



Your Space to Find a Place®

**FRANCHISE DISCLOSURE DOCUMENT
KEYRENTER FRANCHISE LLC
79 East Fort Union Blvd.
Midvale, Utah 84047
Telephone: (801) 316-1500
www.KeyrenterFranchise.com**

Keyrenter Property Management businesses provide full service real estate management and rental services, focusing largely on single-family homes and condominium owners, as well as related property management services such as signing leases, collecting rents, and performing and coordinating maintenance and repairs.

We offer two franchise programs:

Standard Franchise: The total investment necessary to begin operation of a single standard Keyrenter Property Management franchise ranges from \$70,140 - \$99,395. This includes \$35,000 that must be paid to the franchisor or affiliate.

Small Market Franchise: The total investment necessary to begin operation of a single Small Market Keyrenter Property Management franchise ranges from \$55,140 - \$84,395. This includes \$20,000 that must be paid to the franchisor or 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 affiliates 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 Aaron Marshall, 79 East Fort Union Blvd., Midvale, Utah 84047, (801) 316-1500.

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.

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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 A** 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 MEDIATION AND LITIGATION ONLY IN UTAH. OUT OF STATE MEDIATION AND LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE AND LITIGATE WITH US IN THE STATE THAN IN YOUR HOME STATE.
2. THE FRANCHISE AGREEMENT REQUIRES THAT UTAH LAW GOVERNS THE AGREEMENT, AND UTAH LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS YOUR STATE'S LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. FRANCHISEES ARE SUBJECT TO A MONTHLY ROYALTY FEE OF 7% ON TOTAL GROSS REVENUES OR \$250, WHICHEVER IS GREATER. IF, HOWEVER, THE PAYMENT IS RECEIVED AFTER THE 15TH OF THE MONTH THAT MONTH'S ROYALTY FEE WILL INCREASED TO 10% OF TOTAL GROSS REVENUES.
4. YOU MUST MAINTAIN MINIMUM SALES PERFORMANCE LEVELS. IF YOU FAIL TO DO SO, THE FRANCHISOR COULD TERMINATE YOUR AGREEMENT RESULTING IN THE LOSS OF YOUR INVESTMENT.
5. IF YOU ARE A CORPORATION OR OTHER BUSINESS ENTITY, ANYONE WHO OWNS A 5% OR GREATER INTEREST IN THE ENTITY MUST PERSONALLY GUARANTEE THE PERFORMANCE OF ALL OF YOUR OBLIGATIONS UNDER THE FRANCHISE AGREEMENT AND AGREE TO BE PERSONALLY LIABLE FOR YOUR BREACH OF THE FRANCHISE AGREEMENT. THIS REQUIREMENT PLACES THE PERSONAL ASSETS OF THE FRANCHISE OWNER(S) AT RISK.

6. THE FRANCHISOR'S FINANCIAL STATEMENTS DATED DECEMBER 31, 2017 REFLECT THAT CURRENT LIABILITIES SUBSTANTIALLY EXCEED CURRENT ASSETS. AS PER THE BALANCE SHEET, THE FRANCHISOR HAD A MEMBER'S CAPITAL DEFICIENCY OF (\$220,008).
7. THE FRANCHISEE WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$55,140 - \$99,395. THIS AMOUNT EXCEEDS THE FRANCHISOR'S MEMBER'S EQUITY AS OF DECEMBER 31, 2017, WHICH IS (\$220,008).
8. 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 the franchise.

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

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