant to an agreement between us and our third-party service provider, PayNearMe MT, Inc. ("PayNearMe"). PayNearMe is an intended third-party beneficiary of this Section 6 of the Payment Terms.

11.2. Agreements

In connection with your use of the Cash Transaction Payment Services, you agree that: (a) PayNearMe, its payment locations, and we are authorized to receive cash payments on your behalf (i.e., act as agents for the limited purpose of receiving payments); (b) PayNearMe will remit payments to you, less commissions as well as any applicable transaction taxes that are obliged to be withheld and remitted to authorities; (c) we may share information with PayNearMe as may be necessary, in our sole discretion, to enable PayNearMe to perform the Cash Transaction Payment Services; (d) receipt of funds by a payment location on your behalf from any person using the Cash Transaction Payment Services (a "User") is deemed receipt of funds by you and will satisfy the obligations owed to you in the amount of the applicable payment by the User, even if PayNearMe fails to remit such funds to you (i.e., the User is not at risk of having to pay twice); (e) your recourse for any non-remittance of funds received by PayNearMe on behalf of third parties on your behalf is against us; (f) the receipt issued by the payment location will identify you as the recipient of the payment and may identify us as well; (g) you have no, and will not assert any, claim for payment

against any User after User's payment at any payment location and you will not allow or take any action that is adverse to User in connection with such payment; (h) either we or PayNearMe can elect to terminate the Cash Transaction Payment Services or suspend the initiation of new payment transactions at its sole discretion, until such time as the suspending party agrees to resume processing; (i) you will not use any payment location names, marks or logos; and (j) you will not engage in or aid and abet any fraud, theft, abuse, and/or illegality in the use of the Cash Transaction Payment Services and will cooperate with PayNearMe and us in any investigation into such activities, including without limitation, by immediately responding to requests for information concerning payments or transactions.

12. Term And Termination

12.1. Term

The term of the Payments Terms shall be conterminous with your subscription to the Payments Services.

12.2. Early Termination

Notwithstanding anything to the contrary herein, we may terminate or suspend the Payments Terms and your access to the Payments Services, in whole or in part, prior to the expiration of the term in the event of any of the following:

6.2.1. You breach the Payments Terms and, if such breach is capable of cure, fail to cure within five (5) days of notification of breach.

6.2.2. You become insolvent, enter into reorganization or bankruptcy, make a general assignment for the benefit of creditors, admit in writing your inability to pay debts as they mature, or suffer or permit the appointment of a receiver, any of which in our judgment impairs your ability to perform your responsibilities under the Payments Terms.

6.2.3. There is a deterioration or other materially negative change in your business or financial status or structure that increases the financial risk to us or our service providers in providing you the Payments Services.

6.2.4. There is a change in Applicable Laws, NACHA Rules (as defined in Section 2.2), Check 21 Rules (as defined in Section 3.2), Card Brand Rules, or our third-party agreements that restricts or prohibits us from providing the Payments Services or increases our cost in providing the Payments Services.

6.2.5 You utilize the Payments Services in conjunction with an Excluded Activity or Prohibited Transaction or in violation of Applicable Law or Card Brand Rules.

6.2.6. For any other reason expressly identified in the Payments Terms or our policies and procedures made available to you.

In the event we terminate the Payments Terms prior to the expiration of its term, we will provide you with notice of such termination, and termination will become effective on your receipt of notice.

13. Limitations of Liability

NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, IN NO EVENT SHALL WE, JHA, THE ODFI, THE BANK OF FIRST DEPOSIT, BANK, PAYNEARME, OR ANY OF OUR OR THEIR RESPECTIVE AFFILIATES, DIRECTORS, OFFICERS, EMPLOYEES, AGENTS OR SUBCONTRACTORS, BE LIABLE UNDER ANY THEORY OF TORT, CONTRACT, STRICT LIABILITY OR OTHER LEGAL THEORY FOR LOST PROFITS, LOST REVENUES, LOST BUSINESS OPPORTUNITIES, EXEMPLARY, PUNITIVE, SPECIAL, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES, EACH OF WHICH IS HEREBY EXCLUDED BY AGREEMENT OF THE PARTIES, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE OR WHETHER ANY PARTY OR ANY ENTITY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

BECAUSE SOME JURISDICTIONS DO NOT ALLOW THE EXCLUSION OR LIMITATION OF LIABILITY FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES, THE ABOVE LIMITATION MAY NOT APPLY, IN WHICH CASE LIABILITY SHALL BE LIMITED TO THE FULLEST EXTENT PERMITTED BY LAW.

NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, OUR, JHA'S, THE ODFI'S, THE BANK OF FIRST DEPOSIT'S, AND BANK'S CUMULATIVE LIABILITY FOR ALL LOSSES, CLAIMS, SUITS, CONTROVERSIES, BREACHES OR DAMAGES FOR ANY CAUSE WHATSOEVER ARISING OUT OF OR RELATED TO THE PAYMENTS SERVICES AND REGARDLESS OF THE FORM OF ACTION OR LEGAL THEORY AND WHETHER OR NOT ARISING IN CONTRACT OR TORT SHALL NOT EXCEED THE FEES PAID BY YOU TO US FOR PAYMENTS SERVICES DELIVERED UNDER THE PAYMENTS TERMS FOR THE THREE (3) MONTHS PRIOR TO THE TIME THE LIABILITY AROSE, SUCH AMOUNT NOT TO EXCEED FIFTY THOUSAND DOLLARS ($50,000).

14. Indemnification

In addition to your indemnification obligations in the Terms of Service, you will indemnify, defend and hold harmless the AppFolio Parties, JHA, the ODFI, the Bank of First Deposit, and Bank from and against Costs, incurred by the AppFolio Parties, JHA, the ODFI, the Bank of First Deposit, and/or Bank arising out of (i) your breach of the Payments Terms (including any of your representations, warranties, covenants or obligations under the Payments Terms), the NACHA Rules, the Check 21 Rules, the Card Brand Rules, or Applicable Laws; (ii) in connection with the ACH Services, return of an Entry due to incorrect or incomplete data or information provided by you in the submission of the Entry to us, a closed Customer account, or insufficient funds in the Customer account, (iii) in connection with the Check Scanning Services, Check21 debit transactions processed by JHA, (iv) fraudulent activity, wrongful or unauthorized use of the Payments Services, or submission of fraudulent or illegal entries by you or a third party who has gained access to the Payments Services through the use of your Services account, (v) your use of the Payments Services pursuant to the Payments Terms or any of your acts, omissions, cardholder disputes and other cardholder customer service-related issues caused by you, (vi) your business or your clients, and (vii) any sales transactions submitted by you under the Payments Terms.

16. Information Reporting

Internal Revenue Service ("IRS") and State regulations require that AppFolio file Form 1099-K to report payment volume information for customers that meet certain Federal and/or State thresholds in a calendar year. You acknowledge and agree that if you use AppFolio Payment Services to collect funds and you meet such thresholds in a calendar year, AppFolio will send you a Form 1099-K. The total number of transactions and total dollar amount of transactions are reported based on the Taxpayer Identification Number ("TIN") you provide to AppFolio when you apply for AppFolio Payment Services. You agree to keep us updated, by promptly submitting a support request, with any changes to your contact information (e.g., physical address, e-mail, phone number, etc.), legal name, and/or TIN so that we can report accurate information to the IRS.

17. Security Procedures; Confidentiality

You agree to comply with the procedures established by us for security as are communicated to you either orally or in writing, including the confidentiality provisions of the Terms of Service, and will contact us immediately if you have reason to believe that confidentiality has been or is likely to be breached.

18. Use of Service; Non-Compliance

Notwithstanding any contrary provision in the Payments Terms, the Payments Services are to be utilized solely by property management companies located and operating in the United States to facilitate payments for property management purposes. Consumer transactions, including payroll processing, are expressly prohibited. Non-compliance with the Payments Terms could result in you being assessed noncompliance fines and/or cessation of your access to the Payments Services in whole or in part. We reserve the right to refuse to process any transaction or transactions that we deem, in our sole discretion, to violate the Payments Terms.

ITEM 5. AppFolio Sites Terms

Last Updated: January 25, 2023

If you have subscribed to the Services, you may also subscribe to AppFolio Sites (the "Website Services"). The order form that you have completed identifies the Website Services to which you have subscribed, the subscription term, and the fees payable by you to us for the Website Services. The following additional terms of service apply specifically to the Website Services and are hereby incorporated by reference into the Terms of Service. Capitalized terms used but not otherwise defined below shall have the meaning given in the Terms of Service. In the event of any conflict between the terms below and the Terms of Service, the terms below shall prevail. If you do not subscribe to the Website Services, the Website Terms do not apply and shall not be enforced.

1. Website Hosting Services

If you subscribe to the Website Services, we will host your website on our private servers (the "Website Hosting Services"). You will be required to use our nameservers to configure your primary domain's DNS settings. As part of the Website Hosting Services, we will be responsible for the initial setup and registration or transfer of one domain name if we decide, in our sole discretion, that registration or transfer is necessary to enable the Website Hosting Services. If more than one domain name must be registered or transferred, additional fees may apply. You are responsible for providing materials and reasonable assistance as identified by us for the registration and/or transfer of domain name(s). We will maintain current domain registration as long as you are subscribed to the Website Hosting Services and have paid all applicable fees. As part of the set-up process, we will give you an opportunity to modify the current content of your existing website, if any. We will interact with your current hosting company only if

necessary and authorized by you and will not be responsible for any costs incurred to obtain files or other transfer-related costs, all of which shall be your responsibility.

2. Website Design Services; Content for Website

In addition to the Website Hosting Services, we agree to provide website design services (the "Website Design Services"). We will provide our proprietary design templates for use in connection with your website, together with a limited selection of alternative text, images and colors; *provided, however,* you remain solely responsible for (i) the selection of the design template, (ii) all data and content on your website, including without limitation all content you upload in conjunction with the Website Services (the "Content") and (iii) the overall look and feel of your website. We will not provide custom design or photography services. You agree not to hire a third party to modify the design template, and you hereby expressly agree to use us to make any changes to the design template and/or Content. You acknowledge and agree that we are and will remain the sole and exclusive owner of the proprietary design templates offered as part of the Website Design Service and you have no right, title or interest in the design templates except the limited right to use the template you select for as long as you use the Website Hosting Services.

3. Handling of Your Content and Domain upon Termination

Upon termination of the Website Services, our sole obligation is to retain your Content in the format maintained by us in the production environment (test or draft versions of Content will not be retained) for thirty (30) days after termination (the "Content Retention Period"). Upon written request during the Content Retention Period, we will provide your Content to you as follows: company logo file(s), image files, and text. Content exports shall not include our proprietary design templates or themes, or any customized elements. If your domain name was originally purchased by us, or you transferred your domain name ownership to us, we agree to work with you in good faith to transfer your domain name to you, and will use commercially reasonable efforts to do so. At the end of the Content Retention Period, if you have not worked with us to transfer your domain, we will relinquish control of your domain name and release it back to the TLD Registry. We will not pay any renewal or other domain name-related fees or costs after termination of the Website Services.

4. Integration Services

You may request that we integrate all available Services into your website. For clarity, we will not be responsible for integrating your website with any third party products or services. Links to third party services may be made available to you upon request.

5. Your Website Content

5.1. License

You grant us a nonexclusive, worldwide and royalty-free license for the term of the Agreement to (i) edit, modify, adapt, translate, exhibit, publish, transmit, participate in the transfer of, reproduce, create derivative works from, distribute, publicly perform, publicly display, and otherwise use all of your Content, and (ii) make archival or back-up copies of the Content, as necessary for the purpose of rendering and operating the Website Services for you pursuant to this Agreement. Except for rights expressly granted under this Agreement, we do not acquire any right, title or interest in or to the Content, all of which shall remain solely with you.

5.2. Our Rights

We may temporarily disable or suspend all or any aspect of the Website Services if you fail to pay the fees due for your subscription or otherwise breach this Agreement. Further, we may restrict or remove from our servers any Content that either (i) violates this Agreement or any related policies or guidelines, or (ii) is otherwise objectionable or potentially infringing on any third party's rights or that potentially violates any law, as determined in our sole discretion. These rights of action, however, do not obligate us to monitor or exert editorial control over your Content or any other aspect of your website(s). If we take corrective action because of any possible violation, we will not refund to you any fees paid by you in advance of the corrective action.

