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FRANCHISE DISCLOSURE DOCUMENT

STANFORD RAFFLES REALTY
FRANCHISE, INC
A California Corporation
123 S Figueroa St Unit 108, Los Angeles
CA 90012
323-718-8683
info@stanfordrafflesrealtyfranchise.com
www.stanfordrafflesrealtyfranchise.com



Stanford Raffles
REALTY

DEPARTMENT OF
TREASURY AND
FINANCIAL SERVICES
SUPERVISOR OF
FINANCIAL INSTITUTIONS
SAN FRANCISCO

The franchised business is to operate a full service Premium 100% Commission Flat Fee real estate brokerage under the trade name Stanford Raffles Realty

The total investment necessary to begin operation of a Stanford Raffles Realty franchise is \$62,150 to \$220,700 This includes the \$30,000 franchise fee 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 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, please contact Dr Jin Lee at 123 S Figueroa St Unit 108, Los Angeles CA 90012 and 1-888-863-2820 x 9

The terms of your contract will govern your franchise relationship Do not 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 2/05/2017

STATE COVER PAGE

Your state may have a franchise law that requires us 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 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 ARBITRATION ONLY IN CALIFORNIA OUT-OF-STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN CALIFORNIA THAN IN YOUR OWN STATE

2 THE FRANCHISE AGREEMENT STATES THAT CALIFORNIA 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 FRANCHISOR HAS ONLY BEEN IN BUSINESS FOR A SHORT PERIOD OF TIME (SINCE 2016) AND HAS NO OPERATING HISTORY TO ASSIST YOU IN JUDGING WHETHER OR NOT OT MAKE THIS INVESTMENT

4 THE FRANCHISOR HAS \$15,000 IN TOTAL ASSETS THEREFORE, IT MAY NOT BE ABLE TO MEET ALL OF ITS BUSINESS OPERATING OBLIGATIONS OR FULFILL ALL OF ITS PREOPENING OBLIGATIONS TO SOME FRANCHISEES

5 THE FRANCHISOR DOES NOT CARRY GENERAL LIABILITY INSURANCE COVERAGE, NOR IS IT SELF-INSURED

6 THIS NEW FRANCHISOR HAS BEEN IN BUSINESS FOR SUCH A SHORT PERIOD OF TIME THAT ITS FRANCHISES ARE A HIGHER RISK INVESTMENT THAN FRANCHISORS WITH A LONGER TERM OPERATING HISTORY

7 WE DO NOT HAVE A FEDERAL REGISTRATION FOR OUR PRINCIPAL TRADEMARKS THEREFORE OUR TRADEMARK DOES NOT HAVE AS MANY LEGAL

BENEFITS AND RIGHTS AS A FEDERALLY REGISTERED TRADEMARK IF OUR RIGHT TO USE THE TRADEMARK IS CHALLENGED, YOU MAY HAVE TO CHANGE TO AN ALTERNATIVE TRADEMARK WHICH MAY INCREASE YOUR EXPENSES

8 Spouses are not required to sign a personal guarantee as part of this agreement

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

Effective Date See the next page for state effective dates

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