

FRANCHISE DISCLOSURE DOCUMENT



Area Developer Agreement

MURPHY'S DELI FRANCHISING, INC
a Texas corporation
www.murphysdeli.com

1704 Townhurst Drive ■ Suite 1100 ■ Houston, Texas 77043
Telephone (832) 812-9200 ■ Telefax (713) 812-9210

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DEPARTMENT OF
BUSINESS OVERSIGHT
SAN FRANCISCO



A Murphy's Deli Area Developer sells and supervises Murphy's Deli franchises, and owns at least one Murphy's Deli franchise. A Murphy's Deli franchise serves cold sandwiches, salads, deli trays and beverages, and other approved food products in various locations such as strip centers, office buildings, airports, or free-standing structures.

The initial Area Developer Fee is negotiated, but will generally be 15 cents a person in a defined territory with up to 4,500,000 people, and 10 cents a person in a defined territory with over 4,500,000 people. The initial Area Developer Fee will range from \$100,000 to \$1,500,000. The estimated initial investment required for an Area Developer Territory Subfranchise ranges from \$304,200 to \$2,373,500, including the cost of an individual Murphy's Deli franchise. The estimated initial investment required for an individual Murphy's Deli franchise is \$150,200 to \$802,500. This sum does not include rent for the business locations.

This Disclosure Document summarizes certain provisions of your Subfranchise Area Developer 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 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 Hassan Houmani, 1704 Townhurst Drive, Suite 1100, Houston, Texas 77043 telephone (832) 812-9200.

The terms of your contract will govern your subfranchise Area Developer 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.

Issuance Date May 1, 2014

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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 THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT**

Call the state 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 ~~SUBFRANCHISE~~ AREA DEVELOPER AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY LITIGATION ONLY IN TEXAS. OUT-OF-STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO LITIGATE WITH US IN TEXAS THAN IN YOUR OWN HOME STATE**
- 2 **THE ~~SUBFRANCHISE~~ AREA DEVELOPER AGREEMENT STATES THAT TEXAS LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS**
- 3 **THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE**

We may 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

See the following page for effective dates for state that require registration

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