5.3. Data Protection, Security And Privacy Laws

You acknowledge and agree that you are solely responsible when using the Website Services for complying with applicable data protection, security and privacy laws and regulations (including, where applicable, the EU General Data Protection Regulation, the EU e-Privacy Directive/Regulation, and the California Consumer Privacy Act), including any notice and consent requirements. This includes without limitation the collection and processing by you of any personal data, when you use your websites or the Website Services. If applicable law requires, (i) you must provide and make available on your websites a legally compliant privacy policy (we will assist you uploading a privacy policy; however, the content of the privacy policy is your sole responsibility), and (ii) you must provide and make available on your websites a legally compliant cookie policy.

5.4. Additional Representations and Warranties

You warrant, represent and covenant to us that (i) you have verified the accuracy of materials distributed or made available for distribution via the Website Services, including any and all Content, descriptive claims, warranties, guarantees, nature of business and address where business is conducted and such information and materials are not fraudulent or misleading and do not violate any applicable laws, rules, regulations or guidelines; (ii) you are the owner or valid licensee of the Content and have secured all necessary permissions, consents, licenses, waivers and release for the use of the Content and each part thereof, and (iii) use, publication and display of the Content does not, and will not, infringe or violate any rights of any third party (including any intellectual property rights) or violate any applicable laws, rules, regulations or guidelines and there are no pending or threatened claims alleging any such infringement or violation.

6. AudioEye Accessibility Service

6.1. AudioEye Accessibility Service

As part of the Website Services, you have access to an accessibility platform provided by third party provider AudioEye ("AudioEye"). AudioEye's accessibility platform provides you assistance in making your website digitally accessible and in line with commonly accepted accessibility standards, including through ongoing site scans ("Accessibility Service"). Your use of the Accessibility Service is subject to the terms as set forth in Section 15 of the AppFolio Property Manager Terms Of Service (Third Party Products and Services) contained herein. You hereby accept and agree to the relevant AudioEye terms of services located at (**https://www.audioeye.com/terms-of-service/**) ("AudioEye Terms").

6.2. Role of AppFolio

By using the Accessibility Service, you acknowledge and agree that the Website Services serve only as a conduit for your access to the Accessibility Service. While you may manage and access components of the Accessibility Service from the Website Services, your access and use remains subject to the terms contained in the AudioEye Terms. We are not a party to the AudioEye Terms nor any other agreement between you or AudioEye, and we expressly disclaim all liability with respect to such agreements. We do not control and are not affiliates with AudioEye, and have no responsibility or liability for any action or failure to act by AudioEye.

6.3. Your Responsibility

You understand and acknowledge that (a) we have no responsibility or liability with respect to any use or abuse of the AudioEye Terms, (b) we do not provide the Accessibility Service and are not responsible for any accessibility claims connected to your use of the AudioEye Terms, (c) we have no liability or obligations in the case of any data breach or otherwise compromised data as a result of your relationship with AudioEye, (d) your sole recourse in such case of a data breach or other similar event will be against AudioEye.

7. Fees

7.1. Website Fees

The non-refundable one-time Website Services set-up fee and monthly fee per website are as set forth on the order form or in the online sign-up flow and are due and payable on your next regular billing date following delivery by us of a fully functional website for your review (a "Preview Site"). Website monthly fees may be increased from time to time. No refunds of fees you have paid will be given even if you elect to terminate your subscription early.

7.2. Past Due Amounts

If you fail to pay the fees due and payable for the Website Services, we reserve all of its rights, including without limitation the right to engage a collections agency to collect the fees, and you shall pay all costs incurred by us in connection with the collection of past due amounts, including without limitation reasonable attorneys' and collections agencies' fees plus interest in an amount equal to the lesser of 1.0% per month or the maximum rate permitted by applicable law.

8. Term

Unless otherwise expressly stated in your order form and/or online sign-up flow, the Website Services term shall be month to month, terminable by either party upon 30 days' written notice to the other party.

9. Encryption; SSL Certificates

We currently secure each website purchased as part of the Website Services with SSL certificates, which may result in SSL-related errors or warnings for site visitors who use an older browser or out-of-date browser version. Upon termination of the Website Services, any SSL certificate protection will terminate as well. Finally, in order to participate in the Website Services, you agree to be, and hereby are, bound by the Let's Encrypt Subscriber Agreement, which can be found at **https://letsencrypt.org/repository**.

ITEM 6. AppFolio Beta Terms

Last Updated: October 6, 2023

The following beta service terms ("Beta Terms") describe your rights and responsibilities when accessing the Beta Services (as defined below) and are hereby incorporated by reference into the Terms of Service. Capitalized terms used but not otherwise defined below shall have the meaning given in the Terms of Service. In the event of any conflict between the Beta Terms and the Terms of Service, the Beta Terms shall prevail.

1. Beta Services

From time to time, AppFolio may make certain products, services, features, or functionalities available to you, which may be designated by AppFolio as a beta, pilot, limited release, evaluation, or by a similar description, to be used in conjunction with or separate from the Services, as applicable (each, a "Beta Service" and collectively, the "Beta Services"). Beta Services are made available for evaluation and feedback purposes only and may not be used for any other purpose, except as permitted by AppFolio. Beta Services may be subject to additional terms, as set forth in any associated agreements or documentation provided by AppFolio.

1.1. API Integrations

To the extent a Beta Service relates to AppFolio Stack or a third party API integration ("Anticipated Integration"), as part of your access and use of the Anticipated Integration, you agree to (1) fully implement and test the integration on a pilot property (or properties), (2) provide feedback about the Anticipated Integration, including feedback about any unexpected behavior, and (3) provide an acknowledgement upon successful completion of the testing period, as required by AppFolio. You hereby assign to AppFolio any rights related to feedback, suggestions for change and improvement to the Anticipated Integration and any related rights thereto.

1.2. Paid Beta Services

To the extent a Beta Service is offered to you for a fee, additional terms related to pricing and billing will be provided to you by AppFolio.

1.3. Public Release of Beta Service

In the event a Beta Service is publicly released, your continued access and use of such product or services will be subject to its then public facing price and terms, unless AppFolio provides notice otherwise. AppFolio will provide you with a minimum of thirty (30) days' written notice prior to commencement of billing for such products or services.

2. Communication

You acknowledge the importance of communication between you and AppFolio during your use of the Beta Services and agree to receive correspondence and updates related to the Beta Services from us. In the event you request to opt out of such communications, your right to access and use of the Beta Services may be terminated, at AppFolio's sole discretion.

3. Confidentiality

The Beta Services are not publicly available and you agree that your participation in the Beta Service program and any information about or related to the Beta Services, associated documentation, and any and all data contained therein, constitutes AppFolio Confidential Information. If you are required by law to make any disclosure that is prohibited or otherwise constrained by this Agreement, you will provide AppFolio with prompt written notice of such requirement prior to such disclosure. Subject to the foregoing sentence, you may furnish that portion (and only that portion) of the information about or related to the Beta Services that you are legally compelled or otherwise legally required to disclose. The provisions of this section regarding protection of confidential information shall survive until such time as such confidential information becomes generally available to the public without restriction and through no fault of you or any of your affiliates, agents, consultants, or employees.

4. No Reverse Engineering

You shall not reverse engineer, disassemble or decompile any prototypes, software or other tangible objects or code which embody the Beta Services.

5. Ownership

AppFolio owns all right, title, and interest in and to the Beta Services, in addition to any and all intellectual property rights therein, including but not limited to any and all copyrights, patents, patent applications, trade secrets, trademarks and other intangible rights therein. Neither you nor any third party will earn or acquire any rights or licenses under any copyrights, patents, trade secrets, trademarks or other intellectual property rights on account of your participation in the Beta Services program or your evaluation of the Beta Services. You hereby assign to AppFolio any rights, without any obligation or compensation to you or any authorized user, related to suggestions for changes and improvement to any of the Beta Services.

6. No Obligation and Termination

Nothing herein obligates AppFolio to make the Beta Services available to you on a permanent basis or release the Beta Services publicly. You agree that AppFolio may terminate your right to use the Beta Services at any time, with or without prior notice.

7. No Warranty

THE BETA SERVICES ARE PROVIDED "AS IS" AND APPFOLIO MAKES NO WARRANTIES, EXPRESS, IMPLIED OR OTHERWISE, WITH RESPECT TO THE ACCURACY, COMPLETENESS, PERFORMANCE, FUNCTIONALITY, OR UPTIME OF THE BETA SERVICES. YOU ACKNOWLEDGE AND AGREE THAT YOUR USE OF THE BETA SERVICES ARE AT YOUR OWN RISK AND APPFOLIO SHALL HAVE NO LIABILITY TO YOU IN CONNECTION WITH ANY LOSS, COST, EXPENSE, PROCEEDING OR OTHER LIABILITY THAT MAY RESULT FROM YOUR USE OF THE BETA SERVICES.

EXHIBIT M

SOFTWARE SYSTEM USER & MAINTENANCE AGREEMENT

SOFTWARE SYSTEM USER & MAINTENANCE AGREEMENT

This SOFTWARE SYSTEM USER & MAINTENANCE AGREEMENT (this "Agreement") is entered into on this _____ day of _____, 20__ (the "Effective Date") by and between **REAL PROPERTY MANAGEMENT SPV LLC**, a Delaware limited liability company with an address of 1010 North University Parks Drive, Waco, Texas 76707 ("Franchisor"), and _____, a(n) _____, having an address of _____ ("Franchisee").

WHEREAS, contemporaneously with the execution of this Agreement, the parties are entering into a franchise agreement and/or an Amendment to an existing Franchise Agreement ("Franchise Agreement") pursuant to which Franchisor is granting to Franchisee the right to operate a Real Property Management franchise and Franchisee is agreeing to undertake the obligations of a Real Property Management franchisee. One of Franchisee's obligations under the Franchisee Agreement is to install, maintain and upgrade such computer hardware, software and Internet access as Franchisor may periodically require.

WHEREAS, Franchisor requires all of its franchisees to use a computer software identified on **Exhibit "A"** hereto (the "Software System"), which Franchisor may revise from time to time upon notice to Franchisee.

WHEREAS, to the extent the Software System includes third-party software, Franchisee will become licensed by such third party software provider (each, a "Third-Party Provider") to access and use the third-party software through the acceptance of the Third-Party Provider's terms and conditions as provided on the Third-Party Provider's website, as set forth on **Exhibit "A"** hereto; and

WHEREAS, each Third-Party Provider listed on **Exhibit "A"** hereto has delegated to Franchisor and/or Franchisor's designee the training, maintenance and support of such Third-Party Provider's software included in the Software System and licensed to the Real Property Management franchisees; and

WHEREAS, the parties hereto desire to define the terms and conditions pursuant to which ZorWare will collect the fees for the Software System and provide for the training, maintenance and support for the Software System.

NOW, THEREFORE, the parties agree as follows:

1. **SCOPE OF USE**

(a) ***Limitation of Use***. Franchisee may use the Software System solely for Franchisee's internal needs in the operation of Franchisee's business as a franchisee of Franchisor and will not make the Software System available to or permit the use thereof by any person or entity except to the extent and in the manner permitted under Section 4 below.

(b) ***No Right to Copy***. Franchisee may not copy or allow copies of the Software System to be made.

(c) ***No Reverse Engineering or Modifications***. Franchisee shall not reverse engineer, decompile or disassemble the Software System or any part of the Software System, nor shall Franchisee change, modify or create derivative works from the Software System.

(d) ***No Assignment***. The user rights granted hereby are personal to Franchisee, are nonassignable and may not be otherwise transferable by Franchisee.

(e) ***Ownership***. Franchisee acknowledges that Franchisee has no ownership rights in the Software System and no other rights with respect to the Software System except those rights expressly granted by this Agreement.

2. TRAINING AND SUPPORT

(a) ***Training and Support***. Franchisor hereby appoints ZorWare SPV LLC ("ZorWare") as Franchisor's agent and designee to provide training, maintenance and support to Franchisee with respect to the Software System. Franchisee agrees to cooperate with ZorWare in all matters relating to the installation, maintenance and support of the Software System and the training of Franchisee's personnel with respect to the Software System. ZorWare will provide service for training, maintenance and support to Franchisee by telephone and over the internet during ZorWare's normal business hours, as provided in **Exhibit "B"**. The amount and types of support ~~and the fees for support~~ may change ~~or increase~~ in the future.

