

FRANCHISE DISCLOSURE DOCUMENT

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MK BRANDS, LLC
 a New York limited liability company
 100 West 83rd Street
 New York, New York 10024
 (212) 580-6200
 www.mexikoshernyc.com
 franchise@mexikoshernyc.com

 DEPARTMENT OF
 BUSINESS OVERSIGHT
 SAN FRANCISCO


The franchise offered is for a fast-casual restaurant serving kosher Mexican food, including burritos, tacos, rice bowls, salad bowls, nachos, and appetizers. The franchise operates under the name “Mexikosher” and offers dine-in, take-out, delivery and catering services from the restaurant. You may offer beer at each location with our prior written approval.

The total investment necessary to begin operation of a Mexikosher franchise is \$398,200 to \$682,800. This includes \$40,000 to \$50,000 that must be paid to the franchisor and/or its affiliates.

If you enter into a Multi-Unit Operator Agreement to develop multiple restaurants, you will pay a development fee when you sign the Multi-Unit Operator Agreement. To enter into a Multi-Unit Operator Agreement, you will commit to develop a minimum of 3 restaurants. If you commit to develop between 3 and 9 restaurants, you will pay a development fee of 100% of the initial franchise fee for 3 restaurants, plus a deposit of 50% of the initial franchise fee for each additional restaurant. If you commit to develop 10 or more restaurants, you will pay a development fee of 100% of the initial franchise fee for 5 restaurants, plus a deposit of 50% of the initial franchise fee for each additional restaurant. The total estimated investment under a Multi-Unit Operator Agreement for 3 Mexikosher restaurant franchises, including the costs to build and equip the first Mexikosher restaurant, is \$460,200 to \$745,300. This includes \$90,000 that must be paid to the franchisor and/or its affiliates. The total investment under a Multi-Unit Operator Agreement will vary depending on the number of restaurants to be developed.

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 the 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 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 Daniel Rozner or Shaya Rubin at 100 West 83rd Street, New York, New York 10024 and (212) 580-6200.

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, DC 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. December 14, 2017

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**

Call the state franchise administrator listed in Exhibit I 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 AND MULTI-UNIT OPERATOR AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION AND LITIGATION ONLY IN NEW YORK. OUT OF STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO ARBITRATE AND LITIGATE WITH US IN NEW YORK THAN IN YOUR OWN STATE
- 2 THE FRANCHISE AGREEMENT AND MULTI-UNIT OPERATOR AGREEMENT STATE THAT NEW YORK LAW GOVERNS THE AGREEMENTS, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS
- 3 WE WERE FORMED ON MARCH 28, 2017 AND HAVE A BRIEF OPERATING HISTORY. YOU MAY WANT TO CONSIDER THIS WHEN MAKING A DECISION TO PURCHASE THIS FRANCHISE OPPORTUNITY
- 4 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 next page for state effective dates

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