

APR 20 2012

FRANCHISE DISCLOSURE DOCUMENT



HomeSmart International, LLC,
an Arizona limited liability company
3131 E Camelback Rd, Suite 125
Phoenix, AZ 85016
Phone 602-230-7600
Fax 602-230-7666
www.homesmartinternational.com

HomeSmart International, LLC offers franchises for the operation of a business offering real estate brokerage services to both residential and commercial real property purchasers and sellers

The total investment necessary to begin operation of a franchise ranges from \$51,000 to \$160,000 This includes an Initial Franchise Fee of \$20,000 that must be paid to the franchisor or affiliate If you desire to open more than one Branch Office from which to operate your HomeSmart Real Estate Brokerage Business, you must pay us a Branch Office Fee of \$10,000 for each additional office you open

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 Henry C. Lemire at 3131 E Camelback Rd, Suite 125, Phoenix, AZ 85016, and (602) 230-7600

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

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

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

The issuance date: March 27, 2012

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 OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT**

Call the state franchise administrator listed in **Exhibit D** 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 ONLY IN ARIZONA. OUT-OF-STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN ARIZONA THAN IN YOUR OWN STATE**
2. **THE FRANCHISE AGREEMENT STATES THAT ARIZONA LAW GOVERNS THE AGREEMENT. EVEN THOUGH THE FRANCHISE AGREEMENT PROVIDES THAT "ARIZONA" LAW APPLIES, LOCAL LAW MAY SUPERSEDE IT IN YOUR STATE. PLEASE REFER TO THE STATE-SPECIFIC ADDENDUM ATTACHED AS EXHIBIT E TO THIS FRANCHISE DISCLOSURE DOCUMENT FOR DETAILS.**
- 3 **THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.**

Effective Date: See the next page for state effective dates.

FRANCHISE DISCLOSURE DOCUMENT EFFECTIVE DATES IN DESIGNATED STATES

The following states require that the Disclosure Document be registered or filed with the state 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 Franchise Disclosure Document is registered, on file, exempt from registration, or otherwise effective in the following states with franchise registration and disclosure (or business opportunity*) laws as of the dates listed

California	April 3, 2012
Florida	February 9, 2012
Hawaii	Not registered
Illinois	Pending
Indiana	April 10, 2012
Kentucky*	June 2, 2009
Maryland	Not registered
Michigan	August 25, 2012
Minnesota	April 3, 2012
Nebraska*	May 15, 2009
New York	November 17, 2011
North Dakota	Not registered
Rhode Island	September 15, 2011
South Dakota	Not registered
Texas*	May 14, 2009
Virginia	Not registered
Utah	August 25, 2012
Washington	September 14, 2011
Wisconsin	April 2, 2012

In all other states, the effective date of this Franchise Disclosure Document is **March 27, 2012**

* Denotes one-time filing

This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: <https://franchisepanda.com/franchises/homesmart-international>