(b) ***Maintenance, Upgrades and Fixes***. Franchisor or ZorWare may, in their discretion, modify, upgrade, replace, or create fixes, service releases and new versions of the Software System from time to time and provide them to Franchisee. Franchisor may from time to time add software to or remove software from the Software System upon notice to Franchisee.

(c) ***Remote Access***. Franchisee acknowledges that the proper functioning of the Software System as intended by Franchisor may require that Franchisor and ZorWare have remote access to Franchisee's network. Franchisee agrees to allow Franchisor and ZorWare such remote access to Franchisee's network at all times to provide for the full functioning of the Software System, to allow Franchisor or ZorWare to install the Software System and modifications, fixes, service releases and new versions of the Software System, and to provide training and support. Franchisee understands and acknowledges that such remote access will allow both Franchisor and ZorWare to have access to Franchisee's computer system and the data generated by Franchisee's use of the Software System, and will allow for Franchisee's submission of periodic reports to Franchisor, as required by Franchisor. Franchisor shall have the right to use the data as it determines.

3. FEES

(a) ***Monthly Usage and Maintenance Fee***. Franchisee must pay to ZorWare or Franchisor's designee ("Designee"), who may be designated in writing to Franchisee by Franchisor from time to time, a monthly usage and maintenance fee in the amount set forth on **Exhibit "A"** to this Agreement. Franchisee must pay the usage and maintenance fee to ZorWare via ACH draft from Franchisee's bank account. Franchisor or Designee may ~~increase the usage and maintenance fee, and/or~~ modify the services, support hours~~,~~ etc.~~, that are provided for the fee~~, provided Franchisee is notified of any changes applicable to Franchisee. The amount of each bill will be the then-current amount charged for usage and maintenance fees by Designee to franchisees of Franchisor.

(b) ***Additional Fees***. In addition to the fees under Subsections (a) above, Franchisor or Designee has the right to charge Franchisee other fees, including a training fee for training services relating to Software System. If Franchisor or Designee develops proprietary software other than the Software System that Franchisor requires or permits Franchisee to use, Franchisor or Designee may charge Franchisee a user or maintenance fee for such software that will be reasonable in light of the fees that other companies charge for comparable software packages and Franchisor's initial and ongoing expenses in developing, providing and maintaining such software. Unless the parties enter into a separate user

agreement for such software, the terms and conditions of such use will be the same as those set forth in this Agreement.

(c) ***Late Payments***. Any amount due hereunder that is not paid within 30 days of the invoice date will incur a late fee of $25 per month, or the maximum amount allowed under the law, whichever is lower.

(d) ***Change of Hosting Facility, Fees and/or Services***. In the event that Franchisor shall choose to change the hosting facility from Designee and/or any subsequent hosting facility and/or should Franchisor decide at any time to require Franchisee to pay Franchisor or Designee directly for the use of Software System, Franchisee hereby acknowledges, understands and agrees that it will timely and fully pay Franchisor or Franchisor's designee via ACH draft from Franchisee's bank account, all appropriate fees as noted in this Agreement. Franchisee further agrees that Franchisor shall have the right in its sole discretion to modify the ~~fees and/or the~~ services~~, etc.,~~ noted in this Agreement at any time upon notice to Franchisee.

4. CONFIDENTIALITY AND LIMITED ACCESS

(a) ***Nondisclosure***. Franchisee agrees to maintain the Software System, its documentation and the data generated by the use of the Software System in confidence by using at least the same physical and other security measures that Franchisee uses for its own confidential information. Franchisee further agrees not to allow anyone to access or use the Software System or to see its documentation or the data it generates other than Franchisor or, any Designee of Franchisor that Franchisor has contracted with to provide such services in connection with the Software System, Franchisee's employees, agents and representatives who have a need to have access to or to use Software System in order to support Franchisee's authorized use thereof, provided that each such employee, agent and representative shall have signed an undertaking to Franchisee acknowledging that he or she is bound by an obligation of confidentiality.

(b) ***Notice of Loss***. Franchisee shall immediately notify Franchisor upon discovering any loss or theft of any copy of the Software System or its documentation or any data generated by its use, or any unauthorized disclosure thereof by any of Franchisee's employees, agents or representatives.

5. REPRESENTATIONS; WARRANTIES; LIMITATION OF LIABILITY; INDEMNIFICATION

(a) ***Disclaimer of Warranty***. **EXCEPT AS SPECIFICALLY PROVIDED HEREIN, FRANCHISOR DOES NOT MAKE ANY EXPRESS OR IMPLIED WARRANTY WHATSOEVER. FRANCHISOR EXPRESSLY DISCLAIMS THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.**

(b) ***Limitation of Liability***. **THE LIABILITY OF FRANCHISOR TO FRANCHISEE WILL BE LIMITED TO DIRECT DAMAGES. IN NO EVENT WILL FRANCHISOR BE LIABLE FOR INCIDENTAL, SPECIAL, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF FRANCHISOR HAS PREVIOUSLY BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.**

6. TERM; TERMINATION; DISABLING OF SOFTWARE SYSTEM

(a) ***Term***. Except as otherwise expressly set forth below, the parties intend that, with respect to each software included in the Software System, the term of the license granted by the applicable Third-Party Provider for such software will be coextensive with the term of the Franchise Agreement and all renewals and extensions thereof.

(b) ***Automatic Termination***. The license granted hereby and the license granted by each Third-Party Provider will terminate automatically upon the expiration, nonrenewal or termination of the Franchise Agreement.

(c) ***Termination by Franchisor***. Franchisor may terminate this Agreement, with respect to any or all software included within the Software System, upon notice to Franchisee with immediate effect in the event that (i) Franchisee materially breaches any of its obligations under this Agreement or under the Franchise Agreement, or (ii) Franchisor requires Franchisee to cease using such software (or all software) included in the Software System.

(d) ***Disabling of the Software System***. Franchisee understands that Franchisor reserves the right to request that a Third-Party Provider disable the functionality of such Third-Party Provider's software included in the Software System, in whole or in part, in the event that Franchisee (i) fails in a timely manner to submit to Franchisor the reports required by Franchisor under the Franchise Agreement, (ii) fails in a timely manner to pay to Franchisor or its designee the required monthly Software System fees, or (iii) otherwise materially breaches this Agreement or the Franchise Agreement. Franchisor will not be liable to Franchisee for any damages whatsoever that may result directly or indirectly from Franchisor's disabling of the functionality of the Software System pursuant to this section.

(e) ***Disposition of Copies***. Upon termination of the licenses granted hereby or by a Third-Party Provider, Franchisee shall promptly return to Franchisor, or otherwise dispose of as Franchisor may instruct, all physical copies, if any, of the applicable software included in the Software System and its associated documentation in Franchisee's possession or under Franchisee's control and shall remove all copies thereof from Franchisee's computers and other electronic storage media. Upon Franchisor's request, Franchisee shall provide Franchisor with written certification of its compliance with the foregoing.

(f) ***No Refunds***. Upon the expiration or termination of the licenses granted by a Third-Party Provider, or if the Software System is disabled as described above, Franchisee will not receive any refund of any payments made to Designee, ZorWare and/or Franchisor.

7. MISCELLANEOUS

(a) ***Remedies***. Franchisee acknowledges that any breach of the covenants set forth in Sections 1(a) through 1(d) or Section 4 this Agreement would cause irreparable damage to Franchisor that would be incapable of precise measurement and for which no adequate remedy would exist at law. Franchisee therefore agrees that injunctive relief shall be available for any such breach in addition to all other remedies that may be available.

(b) ***Notices***. All notices, requests, consents and other communications required or permitted by this Agreement shall be in writing and shall be delivered by hand, fax, overnight delivery service, or registered or certified first class mail, to the then-current address of the recipient known by the sender, to the attention of the person then holding the title of the person signing this Agreement on behalf of the recipient. Any such notice, request, consent or other communication shall be deemed given and be effective upon receipt at such address on a business day during normal business hours.

(c) ***Entire Agreement; Amendments***. This Agreement constitutes the entire understanding between the parties relating to the subject matter hereof, superseding all prior agreements, arrangements and understandings between the parties relating to its subject matter. This Agreement may not be amended or changed in any way unless such changes are in writing signed by the parties hereto.

(d) ***Waiver***. No delay, omission or failure to exercise any right or remedy provided for herein will be deemed to be a waiver thereof or acquiescence in the event giving rise to such right or remedy. No waiver will be binding unless contained in a writing signed by the party waiving its rights. Any waiver is limited to the specific situation in which it is given and no waiver of any breach or default under this Agreement will be construed as a waiver of any earlier or succeeding breach or default.

(e) ***Governing Law***. This Agreement will be governed by and construed in accordance with the laws of the State of Texas applicable to agreements made and to be performed entirely within the State of Texas, without regard to Texas's conflicts of law principles.

(f) ***Forum***. The parties hereby irrevocably consent to the non-exclusive jurisdiction of the federal and state courts located in Waco, McLennan County, Texas, in any action for temporary, interim or provisional equitable remedies. The parties hereby waive, to the full extent permitted by law, defenses based on jurisdiction, venue and forum non convenient. The parties further consent to service of process by certified mail, return receipt requested, or by any other means permitted by law.

(g) ***Costs, Expenses and Attorneys' Fees***. If an action is commenced between the parties to enforce any provision of this Agreement, the prevailing party will be entitled to reasonable costs and expenses, including attorneys' fees.

< SIGNATURES APPEAR ON THE NEXT PAGE >

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Software System User & Maintenance Agreement effective as of the Effective Date.

FRANCHISEE:

_____
_____, individually

FRANCHISOR:

REAL PROPERTY MANAGEMENT SPV LLC

BY: _____
Jeffrey Pepperney, President

EXHIBIT "A"
TO
SOFTWARE SYSTEM USER & MAINTENANCE AGREEMENT

Software System: Task Management and Lead Management Software (currently, LeadSimple), Review and Reputation Management Platform, RPM-Intranet, RPM online learning courses, Royalty Submission Tool ("RST"), one Microsoft Office365 exchange only email account and one Microsoft Office Exchange E1 email account (2 email accounts total).

Third-Party Providers to Software System	Third-Party Provider's Terms and Conditions that Franchisee must accept in order to access and use of software
LeadSimple	https://www.leadsimple.com/terms
Office365	https://www.microsoft.com/en-us/trust-center/privacy

The software included in the Software System is subject to change by Franchisor upon notice to Franchisee.

Software System Fees:

TYPE OF SALE	Enrollment Fee	Monthly Fees	Software Included for Software System
New Sale, Resale or Renewal	N/A	$106 There is a $~~4.00~~4.50 fee per month for each additional Office365 Exchange email account you choose to add (after the second email account); $~~10.00~~10.50 per month for each additional Office365 E1 email account, and $~~23~~24 per month for each additional Office365 E3 email account.	Review and Reputation Management Platform, RPM-Intranet, RPM online learning courses, Royalty Submission Tool ("RST"), one Microsoft Office365 exchange only email account and one Microsoft Office Exchange E3 email account (2 email accounts total).

~~These fees~~We may increase these fees in the future~~,~~ but not more than ~~by 20~~30% annually~~,~~ in addition to ~~increases due to additional or different software being added to the System Technology and~~any direct price increases from third-party vendors~~.~~

and changes to fees due to changes to the software included in the Software System.

Task Management and Lead Management Software Fees:

TYPE OF SALE	Enrollment Fee	Monthly Fees	Task Management and Lead Management Software
New Sale or Resale	N/A	Our then-current monthly fee. Currently, $100 for the management of up to 110 property units; additional charge of $0.90 per unit applies after the initial 110 property units.	LeadSimple

These fees may increase in the future, but not more than by ~~20~~30% annually, in addition to increases due to additional or different software being added to the System Technology and direct price increases from third-party vendors.

EXHIBIT "B"
TO
SOFTWARE SYSTEM USER & MAINTENANCE AGREEMENT

Basic Plan: ZorWare service level agreement will include best effort of 2- to 5-business days for response and/or resolution.

- Live Support hours: 6 AM - 7 PM central time, Monday – Friday*.
- Limit of 2 hours of phone support per month.
- If exceeds call limit then the following would apply:
- Hourly Phone Support: $125 per hour.

**ZorWare Help Desk & Team observes any/all holidays as determined by Zorware.*

EXHIBIT N

ASSIGNMENT AND CONSENT AGREEMENT

This Assignment and Consent Agreement (this "Agreement") is made effective as of the date Franchisor signs below (the "Effective Date") and is entered into by and among [ ] ("Franchisee"), and [ ] (a "Franchisee Principal(s)") (Franchisee and Franchisee Principal(s) collectively referred to as "Assignor"), [ ] ("Assignee"), and Real Property Management SPV LLC, a Delaware limited liability company, having its principal place of business at 1010 North University Parks Drive, Waco, Texas 76707 ("Franchisor"). All capitalized terms not defined in this Agreement have the respective meanings set forth in the Old Franchise Agreement (as defined below).

