

Department of Corporations

AUG - 8 2011

Sacramento Office



**RED CARPET<sup>®</sup>**  
**REAL ESTATE**

**U.S. Franchise  
Disclosure  
Documents**



**FRANCHISE DISCLOSURE  
DOCUMENT  
RED CARPET  
INTERNATIONAL, INC.  
14600 Pennsylvania Road  
Southgate, Michigan 48195  
(734) 246-6080  
[www.redcarpetrealestate.com](http://www.redcarpetrealestate.com)  
[info@redcarpetrealestate.com](mailto:info@redcarpetrealestate.com)**

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You will buy a franchise for the operation of a real estate brokerage business under the “Red Carpet®” name and marks.

The total investment necessary to begin operation of a conversion franchise ranges from \$21,200 to \$92,000, including typically \$15,000 to \$60,000 that must be paid to the franchisor. (See Item 5) The total investment necessary to begin operation of a start-up franchise ranges from \$57,000 to \$237,000, including typically \$15,000 to \$60,000 that must be paid to the franchisor. (See Item 5)

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 payments 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 Andrew Cimerman, Red Carpet® International, Inc., 14600 Pennsylvania Road, Southgate, Michigan 48195, (734) 246-6080.

The terms of your contract will govern your franchise relationship. Don't rely on this 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. This 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 the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at [www.ftc.gov](http://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: July 27, 2011**

## 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 administrators 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 LITIGATION WITHIN A 50 MILE RADIUS OF OUR THEN CURRENT PRINCIPAL PLACE OF BUSINESS (CURRENTLY LOCATED IN SOUTHGATE, MICHIGAN). 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 WITHIN A 50 MILE RADIUS OF OUR THEN CURRENT PRINCIPAL PLACE OF BUSINESS (CURRENTLY LOCATED IN SOUTHGATE, MICHIGAN) THAN IN YOUR HOME STATE.
2. THE FRANCHISE AGREEMENT STATES THAT MICHIGAN LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTION AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. 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.

The effective dates of this disclosure document in the states with franchise registration laws in which we have sought registration or exemption appear on the following page.

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