



14 MOVES® FRANCHISE DISCLOSURE DOCUMENT

14 Moves International, LLC
A Delaware limited liability company
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We grant you the right to operate a 14 Moves® real estate agency businesses (a “Market Center”), which allows you to offer real estate agency services from approved offices located within a specific protected territory.

The total investment necessary to begin operation of a 14 Moves Market Center is from \$107,605 to \$165,725. This includes \$48,585 to \$54,975 that must be paid to us or our affiliates.

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, us or an affiliate in connection with the proposed franchise sale or grant. **Note, however, that no government 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 Sean Goerss at 2355 Hwy 36, Suite 400, Roseville, Minnesota 55113, and (651) 785-7115; sean@14moves.com.

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.

Issuance Date: April 29, 2019

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state. REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT IS CORRECT.

Call the state franchise administrator listed in Exhibit C for information about the franchisor or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise:

1. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION OR LITIGATION ONLY IN MINNEAPOLIS, MINNESOTA. OUT-OF-STATE ARBITRATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO ARBITRATE OR LITIGATE WITH US IN MINNESOTA THAN IN YOUR OWN STATE.
2. THE FRANCHISOR IS AT AN EARLY STAGE OF DEVELOPMENT AND HAS A LIMITED OPERATING HISTORY. THIS FRANCHISE COULD BE A HIGHER RISK INVESTMENT THAN A SYSTEM WITH A LONGER OPERATING HISTORY.
3. THE FRANCHISEE WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$107,605 to \$165,725. THIS AMOUNT EXCEEDS THE FRANCHISOR'S STOCKHOLDERS EQUITY AS OF DECEMBER 31, 2018, WHICH IS A DEFICIT OF \$128,375.
4. YOU MUST MAINTAIN MINIMUM SALES PERFORMANCE LEVELS. IF YOU FAIL TO DO SO YOU COULD LOSE ANY TERRITORIAL RIGHTS YOU ARE GRANTED OR THE FRANCHISOR COULD TERMINATE YOUR AGREEMENT RESULTING IN THE LOSS OF YOUR INVESTMENT, OR BOTH.
5. THE FRANCHISOR IS A DEVELOPMENT STAGE COMPANY WITH LIMITED FRANCHISE OPERATING HISTORY.
6. THE FRANCHISOR HAS LIMITED FINANCIAL RESOURCES WHICH MIGHT NOT BE ADEQUATE TO FUND THE FRANCHISOR'S PRE-OPENING OBLIGATIONS TO EACH FRANCHISEE AND PAY OPERATING EXPENSES.
7. YOUR SPOUSE MUST SIGN A DOCUMENT, SUCH AS A GUARANTY, THAT MAKES YOUR SPOUSE LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT EVEN IF YOUR SPOUSE DOES NOT OWN ANY PART OF THE FRANCHISE BUSINESS. IF YOU LIVE IN A COMMUNITY PROPERTY STATE, YOUR SPOUSE MAY BE

LIABLE FOR YOUR FINANCIAL OBLIGATIONS EVEN IF HE OR SHE HASN'T SIGNED ANYTHING. BOTH YOU AND YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS, INCLUDING YOUR HOUSE, COULD BE LOST IF YOUR FRANCHISE FAILS.

8. YOUR MARKET CENTER MAY BE NEGATIVELY AFFECTED IF YOU ARE NOT AFFILIATED WITH A REAL ESTATE AGENCY CHAIN OR FRANCHISE SYSTEM. YOU ARE SOLELY RESPONSIBLE FOR YOUR AFFILIATION WITH A REAL ESTATE AGENCY CHAIN OR FRANCHISE SYSTEM. WE RECOMMEND TAKING APPROPRIATE STEPS TO AFFILIATE WITH A REAL ESTATE AGENCY CHAIN OR FRANCHISE SYSTEM BEFORE OPERATING YOUR 14 MOVES MARKET CENTER. WE ALSO RECOMMEND THAT YOU INVESTIGATE WHETHER YOU ARE PERMITTED TO OPERATE A 14 MOVES MARKET CENTER UNDER YOUR AGREEMENT, OR UNDER A FUTURE AGREEMENT, WITH A REAL ESTATE AGENCY CHAIN OR FRANCHISE SYSTEM BEFORE SIGNING A 14 MOVES FRANCHISE AGREEMENT.

9. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We use the services of one or more franchise brokers or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of this franchise.

Effective Date: See State Effective Dates page

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