RECITALS

A. Franchisor and Assignor are parties to a Real Property Management Franchise Agreement dated [ ] (the "Old Franchise Agreement"), pursuant to which Assignor was granted the right to operate a Real Property Management business in the following territory: _____ (the "Franchised Business").

B. Assignor desires to assign to Assignee all right, title and interest in the Franchised Business, including the franchise rights for the Franchised Business (the "Assignment"); Assignee wishes to accept the Assignment and, as of the Effective Date, assume all of the duties, obligations, and liabilities of Assignor related thereto by entering into a purchase and sale agreement with Assignor and by signing a franchise agreement with Franchisor.

C. Assignor represents that there is no dispute related to the offer and sale of the Old Franchise Agreement or Franchised Business, and further represents that Assignor has no claims against Franchisor under applicable laws.

D. In consideration of Assignor's request for the Assignment and the representations set forth in Recital C above, Franchisor is willing to consent to the Assignment as of the Effective Date, subject to the provisions stated below, and Assignor agrees to settle all known and unknown disputes it may have against Franchisor, if any, that exist as of the Effective Date.

AGREEMENTS

NOW, THEREFORE, in exchange for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Assignment and Assumption. Assignor assigns to Assignee all right, title and interest in and to the Franchised Business, including the franchise rights for the Franchised Business. Assignee unconditionally assumes and accepts the Assignment of the Franchised Business, including the franchise rights for the Franchised Business, and agrees to be bound by all duties, obligations, and liabilities of the Assignor related thereto, including without limitation all of Assignor's customer obligations, including all warranty work and service plans obligations.

2. Signing of Current Form of Franchise Agreement. As a condition of Franchisor's consent to the Assignment, Assignee agrees to sign Franchisor's then-current form of franchise agreement (the "New Franchise Agreement"). Assignee acknowledges that the terms and conditions of the New Franchise

Agreement may be different from the terms and conditions of the Old Franchise Agreement. Prior to the Effective Date, Assignee shall deliver to Franchisor two signed copies of the New Franchise Agreement, along with the executed copies of this Agreement.

3. Termination of Old Franchise Agreement. All parties agree that the Old Franchise Agreement is terminated as of the effective date of the New Franchise Agreement with no further force and effect, except for the post-termination obligations identified in Section 12 below.

4. Status of Assignor Following Assignment. Upon and after the Effective Date and subject to Section 12 below, Assignor will have no interest in and will no longer be responsible or liable for (a) the Franchised Business, (b) the franchise rights for the Franchised Business, or (c) the Old Franchise Agreement. Assignor, however, will remain liable for any responsibilities, obligations, and liabilities related to the Old Franchise Agreement and the Franchised Business up to the Effective Date, including all monetary obligations due to Franchisor, its affiliates, and other third parties under the Old Franchise Agreement that have accrued as of the Effective Date and all post-termination obligations identified in Section 12 below.

5. Assignee Principals. If Assignee is an entity, Assignee represents and warrants to Franchisor and Assignor that the following individuals and/or entities are the sole owners of Assignee (the "Assignee Principals"):

Name of Principal Owner	**Percentage of Ownership in Assignee (total must equal 100%)**
Total	**100%**

6. Payment of Transfer Fee. On or before the Effective Date, Franchisor must receive a transfer fee in the amount of $[_____], as referenced in Section 10.C. of the Old Franchise Agreement.

7. Training. On or before the Effective Date, Assignee must complete Franchisor's training requirements.

8. Payment of Fees Owed to Franchisor; Delivery of Reports. On or before the Effective Date, all fees owed by Assignor to Franchisor, its affiliates or suppliers or upon which Franchisor or its affiliates have any contingent liability, under or related to the Old Franchise Agreement (the "Fees Owed") must be paid in full. Accordingly, on or before the Effective Date, Assignor or Assignee must deliver the full amount of Fees Owed to Franchisor, its affiliate(s) and/or suppliers, along with three fully executed copies of this Agreement. In addition, on or before the Effective Date, Assignor must deliver to Franchisor any and all reports required to be delivered under the Old Franchise Agreement, including without limitation reports related to any Fees Owed and any financial and other reports relating to the Franchised Business and its operations as Franchisor may request pursuant to Section 10.D.8 of the Franchise Agreement in order for Franchisor and/or assignee to evaluate the Franchised Business and the proposed transfer.

9. Personal Guarantee. Each Assignee Principal must execute a personal guarantee in the form attached to the New Franchise Agreement.

10. Representations.

A. Assignor and Assignee represent and warrant to each other that they have the authority to execute this Agreement.

B. Assignor represents and warrants to Franchisor and Assignee that it owns all right, title and interest in and to the Franchised Business and the Old Franchise Agreement, free and clear of any mortgage, lien or claims, and has not assigned any or all of its interest in the Franchised Business or the Old Franchise Agreement to any third party.

C. Assignor and Assignee represent and warrant to Franchisor that they have consummated the asset purchase and sale transaction that is related to the Assignment contemplated hereunder as of the Effective Date.

11. Indemnification.

A. Assignor, for itself, its heirs, successors and assigns, agrees to indemnify and hold harmless Franchisor, its affiliates, successors, assigns, officers, directors, employees, agents, and each of them, against any and all liabilities, damages, actions, claims, costs (including reasonable attorneys' fees), or expenses of any nature resulting, directly or indirectly, from any of the following: (i) any misrepresentations or breach of warranty by Assignor under this Agreement; (ii) the Assignment; or (iii) any claim, suit or proceeding initiated by or for a third party(s), now or in the future, that arises out of or relates to the Old Franchise Agreement or the Franchised Business operated by Assignor prior to the Effective Date.

B. Assignee, for itself, its heirs, successors and assigns, agrees to indemnify and hold harmless Franchisor, its affiliates, successors, assigns, officers, directors, employees, agents, and each of them, against any and all liabilities, damages, actions, claims, costs (including reasonable attorneys' fees) or expenses of any nature resulting, directly or indirectly, from any of the following: (i) any misrepresentations or breach of warranty by Assignee under this Agreement; or (ii) the Assignment.

12. Assignor's Post-Termination Obligations. Assignor agrees that, upon transfer of its interest in the Franchised Business to Assignee, Assignor will comply with all post-termination obligations set forth in Section 13 of the Old Franchise Agreement, which obligations shall be incorporated herein by reference. Further, Assignor shall comply with any other provisions of the Old Franchise Agreement which, by their nature, survive termination or expiration of the Old Franchise Agreement.

13. Consent to Assignment. Franchisor consents to the Assignment subject to the terms and conditions of this Agreement. Franchisor's consent to the Assignment will not result in any waiver of any rights nor a release under the Old Franchise Agreement or New Franchise Agreement, and is not a consent to any additional or subsequent transfers or assignments.

14. Release and Settlement of Claims by Assignor. Except as may be prohibited by applicable law, Franchisee and Franchisee Principals (individually and as owners of Franchisee) and each of their respective heirs, successors, assigns, affiliates, shareholders, officers, directors, employees, and agents, and on behalf of any other party claiming an interest through them (collectively and individually referred to as the "Assignor Parties" for purposes of Sections 14, 15 and 16 hereof), release and forever discharge Franchisor, its predecessors, successors, affiliates, directors, officers, shareholders, agents, employees and assigns (collectively and individually referred to as the "Franchisor Parties" for purposes of Sections 14, 15 and 16) of and from any and all claims, debts, liabilities, demands, obligations, costs, expenses, actions and causes of action (collectively, "Claims"), whether known or unknown, vested or contingent, which Assignor Parties may now or in the future own or hold, that in any way relate to the Old Franchise Agreement, any other agreement between Assignor and Franchisor, the Franchised Business, or the relationship between Assignor and Franchisor through the Effective Date (collectively, "Assignor Claims"), for known or unknown damages or other losses including, but not limited to, any alleged violations of any deceptive or unfair trade practices laws, franchise laws, or other local, municipal, state, federal, or other laws, statutes, rules or regulations, and any alleged violations of the Old Franchise Agreement or any other agreement between Assignor and Franchisor through and including the Effective Date.

15. Release by Assignee. Except as noted in this Section 15, Assignee, Assignee Principals (if any), and their respective affiliates, successors, assigns, officers, directors, employees, agents, and on behalf of any other party claiming an interest through them (collectively and individually referred to as the "Assignee Parties" for purposes of this Section 15 and Section 16 below), release and forever discharge the Franchisor Parties of and from any and all Claims, whether known or unknown, vested or contingent, which Assignee may now or in the future own or hold, that in any way relates to the Franchised Business or the New Franchise Agreement (collectively referred to as "Assignee Claims" for purposes of this Section 15 and Section 16).

As to the New Franchise Agreement, the Assignee Parties and Franchisor Parties acknowledge and agree that the release by the Assignee Parties does not relate to the offer and sale of the New Franchise Agreement. Further, the parties agree that the release as it relates to the New Franchise Agreement is effective as to Assignee Claims arising through the Effective Date of this Agreement, and not to any claims arising after the Effective Date.

16. Acknowledgement of Releasors. The release of Assignor Claims set forth in Section 14 and Assignee Claims in Section 15 are intended by the Assignor Parties and Assignee Parties (collectively, the "Releasors") to be full and unconditional general releases, as that phrase is used and commonly interpreted, extending to all claims of any nature, whether or not known, expected or anticipated to exist in favor of one of the Releasors against any other Releasor. In making this voluntary express waiver, the Releasors acknowledge that claims or facts in addition to or different from those which are now known to exist with respect to the matters mentioned herein may later be discovered and that it is the Releasors' intention to hereby fully and forever settle and release any and all matters, regardless of the possibility of later discovered claims or facts. The Releasors acknowledge that they have had adequate opportunity to gather all information necessary to enter into this Agreement and release, and need no further information or knowledge of any kind that would otherwise influence the decision to enter into this Agreement. The Releasors, for themselves and their heirs, successors and assigns, hereby expressly, voluntarily, and knowingly waive, relinquish and abandon each and every right, protection, and benefit to which they would be entitled, now or at any time hereafter under Section 1542 of the Civil Code of the State of California, as well as under any other statutes or common law principles of similar effect to said Section 1542, whether now or hereafter existing under the laws of California or any other applicable federal or state law with jurisdiction over the parties' relationship. The Releasors acknowledge that Section 1542 of the Civil Code of the State of California provides as follows:

> "A general release does not extend to claims which the creditor or releasing party 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 or released party."

This release is and shall be and remain a full, complete, and unconditional general release. The Releasors acknowledge and agree that this release and the foregoing waiver are an essential, integral and material term of this Agreement. The Releasors further acknowledge and agree that no violation of this Agreement shall void the releases set forth in Sections 14 and 15.

17. Confidentiality. Assignor and Assignee acknowledge and agree that this Agreement and matters discussed in relation thereto are entirely confidential. It is therefore understood and agreed by Assignor and Assignee that they will not reveal, discuss, publish or in any way communicate any of the terms, amount or fact of this Agreement to any person, organization or other entity, except to their respective officers, employees or professional representatives, or as required by law.

18. Miscellaneous. This Agreement, and the documents referred to herein, constitute the entire agreement among the parties with respect to the subject matter hereof. No amendment will be binding unless in writing and signed by the party against whom enforcement is sought. All representations, warranties, agreements and all other provisions of this Agreement which by their terms or by reasonable implication are intended to survive the closing of this transaction will survive it.

19. Representation by Counsel. The parties have had adequate opportunity to consult with an attorney of their respective choice, including with respect to the release of claims set forth herein.

20. Governing Law/Venue. This Agreement will be construed and enforced in accordance with the laws of Texas, without regard to principles of conflicts of law. The parties further agree that any legal proceeding relating to this Agreement or the enforcement of any provision herein shall be brought or otherwise commenced only in the courts located in Waco, McLennan County, Texas.

21. Counterparts. This Agreement may be executed in more than one counterpart, each of which shall constitute an original copy.

