

FRANCHISE DISCLOSURE DOCUMENT



OE Franchise, LLC
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Office Evolution® businesses provide shared office services, including live answering service and telephone call management, executive suites, temporary office use, conference and training room use, co-working/drop in work space, business center locations, a professional business address, and other related products and services (“Office Evolution Business(es)”).

The total investment necessary to begin operation of an Office Evolution franchised business is between \$286,825 and \$1,485,150. This includes \$63,324 to \$65,150 that must be paid to the franchisor or its affiliate(s). The total investment necessary to begin operation of an Office Evolution acquisition business is between \$133,325 and \$990,150. This includes \$63,325 to \$65,150 that must be paid to the franchisor or its affiliate(s). The total investment necessary to begin operation of an Office Evolution conversion business is between \$60,825 and \$590,150. This includes \$18,325 to \$590,150 that must be paid to the franchisor or its affiliate(s).

Office Evolution area developers acquire the right to develop multiple Office Evolution Businesses in a designated geographic area. The total investment necessary to begin operation of an Office Evolution area developer business will depend on the number of Office Evolution Businesses to be developed. The multi-unit development fee ranges from \$80,000 for two Office Evolution Businesses to \$105,000 for three Office Evolution Businesses. The multi-unit development fee for each additional business after the third business is \$25,000. The total investment necessary to begin operation of an Office Evolution area developer business operating two Office Evolution Businesses ranges from \$560,942 to \$2,957,384. This includes \$113,942 to \$117,384 that must be paid to the franchisor or its affiliates. The total investment necessary to begin operation of an Office Evolution area developer business operating three Office Evolution Businesses ranges from \$822,558 to \$4,417,118. This includes \$152,059 to \$157,326 that must be paid to the franchisor or its affiliates. For each additional Office Evolution Business opened under an area development agreement, you will pay the same costs as a single franchise, but certain fees will be discounted with each Office Evolution Business.

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 a 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 Emily Romero at 357 McCaslin Blvd, Ste 200, Louisville, CO 80027, (877) 449-0498.

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 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 THE FRANCHISE 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 AND AREA DEVELOPMENT AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION/LITIGATION/MEDIATION ONLY IN COLORADO. OUT-OF-STATE ARBITRATION/LITIGATION/MEDIATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE/LITIGATE/MEDIATE WITH US IN COLORADO THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT STATE THAT COLORADO 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. THE FRANCHISEE OR AREA DEVELOPER WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$60,879 TO \$1,485,258. THESE AMOUNTS MAY EXCEED THE FRANCHISOR'S STOCKHOLDERS EQUITY AS OF DECEMBER 31, 2018, WHICH IS \$292,812.
4. 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 is our agent and 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 Dates: See next page for state effective dates.

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