ASSIGNOR:

[_____]

By: _____
Name:
Title:

Date: _____

ASSIGNEE:

[_____]

By: _____

Name:
Title:

FRANCHISOR:

Real Property Management SPV LLC

By: _____
Name:
Title:

Effective Date: _____, 20__

EXHIBIT O

PROTRADENET AGREEMENT

WHEREAS, _____, individually, having an address of _____ ("Franchisee," sometimes referred to as "Contractor") is a Franchisee of **REAL PROPERTY MANAGEMENT SPV LLC**, a Delaware limited liability company, having its principal place of business at 1010 North University Parks Drive, Waco, Texas 76707 ("Franchisor," sometimes referred to as "Trading Partner"), the trading partner of **PROTRADENET SPV LLC** ("PROTRADENET") having an address of 1010 N. University Parks Drive, Waco, TX 76707 and Franchisee desires to participate in discounts, rebates, incentives and other benefits ("Programs") negotiated by PROTRADENET with selected vendors, manufacturers and distributors ("Vendors");

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is acknowledged by all parties, the parties hereto agree to the following terms and conditions:

1. **Term and Default.** The term of this Agreement shall commence on _____ and end on December 31 of this year and the Agreement will automatically renew for an additional one (1) calendar year period each year thereafter, commencing on January 1 of next year and each January 1st thereafter, unless earlier terminated in accordance with this Agreement. Notwithstanding the foregoing, PROTRADENET may terminate this Agreement at any time, with or without cause, for any reason whatsoever upon providing the other party written notice of intent to terminate the Agreement and this agreement will automatically terminate upon expiration or termination of the franchise agreement by and between Franchisee and Franchisor with no notice of termination required. In any case, PROTRADENET may terminate this Agreement at any time upon notice to Franchisee if Franchisee is in default of his Franchise Agreement with Franchisor or if Franchisee has failed to comply with the terms and conditions of participation in this Program as set forth in this Agreement, on the website of PROTRADENET or as specified by Franchisor. Upon any termination of this agreement neither PROTRADENET nor any of its affiliates will have any liability to Franchisee or any other party.

2. **PROTRADENET Administration.** PROTRADENET or Franchisor may, but are not required to, return a portion of the fees paid to PROTRADENET from Vendors on behalf of purchases made by Franchisee ("Rebates") directly to Franchisee if Franchisee meets certain conditions, such as Vendor terms and conditions, attendance at Franchisor annual meetings, and other criteria as established by Vendor, PROTRADENET or Franchisor. All fees or Rebates not returned to franchisees may be retained by PROTRADENET or Franchisor and used to cover administrative costs, or promote Franchisor's system and brand. The allocation of these Rebates may change at the sole discretion of PROTRADENET. Accordingly, subject to the terms and conditions set forth in this Agreement, PROTRADENET agrees to process Program Rebates when paid by Vendor within terms as agreed upon by Franchisor. PROTRADENET will pay Franchisor or Franchisee directly, at the discretion of Franchisor. Franchisor reserves the right to deny Program Rebates otherwise due to Franchisee if Franchisor deems Franchisee not qualified for a Rebate(s). PROTRADENET may also withhold or deny Program Rebates if terms of the Program are not met.

3. **Franchisee Exclusion from Vendor Program.** Franchisee acknowledges the Vendor's right to exclude Franchisee from the Program for failure to meet Vendor's terms or for other reasons at the Vendor's discretion.

4. **Access and Release of Information.** Franchisee authorizes PROTRADENET to provide information including, but not limited to, Franchisee's Federal Tax Identification Number "FTIN") and purchase orders, invoices, payments, purchase history or other purchasing information to its Vendors

regarding Franchisee, and Franchisee authorizes PROTRADENET to request, and Vendors to provide, information manually or electronically regarding purchase orders, invoices, payments, purchase history or other purchasing information from Vendors for the purpose of administration of the Program. Franchisee hereby releases PROTRADENET and its parent, affiliates, past and present members, officers, employees, agents, successors and assigns from any liability whatsoever with regard to PROTRADENET providing Franchisee's confidential information, including Franchisee's FTIN, to Vendors or Franchisor pursuant to this Agreement.

5. **Confidentiality.** Franchisee acknowledges the proprietary and confidential nature of PROTRADENET's, Franchisors' and Vendor's Program details and shall use this information only for the purposes of inquiry or purchasing of VENDOR's products and services from the Program. Franchisee shall not provide PROTRADENET's, Franchisors' and/or Vendor's confidential Program information to a third party. This section shall survive the expiration or termination of this Agreement.

6. **Vendors.** Vendors may be added or removed from the Program at any time. Franchisee will receive written, email, or website notification of a change in Vendor status from PROTRADENET or Franchisor. Franchisors have SOLE DISCRETION over whether or not they choose to participate in a Vendor Program and offer that Program to their franchisees.

7. **Miscellaneous**

7.1 **No Guarantee of Rebates.** PROTRADENET does not guarantee any Vendor rebates or payments by Vendors. If PROTRADENET does not receive payment from the Vendor, rebates will not be paid.

7.2 **No Guarantee of Accuracy.** PROTRADENET makes no guarantee of accuracy or uninterrupted delivery of the data exchanged using the e-commerce web solution software as a part of the Program. It is the responsibility of the Franchisee to notify PROTRADENET or Vendor if the purchasing information represented on the e-commerce website is incorrect. Franchisee must notify PROTRADENET within sixty (60) days of the transaction date if the purchasing information is missing or invalid.

7.3 **Effective Date.** This Agreement shall become effective on the date that it is signed by PROTRADENET.

8. **Electronic Invoicing.** Franchisee agrees by its signature below to receive invoices from any Vendor electronically that offers this service though the PROTRADENET e-commerce platform.

9. **Electronic Promotions.** Franchisee agrees by its signature below to receive electronic or email based promotions from PROTRADENET.

10. **Additional Terms and Conditions.** Franchisee agrees by its signature below to abide by all of the terms and conditions on the website of PROTRADENET, www.PROTRADENET.com, www.PROTRADENET.com and www.PROTRADENET.net, which include but are not limited to:

Terms of Use and Privacy Policy

These terms and conditions may be modified and additional terms and conditions added at the sole discretion of Franchisor or PROTRADENET.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives whose signatures appear below.

Signed on this _____ day of _____, 20__.

FRANCHISEE:

_____

_____, individually

Accepted as of this _____ day of _____, 20__, in Waco, Texas.

PROTRADENET:

PROTRADENET SPV. LLC

BY:_____

~~Stanton~~ Luke , President

EXHIBIT P

ACQUISITION ADDENDUM

This ACQUISITION ADDENDUM (the "Addendum") is entered into by and between **Real Property Management SPV LLC**, a Delaware limited liability company, having its principal place of business at 1010 North University Parks Drive, Waco, Texas 76707 ("Franchisor"), and _____, individually, having an address of _____ _____ ("Franchisee").

WHEREAS, Franchisor and Franchisee have entered into a Franchise Agreement, dated _____ (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, Franchisee has purchased the right to service the Acquired Accounts (as defined below); and

WHEREAS, Franchisor is willing to waive the License Fee payable by Franchisee under the Agreement with respect to the Acquired Accounts for a time period specified in this Addendum.

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:

1. **Acquired Accounts**.
   a. "Acquired Accounts" means the qualified clients, property owners, customers, and other sources of revenue for which Franchisee acquired the right to provide services on the date hereof not currently managed by a current franchise location.

   b. Franchisee has acquired the right to service a total of _____ Acquired Accounts, as identified on Schedule 1 attached hereto.

2. **Assignment of Revenues and Customers.** Franchisee hereby assigns to the Franchised Business (i) the Acquired Accounts and (ii) all Non-Maintenance Gross Sales and Maintenance Revenues arising from the servicing of the Acquired Accounts from and after the Effective Date.

2. **License Fees.** Anything in the Agreement to the contrary notwithstanding, Franchisee shall receive a waiver of the License Fees payable solely with respect to the Acquired Accounts, for the number of calendar months set forth in the table below which corresponds to the number of Acquired Accounts of the Franchisee, beginning with the month the Acquired Accounts are set up in Franchisee's AppFolio account with Franchisor's affiliate, BackOffice SPV LLC ("BackOffice"):

Range of Acquired Properties	Months of Waived License Fee (for Acquired Accounts)	License Fee Rate (post Waived License Fee up to 2412 months)
~~10-100~~	~~3~~	~~Non-maintenance 6%~~ ~~Maintenance 2%~~

Range of Acquired Properties	Months of Waived License Fee (for Acquired Accounts)	License Fee Rate (post Waived License Fee up to ~~24~~12 months)
~~101-200~~10-100	6	Non-maintenance – 6% Maintenance – 2%
~~201-300~~101-200	9	Non-maintenance – 6% Maintenance – 2%
~~300+~~201-300	12	Non-maintenance – 6% Maintenance – 2%

Major Acquisitions 300+ (Non-Maintenance Gross Sales/Maintenance Revenue License Fee rates)

Months 1-12	Months 13-24	Months 25-36	Months 37-48	Months 49+
0%/0%	0%/0%	3%/1%	4%/2%	7%/3%

Franchisee agrees to provide to BackOffice such information about the Acquired Accounts as reasonably requested by BackOffice for BackOffice to set up the Acquired Accounts in AppFolio.

For avoidance of doubt, the waiver of License Fees in this Addendum shall apply only with respect to the License Fees generated by the Acquired Accounts, and shall not apply to any MAP Fees or any other fees due for the Acquired Accounts or otherwise under the Agreement. After the initial 24-month period post-acquisition, License Fees will return to standard License Fees identified in your Franchise Agreement.

3. **Services to Acquired Accounts.** All provisions of the Agreement shall apply to the Acquired Accounts, 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 Acquired Accounts are included in the definition of the Franchised Business.

4. **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 Franchised 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 Franchised Business or the Acquired Accounts that would conflict with the terms of this Addendum.

5. **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 THE NEXT PAGE >

FRANCHISEE:

_____
_____, individually

_____
Date

FRANCHISEE'S AFFILIATE:

_____
_____, individually

FRANCHISOR:

REAL PROPERTY MANAGEMENT SPV LLC
A Delaware limited liability company

By: _____
Jeffrey Pepperney, President

_____
Date

SCHEDULE 1 TO ACQUISITION ADDENDUM

LIST OF ACQUIRED ACCOUNTS (INCLUDING ADDRESSES)

EXHIBIT Q

DIGITAL MARKETING PROGRAM PARTICIPATION AGREEMENT

This Digital Marketing Program Participation Agreement ("Agreement"), dated _____, 20___ (the "Effective Date"), is entered into by and between Real Property Management SPV LLC ("RPM") and _____ ("Participant"). RPM and Participant may be referred to herein individually as a "Party" or collectively as the "Parties".

RECITALS

WHEREAS, Participant and RPM mutually desire to improve the online visibility for Participant's business;

WHEREAS, RPM has the skill and expertise to provide enhanced online marketing support and services to franchisees;

WHEREAS, Participant, as a franchisee of RPM, desires to use such support and services; and

WHEREAS, RPM and Participant desire to enter into an agreement regarding the provision of such support and services in accordance with the terms of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. **Services**. RPM will provide online digital marketing service (the "Services") to Participant. The Services include, but are not limited to, monthly analytics report; quarterly progress report; 3 to 5 location pages published to Participant's website; bi-weekly blog article posts; approximately 2 to 5 postings per week (Monday to Friday) to Participant's Facebook company page and LinkedIn company page; bi-weekly Google Business Profile posts; assistance with the management of Participant's Facebook and LinkedIn company pages; Fresh Content Service providing the option of one existing page optimization or new page creation once per month; one infographic published to Participant's Facebook and LinkedIn company page per month; and other search engine optimization (SEO) support. RPM reserves the right to choose not to post an article on a blog, Facebook company page, LinkedIn company page, or Google My Business post during certain weeks, such as weeks that contain holidays or for any other reason RPM deems. RPM reserves the right to make changes to the Services from time to time in its sole discretion to reflect the changing needs of the business. RPM will notify Participant of any such changes, and Participant agrees to conform to any such change.

2. **Account Access**. Participant agrees to give RPM administrative privileges to all Participant's franchise related social media accounts, website blog, and directories and to provide RPM with all necessary passwords or information for access thereto. Participant hereby grants RPM permission to post content RPM determines to use in its sole discretion on all such sites on behalf of Participant. Notwithstanding the foregoing, Participant is solely responsible for monitoring and responding to comments made on the franchise blog and social media channels, including following any such posts.

3. **Fees**. Participant agrees to pay RPM the following fees for each office for which RPM provides the Services, provided that if multiple offices are marketed under one office name using a single website and the same social medial accounts such offices shall be treated as one office:

a. Upon execution of this Agreement, a set-up fee of USD$99.00 per office.

b. A monthly fee of USD$349.00 per office beginning on the date that RPM begins actively providing the Services (the "Start Date"). The monthly fee will be prorated for the first month based on the number of days between the Start Date and the end of the calendar month. Participant agrees to execute an addendum, attached hereto as Exhibit B, setting forth the Start Date.

If Participant owns multiple offices marketed under multiple office names, and uses a single website, but multiple social media accounts, such offices will be counted as separate offices and Participant shall pay an additional fee of USD$50.00 per office per month.

If Participant owns multiple offices marketed under multiple office names, and uses multiple websites and social media accounts, such offices will be counted as separate offices and Participant shall pay an additional fee of USD$100.00 per website per month.

c. Participant hereby acknowledges and agrees to adding the _____ advanced service level package at USD$_____ per month.

Online Results PLUS Service. In addition to the services listed in Section 1, RPM will provide one to three weekly unique social media posts on Participant's Facebook company page and LinkedIn company page; website backlinking service, quarterly competitive analysis and SEO audit, and the option of monthly video blog transcription. RPM will charge Participant an additional monthly fee of USD$350.00 per month per office for this service.

RPM reserves the right to make changes to the Services from time to time in its sole discretion to reflect the changing needs of the business. RPM will notify Participant of any such changes, and Participant agrees to conform to any such change.

Fees incurred in any calendar month are due by the 24th day of the following calendar month. Payments will be made via automated ACH withdrawal from Participant's bank account RPM may charge a late fee of 10% of the amount owed if payment is not received when due. Participant's failure to pay within 10 days of the due date may result in the termination of this Agreement.

4. **Term**. This Agreement shall commence on the Effective Date and will continue in full force and effect for 24 months~~.~~ ("Initial Term"). Following the Initial Term, and for so long as Participant is a RPM franchisee, the Agreement will automatically renew for an additional one (1) year period each year thereafter, unless earlier terminated in accordance with this Agreement.

5. **Termination**. RPM may terminate this Agreement for any or no reason, in its sole discretion. If RPM terminates this Agreement prior to the Start Date, as Participant's sole remedy for such termination, RPM will refund the set-up fee in full. ~~For a period of 12 months commencing on the Start Date,~~ Participant may terminate this Agreement only if RPM materially breaches this Agreement and such breach is not cured within 30 days after receipt of such notice. Following ~~this 12 month period from the~~

~~Start Date~~the Initial Term, Participant may terminate this Agreement for any or no reason upon 30 days' written notice to RPM. All notices required hereunder must be provided pursuant to the Franchise Agreement between the Parties.

6. **Ownership**. Participant has no right or claim to the intellectual property rights in any content provided to Participant or posted online or on any social media site pursuant to the Services and all such ownership rights remain solely with RPM.

7. **Relationship of the Parties**. This Agreement is purely a contractual relationship between the Parties and does not appoint or make Participant an agent, legal representative, joint venturer, partner, employee, servant or independent contractor of RPM for any purpose whatsoever. Participant may not represent or imply to third parties that Participant is an agent of RPM, and Participant is in no way authorized to make any contract, agreement, warranty or representation on behalf of RPM, or to create any obligation, express or implied, on RPM' behalf. Under no circumstances shall RPM be liable for any act, omission, contract, debt, nor any other obligation of Participant.

8. **Force Majeure**. Neither party shall be liable nor responsible for any delays in performance of their obligations under this Agreement due to strikes, lockouts, casualties, acts of God, war, terrorism, governmental regulation or control or other causes beyond the reasonable control of the parties, and the time period for the performance of such act shall be extended for the amount of time of the delay. This clause shall not result in an extension of the term of this Agreement.

9. **Choice of Law and Consent to Jurisdiction.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without reference to its conflict of laws principles. The Parties waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision. Claims for injunctive relief may be brought by RPM in any court of competent jurisdiction. This exclusive choice of jurisdiction and venue provision shall not restrict the ability of the Parties to confirm or enforce judgments or arbitration awards in any appropriate jurisdiction.

10. **Cost of Enforcement or Defense**. If RPM or Participant is required to enforce this Agreement in a judicial proceeding or an arbitration proceeding, the prevailing party shall be entitled to reimbursement of its costs, including reasonable attorneys' fees, in connection with such proceeding.

11. **Limitation of Damages**. PARTICIPANT WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT OR CLAIM FOR ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT IF THERE IS A DISPUTE WITH RPM, PARTICIPANT WILL BE LIMITED TO THE RECOVERY OF ACTUAL DAMAGES SUSTAINED BY IT INCLUDING REASONABLE LEGAL FEES AS PROVIDED IN SECTION 10. PARTICIPANT WAIVES AND DISCLAIMS ANY RIGHT TO CONSEQUENTIAL DAMAGES IN ANY ACTION OR CLAIM AGAINST RPM CONCERNING THIS AGREEMENT OR ANY RELATED AGREEMENT. IN ANY CLAIM OR ACTION BROUGHT BY PARTICIPANT AGAINST RPM CONCERNING THIS AGREEMENT, PARTICIPANT'S CONTRACT DAMAGES SHALL NOT EXCEED AND SHALL BE LIMITED TO REFUND OF PARTICIPANT'S FEES PAID DURING THE PRIOR SIX (6) MONTHS.

12. **Entire Agreement**. This Agreement constitutes the entire, full and complete agreement between RPM and Participant concerning the subject matter hereof and supersedes all prior agreements with respect to the subject matter hereof. No other representation, oral or otherwise, has induced Participant to execute this Agreement, and there are no representations, inducements, promises or agreements, oral or otherwise, between the Parties not embodied herein, which are of any force or effect with respect to the matters set forth in or contemplated by this Agreement or otherwise. No amendment, change or variance from this Agreement shall be binding on either Party unless executed in writing by both Parties.

13. **Severability**. Each paragraph, part, term and provision of this Agreement shall be considered severable. If any paragraph, part, term or provision herein is ruled to be unenforceable, unreasonable or invalid, such ruling shall not impair the operation of or affect the remaining portions, paragraphs, parts, terms and provisions of this Agreement, and the latter shall continue to be given full force and effect and bind the parties; and such unenforceable, unreasonable or invalid paragraphs, parts, terms or provisions shall be deemed not part of this Agreement. If RPM determines that a finding of invalidity adversely affects the basic consideration of this Agreement, RPM has the right to, at its option, terminate this Agreement.

14. **No Violation of Other Agreements**. Participant represents that its execution of this Agreement will not violate any other agreement or commitment to which Participant or any holder of a legal or beneficial interest in Participant is a party.

[*Signatures on following page*]

IN WITNESS WHEREOF, the Parties hereto enter into this Agreement as of the Effective Date intending to be legally bound hereby.

PARTICIPANT:

By: _____

Name: _____

Title: _____

Signature: _____

REAL PROPERTY MANAGEMENT SPV LLC

By: _____

Name: _____

Title: _____

Signature: _____

EXHIBIT R

STATE SPECIFIC ADDENDA

RIDER TO THE STATE ADDENDUM
TO THE FRANCHISE DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT

FOR THE FOLLOWING STATES ONLY: CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, AND WISCONSIN.

This Rider to the State Addendum to the Franchise Disclosure Document and Franchise Agreement is entered into by and between _____, a Delaware limited liability company with an address of _____ ("Franchisor") and _____, individually, with an address of _____("Franchisee").

A. This Rider is being signed because (i) the franchised business that Franchisee will operate under the Agreement will be located in one of the states listed in the heading of this Rider (the "Applicable Franchise Registration State"); and/or (ii) any of the franchise offering or sales activity with respect to the Agreement occurred in the Applicable Franchise Registration State.

B. Franchisor and Franchisee have contemporaneously herewith entered into a Franchise Agreement (the "Agreement") and wish to amend the Agreement as provided herein.

NOW, THEREFORE, for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Agreement is hereby amended as follows:

1. The following language is hereby added to the end of the 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."

2. Except as provided in this Rider, the Agreement remains in full force and effect in accordance with its terms. This Rider shall be effective only to the extent that the jurisdictional requirements of the franchise law of the Applicable Franchise Registration State are met independently without reference to this Rider.

Signed on this _____ day of _____, 20__.

FRANCHISEE:

_____

_____, individually

Accepted as of the _____ day of _____, 20__, in _____.

FRANCHISOR:

_____

BY: _____

_____, President

CALIFORNIA

1. 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.

2. Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

3. You must sign a general release if you renew or transfer your franchise. California Corporations Code §31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§31000 through 31516). Business and Professions Code §20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§20000 through 20043).

4. Neither the Franchisor, any person or franchise broker in ITEM 2 of the Disclosure Document 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 these persons from membership in the association or exchange.

5. California law sets forth licensing requirements for residential property managers. Section 10131 of the California Business and Professions Code requires property managers to have a broker's license, and may require other licensing.

6. ITEM 17 of the Disclosure Document is amended to add the following:

- The California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

- 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.).

- The Franchise Agreement contains a covenant not to compete that extends beyond the term of the agreement. This provision might not be enforceable under California law.

- The Franchise Agreement requires litigation to be conducted in a court located outside of the State of California. This provision might not be enforceable for any cause of action arising under California law.

- The Franchise Agreement requires application of the laws of a state other than the State of California. This provision might not be enforceable under California law.

- The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

- Prospective franchisees are encouraged to consult legal counsel to determine the applicability of California and federal laws (including Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of the Franchise Agreement restricting venue to a forum outside the State of California.

- The following URL address is for the Franchisor's website:

www.realpropertymgt.com

FRANCHISOR'S WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION AT www.dfpi.ca.gov.

No statement, questionnaire, or acknowledgement 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 this franchise.

Each provision set forth in this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the California Franchise Investment Law are met independently without reference to this Addendum.

ADDENDUM TO THE FRANCHISE AGREEMENT
REAL PROPERTY MANAGEMENT SPV LLC

FOR THE STATE OF CALIFORNIA

This Addendum to the Franchise Agreement is agreed to this ___ day of _____, 20___, is by and between Real Property Management SPV LLC and _____ _____.

1. New Section 12.D is inserted into the Franchise Agreement and states as follows:

   If termination is the result of Franchisee's default, Franchisee will pay to Franchisor a lump sum payment (as liquidated damages for causing the premature termination of this Agreement and not as a penalty) equal to the total of all Royalty Fee payments for: (a) the twenty-four (24) calendar months of operation of Franchisee preceding Franchisee's default; (b) the period of time Franchisee has been in operation preceding the notice, if less than twenty-four (24) calendar months, projected on a twenty-four (24) calendar month basis; or (c) any shorter period as equals the unexpired term at the time of termination. The parties agree that a precise calculation of the full extent of the damages that Franchisor will incur on termination of this Agreement as a result of Franchisee's default is difficult and the parties desire certainty in this matter and agree that the lump sum payment provided under this Section is reasonable in light of the damages for premature termination that Franchisor will incur. This payment is not exclusive of any other remedies that Franchisor may have including attorneys' fees and costs.

2. In recognition of the requirements of the California Franchise Investment Law, Cal. Corp. Code §§31000-3516 and the California Franchise Relations Act, Cal. Bus. And Prof. Code §§20000-20043, the Franchise Agreement for Real Property Management SPV LLC is amended as follows:

   - The California Franchise Relations Act provides rights to Franchisee concerning termination or non-renewal of the Franchise Agreement, which may supersede provisions in the Franchise Agreement, specifically Sections 3.2 and 15.

   - Sections 12.A and 12.B, which terminate the Franchise Agreement upon the bankruptcy of Franchisee, may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, et seq.).

   - Section 9.D contains a covenant not to compete that extends beyond the expiration or termination of the Agreement; this covenant may not be enforceable under California Law.

   - The Franchise Agreement requires litigation to be conducted in a court located outside of the State of California. This provision might not be enforceable for any cause of action arising under California law.

   - The Franchise Agreement requires application of the laws of a state other than California. This provision might not be enforceable under California law.

   - Paragraph 1 of this Addendum contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

- Prospective franchisees are encouraged to consult 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 the Franchise Agreement restricting venue to a forum outside of the State of California.

3. Franchisor's financing program is offered pursuant to the franchise loan exemption under Section 22063 of the California Finance Lenders Law. If Franchisee decides to finance all or a portion of the initial franchise fee using Franchisor's financing program, Franchisee hereby confirms that Franchisee intends to use the financing primarily for purposes other than personal, family, or household purposes.

4. 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.

~~4~~5. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

~~5~~6. Each provision set forth in this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the California Franchise Investment Law are met independently without reference to this Addendum.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

Real Property Management SPV LLC:	Franchisee:
By:_____	By:_____
Title:_____	Title:_____

HAWAII

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE OFFERING CIRCULAR, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS OFFERING CIRCULAR CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

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.

ILLINOIS

State Cover Page; Risk Factors.

The following statement is added to the end of the first Risk Factor: Section 4 of the Illinois franchise disclosure act provides that any provision in a franchise agreement that designates jurisdiction or venue in a forum outside of Illinois is void with respect to any cause of action which otherwise is enforceable in Illinois; provided, however, that the franchise agreement may provide for arbitration in a forum outside of Illinois.

Item 17 – Additional Disclosures.

- No action for liability under the Illinois Franchise Disclosure Act shall be maintained unless brought before the expiration of 3 years after the act or transaction constituting the violation upon which it is based, the expiration of 1 year after the franchisee becomes aware of facts or circumstances reasonably indicating that he may have a claim for relief in respect to conduct governed by the Act, or 90 days after delivery to the franchisee of a written notice disclosing the violation, whichever shall first expire.

- Illinois law governs the Franchise Agreement (without regard to conflict of laws), and jurisdiction and venue for court litigation shall be in Illinois.

- Any provision in the Franchise Agreement that designates jurisdiction or venue in a forum outside the State 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.

Each provision set forth in this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Illinois Franchise Disclosure Act (815 ILL. COMP. STAT. §§ 705/1 through 705/44) are met independently without reference to this Addendum.

FOR THE STATE OF ILLINOIS

This Addendum to the Franchise Agreement is agreed to this ___ day of _____, 20___, is by and between Real Property Management SPV LLC and _____ _____.

1. In recognition of the requirements of the Illinois Franchise Disclosure Act, 815 ILCS 705, the Franchise Agreement for Real Property Management SPV LLC is amended as follows:

- Sections 14.G.1 and 14.H are amended to add:

  The Franchise Agreement shall be governed by Illinois law. Jurisdiction and venue for court litigations shall be in Illinois. Any provision in the Franchise Agreement that designates jurisdiction or venue in a forum outside the State is void, provided that a Franchise Agreement may provide for arbitration in a forum outside of Illinois.

- Section 13.B is amended to add:

  No action for liability under the Illinois Franchise Disclosure Act shall be maintained unless brought before the expiration of three (3) years after the act or transaction constituting the violation upon which it is based, the expiration of one (1) year after Franchisee becomes aware of facts or circumstances reasonably indicating that the Franchisee may have a claim for relief in respect to conduct governed by the Act, or ninety (90) days after delivery to Franchisee of a written notice disclosing the violation, whichever shall first expire.

- Section 14.I is deleted in its entirety.

2. Any condition, stipulation, or provision purporting to bind any person acquiring any Franchise to waive compliance with any provision of this Act or any other law of this State is void. This Section shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.

3. 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.

4. Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

Real Property Management SPV LLC:	Franchisee:
By:_____	By:_____
Title:_____	Title:_____

MARYLAND

1. ITEM 5: 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.

~~1~~2. ITEM 11: To obtain an accounting of the MAP Fund, the franchisee should contact the Franchisor's President or Vice President in writing.

~~2~~3. ITEM 17 of the Disclosure Document is amended to add the following:

- Under the Maryland Franchise Registrations and Disclosure Law, Md. Code Ann. Bus. Reg. §14-201 et seq., no general release shall be required as a condition of renewal, termination and/or transfer that is intended to exclude claims under the Maryland Franchise Registration and Disclosure Law.

- Any litigation between Franchisee and Franchisor may be instituted in any court of competent jurisdiction, including a court in the State of Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

- Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

- In the event of a conflict of laws if required by the Maryland Franchise Registration and Disclosure Law, Maryland law shall prevail.

- The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, *et seq.*).

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.

Each provision set forth in this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise and Disclosure Law (MD CODE ANN., BUS. REG. §§ 14-201 through 14-233) are met independently without reference to this Addendum.

FOR THE STATE OF MARYLAND

This Addendum to the Franchise Agreement is agreed to this ___ day of _____, 20___, is by and between Real Property Management SPV LLC and _____ _____.

1. In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, Md. Code Ann., Bus. Reg. §§14-201-14-233, the Franchise Agreement for Real Property Management SPV LLC is amended as follows:

- Sections 4.B and 10.D.6 require Franchisee to sign a general release as a condition of renewal or transfer of the Franchise; such release shall exclude claims arising under the Maryland Franchise Registration and Disclosure Law.

- Section 8.A, Initial Franchise Fee, is amended by adding the following language at the end of the section:

  "Based upon our financial condition, the Maryland Securities Commissioner has imposed a fee deferral requirement. Therefore, you will not be required to pay the initial fees due to us and/or our affiliates, including the Initial Franchise Fee and any other fees, until we have completed all our pre-opening obligations to you and you begin operating your franchise business."

- Sections 12.A and 12.B, which terminate the Franchise Agreement upon the bankruptcy of Franchisee, may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, et seq.).

- Section 14.G.1 requires that the Franchise be governed by the laws of the State of Texas; however, in the event of a conflict of laws to the extent required by the Maryland Franchise Registration and Disclosure Law, the laws of the State of Maryland shall prevail.

- Sections 11 and 14.H require litigation or arbitration to be conducted in the State of Texas; the requirement shall not limit any rights Franchisee may have under the Maryland Franchise Registration and Disclosure Law to bring suit in the State of Maryland.

- Any Section of the Franchise Agreement requiring Franchisee to assent to any release, estoppel or waiver of liability as a condition of purchasing the Franchise 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.

- Section 13.B is amended to the extent that any claims arising under the Maryland Franchise Registration and Disclosure Law may be brought within three (3) years after the grant of the Franchise.

2. MAP Fund: To obtain an accounting of the MAP Fund, franchisee should contact our President or Vice President in writing.

3. 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.

4. Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law applicable to the provisions are met independently of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

Real Property Management SPV LLC:	Franchisee:
By:_____	By:_____
Title:_____	Title:_____

MINNESOTA

1. ITEM 13 of the Disclosure Document is amended as follows:

   - As required by the Minnesota Franchise Act, Minn. Stat. Sec. 80C.12(g), we will reimburse you for any costs incurred by you in the defense of your right to use the Marks, so long as you were using the Marks in the manner authorized by us, and so long as we are timely notified of the claim and given the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

2. ITEM 17 of the Disclosure Document is amended as follows:

   - With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5, which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the Agreement.

   - ITEM 17 does not provide for a prospective general release of claims against us that may be subject to the Minnesota Franchise Law. Minn. Rule 2860.4400D prohibits a Franchisor from requiring a franchisee to assent to a general release.

   - Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

No statement, questionnaire, or acknowledgement 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 this franchise.

Each provision set forth in this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of Minnesota state franchise law (MINN. STAT. §§ 80C.01 through 80C.22) are met independently without reference to this Addendum.

FOR THE STATE OF MINNESOTA

This Addendum to the Franchise Agreement is agreed to this ___ day of _____, 20___, is by and between Real Property Management SPV LLC and _____ _____.

1. In recognition of the Minnesota Franchise Law, Minn. Stat., Chapter 80C, Sections 80C.01 through 80C.22, and the Rules and Regulations promulgated pursuant thereto by the Minnesota Commission of Securities, Minnesota Rule 2860.4400, et. seq., the parties to the attached Franchise Agreement agree as follows:

- Sections 4 and 12 are amended to add that with respect to Franchises governed by Minnesota Law, Franchisor will comply with the Minnesota Franchise Law that requires, except in certain specified cases, that Franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the Agreement.

- Sections 4.B and 10.D.6 do not provide for a prospective general release of any claims against Franchisor that may be subject to the Minnesota Franchise Law. Minn. Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release.

- Section 3 is amended to add that as required by Minnesota Franchise Act, Real Property Management SPV LLC will reimburse you for any costs incurred by you in the defense of your right to use the Marks, so long as you were using the Marks in the manner authorized by Real Property Management SPV LLC, and so long as Real Property Management SPV LLC is timely notified of the claim and is given the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

- Section 13.B is amended to state that any claim concerning the Franchised Business or this Agreement or any related agreement will be barred unless the action is commenced within three (3) years from the date on which Franchisee or Franchisor knew or should have known, in the exercise of reasonable diligence, of the facts giving rise to or the claim.

- Section 14.J is deleted in its entirety.

- Section 14.I is deleted in its entirety.

- Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit Franchisor from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Franchise Agreement can abrogate or reduce any of Franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or Franchisee's rights to any procedure, forum or remedies provided for by the laws of the jurisdiction. However, Franchisor may seek such relief through the court system with or without a bond as determined by a court. Minn. Rule Part 2860.4400J prohibits Franchisee from waving its rights to a jury trial or waiving its rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages,

termination penalties or judgment notes. To the extent that the Franchise Agreement requires Franchisee to waive these rights, the Franchise Agreement will be considered amended to the extent necessary to comply with the Minnesota Rule.

2. 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.

3. Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the Minnesota Franchise Law applicable to the provisions are met independently of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

Real Property Management SPV LLC:	Franchisee:
By:_____	By:_____
Title:_____	Title:_____

NEW YORK

1. 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 A 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 FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, INVESTOR PROTECTION BUREAU, 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. The following is added at the end of Item 3:

Except as provided above, with regard 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, a 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 franchisees 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 has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or 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 a 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 such person from membership in such association or exchange; 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. The following is added to the end of Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

5. 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 provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

6. The following language replaces the "Summary" section of Item 17(d), titled **"Termination by franchisee":**

You may terminate the agreement on any grounds available by law.

7. The following is added to the end of the "Summary" section of Item 17(j), titled **"Assignment of contract by franchisor":**

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.

8. 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 Article 33 of the General Business Law of the State of New York.

Each provision set forth in this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of New York state franchise law (N.Y. GEN. BUS. LAW §§ 680 through 695) are met independently without reference to this Addendum.

FOR THE STATE OF NEW YORK

This Addendum to the Franchise Agreement is agreed to this ___ day of _____, 20___, is by and between Real Property Management SPV LLC and _____ _____.

1. In recognition of the requirements of the General Business Laws of the State of New York, Article 33, §§ 680 through 695, the Franchise Agreement for Real Property Management SPV LLC is amended as follows:

- Sections 4.B and 10.D.6 require Franchisee to sign a general release as a condition of renewal, or transfer; such release shall exclude claims arising under the General Business Laws.

- Under Section 10.G, Franchisor shall not transfer and assign its rights and obligations under the Franchise Agreement unless the transferee will be able to perform Franchisor's obligations under the Franchise Agreement, in Franchisor's good faith judgment, so long as it remains subject to the General Business Laws of the State of New York.

- Section 9.B is amended to provide that Franchisee will not be required to indemnify Franchisor for any liability imposed upon Franchisor as a result of Franchisee's reliance upon or use of procedures or products that were required by Franchisor, if such procedures or products were utilized by Franchisee in the manner required by Franchisor.

- Section 14.G.1 requires that the Franchise be governed by the laws of the state Franchisor's principal business is then located, such a requirement will not be considered a waiver of any right conferred upon Franchisee by Article 33 of the General Business Laws.

2. Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the New York Law applicable to the provisions are met independently of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

Real Property Management SPV LLC:	Franchisee:
By:_____	By:_____
Title:_____	Title:_____

NORTH DAKOTA

1. ITEM 5 of the Disclosure Document is amended by the addition of the following language to the original language:

- Refund and cancellation provisions will be inapplicable to franchises operating under North Dakota Law, North Dakota Century Code Annotated Chapter 51-19, Sections 51-19-01 through 51-19-17. If Franchisor elects to cancel this Franchise Agreement, Franchisor will be entitled to a reasonable fee for its evaluation of you and related preparatory work performed and expenses actually incurred.

2. ITEM 17 of the Disclosure Document is amended to add the following:

- No general release shall be required as a condition of renewal, termination and/or transfer that is intended to exclude claims arising under North Dakota Law.

- In the case of any enforcement action, the prevailing party is entitled to recover all costs and expenses including attorneys' fees.

- The Franchise Agreement is amended to state that the statute of limitations under North Dakota Law will apply.

- ITEMS 17(i) and 17(q) are amended to state that covenants not to compete upon termination or expiration of the Franchise Agreement are generally unenforceable in the State of North Dakota except in limited instances as provided by law.

- ITEM 17(v) is amended to state a provision requiring litigation to be conducted in a forum other than North Dakota is void with respect to claims under North Dakota Law.

- ITEM 17(w) is amended to state in the event of a conflict of laws, North Dakota Law will control.

3. Item 17 is amended by the addition of the following:

THE SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA FRANCHISEES (NDCC SECTION 51-19-09):

A. Restrictive Covenants: Franchise disclosure documents that disclose the existence of covenants restricting competition contrary to *NDCC Section 9-08-06*, without further disclosing that such covenants will be subject to the statute.

B. Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business.

C. Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

D. Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

E. Applicable Laws: Franchise agreements that specify that they are to be governed by the laws of a state other than North Dakota.

F. Waiver of Trial by Jury: Requiring North Dakota Franchises to consent to the waiver of a trial by jury.

G. Waiver of Exemplary & Punitive Damages: Requiring North Dakota Franchisees to consent to a waiver of exemplary and punitive damage.

H. General Release: Franchise Agreements that require the franchisee to sign a general release upon renewal of the franchise agreement.

I. Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

J. Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

Each provision set forth in this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law (N.D. CENT. CODE §§ 51-19-01 through 51-9-17) are met independently without reference to this Addendum.

FOR THE STATE OF NORTH DAKOTA

This Addendum to the Franchise Agreement is agreed to this ___ day of _____, 20___, is by and between Real Property Management SPV LLC and _____ _____.

1. The North Dakota Securities Commission requires that certain provisions contained in the Agreement be amended to be consistent with North Dakota Law, including the North Dakota Franchise Investment Law, North Dakota Century Code Addendum, Chapter 51-19, Sections 51-19-01 et seq. Such provisions in the Agreement are hereby amended as follows:

- Under Sections 4.B and 10.D.6, the execution of a general release upon renewal, or transfer will be inapplicable to Franchises operating under the North Dakota Franchise Investment Law to the extent that such a release excludes claims arising under the North Dakota Franchise Investment Law.

- Section 5.H is amended to add that the prevailing party in any enforcement action is entitled to recover all costs and expenses including attorneys' fees.

- Section 11 is amended to state:

If Franchisor or Franchisee is required to enforce this Agreement via judicial or arbitration proceedings, the prevailing party shall be entitled to reimbursement of its costs, including reasonable accounting and legal fees in connection with such proceeding.

- Section 9.3 is amended to add that covenants not to compete upon termination or expiration of the Franchise Agreement are generally unenforceable in the State of North Dakota except in limited instances as provided by law.

- Section 14.G.1 is amended to state that in the event of a conflict of laws, North Dakota Law shall prevail.

- Section 14.H is amended to add that any action may be brought in the appropriate state or federal court in North Dakota with respect to claims under North Dakota Law.

- Section 13.B is amended to state that the statute of limitations under North Dakota Law shall apply.

- Sections 14.J and 14.I are deleted in their entireties.

- Section 11 is amended to state that arbitration involving a Franchise purchased in North Dakota must be held either in a location mutually agreed upon prior to the arbitration, or if the parties cannot agree on a location, the arbitrator will determine the location.

2. Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the North Dakota Law applicable to the provisions are met independently of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

Real Property Management SPV LLC:	Franchisee:
By:_____	By:_____
Title:_____	Title:_____

RHODE ISLAND

ITEM 17 of the Disclosure Document is amended to add the following:

- The Rhode Island Franchise Investment Act, R.I. Gen. Law Ch. 395 Sec. 19-28.1-14 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 the Rhode Island Franchise Investment Act.

Each provision set forth in this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act (19 R.I. GEN. LAWS §§ 19-28.1-1 through 19-28.1-34) are met independently without reference to this Addendum.

FOR THE STATE OF RHODE ISLAND

This Addendum to the Franchise Agreement is agreed to this ___ day of _____, 20___, is by and between Real Property Management SPV LLC and _____ _____.

1. In recognition of the requirements of The Rhode Island Franchise Investment Act §19-28.1-14, the Franchise Agreement for Real Property Management SPV LLC is amended as follows:

- Sections 11.B, 14.G.1 and 14.H are amended to state that restricting jurisdiction or venue to a forum outside the State of Rhode Island or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under The Rhode Island Franchise Investment Act.

2. Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the Rhode Island Law applicable to the provisions are met independently of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

Real Property Management SPV LLC:	Franchisee:
By:_____	By:_____
Title:_____	Title:_____

VIRGINIA

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for **Real Property Management SPV LLC** for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure: The following statements are added to ITEM 17(h):

- Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a Franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the franchise agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

~~**WASHINGTON**~~

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, AND ALL 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, ~~C~~chapter 19.100 RCW ~~shall~~will prevail.

2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement ~~in~~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 ~~which may~~that supersede the franchise agreement ~~in~~or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including ~~the areas of termination and renewal of your~~those summarized in Item 17 of the ~~f~~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 ~~executed by a~~in the franchise agreement or related agreements purporting to bind the franchisee ~~may not include rights~~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 ~~such as those which~~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.

~~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 provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.~~

~~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.~~

~~To resolve an investigation by the Washington Attorney General and without admitting any liability, the franchisor has entered into an Assurance of Discontinuance ("AOD") with the State of Washington, where the franchisor affirmed that it already removed from its form franchise agreement a provision which restricted a franchisee from soliciting and/or hiring the employees of other franchisees, which the Attorney General alleges violated Washington state and federal antitrust and unfair practices laws. The franchisor has agreed, as part of the AOD, to not enforce any such provisions in any existing franchise agreement, to not include any such provisions in future franchise agreements, to request that its Washington franchisees amend their existing franchise agreements to remove such provisions, and to notify its franchisees about the entry of the AOD. In addition, the State of Washington did not assess any fines or other monetary penalties against the franchisor.~~

~~**Use of Franchise Brokers**. The franchisor may use the services of franchise brokers to assist it in selling franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. Do not rely only on the information provided by a franchise broker about a franchise. Do your own investigation by contacting the franchisor's current and former franchisees and ask them about their experience with the franchisor.~~

7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

~~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.~~

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).

~~Each provision set forth in this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act are met independently without reference to this Addendum.~~

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.

~~**WA STATE ADDENDUM TO THE FRANCHISE AGREEMENT**~~

~~This Addendum to the Franchise Agreement is agreed to this ___ day of _____, 20___, is by and between Real Property Management SPV LLC and _____~~

~~_____.~~

~~1. In recognition of the requirements of the Washington Franchise Investment Protection Act, Washington Rev. Code §§19.100.010 – 19.100.940, the following paragraphs are added to the end of the Franchise Agreement:~~

~~In recognition of the requirements of the Washington Franchise Investment Protection Act (the "Act") and the rules and regulations promulgated thereunder, the Franchise Agreement of [Franchisor] shall be modified as follows:~~

~~In the event of a conflict of laws, to the extent required by the Act, the provisions of the Act, Chapter 19.100 RCW, shall prevail.~~

~~RCW 19.100.180 may supersede this Agreement in your relationship with us, including the areas of termination and renewal of your franchise. There also might be court decisions which supersede this Agreement in your relationship with us, including the areas of termination and renewal of your franchise.~~

~~In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will either be in the State of Washington, or in a place mutually agreed upon by the parties at the time of the arbitration or mediation, or as determined by the arbitrator 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.~~

~~A release or waiver of rights executed by a franchisee shall not include rights under the Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act, such as a right to a jury trial, might not be enforceable.~~

~~Transfer fees are collectable only to the extent that they reflect our reasonable estimate or actual costs in effecting a transfer.~~

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~~s~~ contained in the franchise agreement or elsewhere that conflicts with these limitations ~~are~~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.

~~2~~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).

~~3. Each provision set forth in this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act are met independently without reference to this Addendum.~~

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.

19. **Assurance of Discontinuance**. To resolve an investigation by the Washington Attorney General and without admitting any liability, the franchisor has entered into an Assurance of Discontinuance ("AOD") with the State of Washington, where the franchisor affirmed that it already removed from its form franchise agreement a provision which restricted a franchisee from soliciting and/or hiring the employees of other franchisees, which the Attorney General alleges violated Washington state and federal antitrust and unfair practices laws. The franchisor has agreed, as part of the AOD, to not enforce any such provisions in any existing franchise agreement, to not include any such provisions in future franchise agreements, to request that its Washington franchisees amend their existing franchise agreements to remove such provisions, and to notify its franchisees about the entry of the AOD. In addition, the State of Washington did not assess any fines or other monetary penalties against the franchisor.

The undersigned ~~does~~parties do hereby acknowledge receipt of this ~~Rider~~Addendum.

Dated this _____ day of _____ 20_____.

_____	_____
Signature of Franchisor Representative	Signature of Franchisee Representative

~~IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this addendum, and understands and consents to be bound by all of its terms.~~

~~Real Property Management SPV LLC:~~	~~Franchisee:~~
~~By:~~ _____	~~By:~~ _____
~~Title:~~ _____	~~Title:~~ _____

_____	_____
Title of Franchisor Representative	Title of Franchisee Representative

EXHIBIT S

STATE EFFECTIVE DATES

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:	April 1, ~~2024, as amended July 1, 2024~~2025
Hawaii:	~~May 3, 2024, as amended September 4, 2024~~[PENDING]
Illinois:	April 1, ~~2024, as amended July 1, 2024~~2025
Indiana:	~~April 29, 2024, as amended July 1, 2024~~[PENDING]
Maryland:	~~SEE SEPARATE FDD~~[PENDING]
Michigan:	April 1, ~~2024, as amended July 1, 2024~~2025
Minnesota:	~~May 23, 2024, as amended July 16, 2024~~[PENDING]
New York:	April 1, ~~2024, as amended July 1, 2024~~2025
North Dakota:	~~April 16, 2024, as amended July 1, 2024~~[PENDING]
Rhode Island:	~~April 15, 2024, as amended July 3, 2024~~[PENDING]
South Dakota:	~~April 5, 2024, as amended July 1, 2024~~[PENDING]
Virginia:	~~April 19, 2024, as amended July 12, 2024~~[PENDING]
Washington:	~~April 27, 2024, as amended July 1, 2024~~[PENDING]
Wisconsin:	~~April 9, 2024, as amended July 2, 2024~~[PENDING]

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.

Franchisor represents that this Disclosure Document does not knowingly omit anything or contain any untrue statements of a material fact.

RECEIPTS

RECEIPT

This disclosure document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Real Property Management SPV LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, 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 the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Real Property Management SPV LLC does not deliver this 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 Administrator listed in Exhibit A.

The following are the names, principal business addresses, and telephone numbers of each franchise seller offering the franchise.

Franchise Sellers located at 1010 North University Parks Drive, Waco, Texas 76707, 254-745-2404:
□ Debra Cohen
□ Darin Finch
□ Other/Broker (name/address/phone number):_____

_____

Issuance Date: ~~April~~APRIL 1, ~~2024, as amended July 1, 2024~~2025

We authorize the respective state agents identified on Exhibit A to receive service of process for us in the particular states.

I received a disclosure document dated April 1, ~~2024, as amended July 1, 2024~~2025, that included state addenda and the following exhibits: A) Franchise Agreement with Schedules; (B) Agencies/Agents for Service of Process; (C) Financial Statements of our Parent; (D) Parent Guarantee; (E) Current Franchisees in the United States as of December 31, ~~2023~~2024; (F) Franchisees in the United States who left the System in the past 12 months as of December 31, ~~2023~~2024; (G) Renewal Addendum; (H) General Release [sample]; (I) BackOffice Bookkeeping Assistance Program Service Agreement; (J) BackOffice HelpDesk Plus Service Agreement; (K) BackOffice Quarterly Bank Review Service Agreement; (L) Property Management Software Agreement; (M) Software System User & Maintenance Agreement; (N) Assignment and Consent Agreement; (O) PROTRADENET Agreement; (P) Acquisition Addendum; (Q) Digital Marketing Program Agreement; (R) State Addenda; and (S) State Effective Dates.

You may return the signed receipt either by signing, dating, and mailing it to Real Property Management SPV LLC at 1010 North University Parks Drive, Waco, Texas 76707, or by scanning and emailing a copy of the signed and dated receipt to your sales representative.

_____ _____
Date of Receipt Print Name

_____
Signature

RECEIPT

This disclosure document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Real Property Management SPV LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, 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 the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

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