

FRANCHISE DISCLOSURE DOCUMENT



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We have developed a distinctive business system that involves the delivery of real estate brokerage services, and other services through KELLER WILLIAMS® REALTY Market Centers. In this disclosure document, we offer the right in specific Regions to recruit screen and evaluate for us prospective Licensees who desire to operate Market Centers, and to provide certain services related to the development, training and operations of those Licensees (defined herein).

The total initial investment necessary to begin operation of a Regional Office franchised business is \$141,000 to \$441,500. This includes \$2,000 per Market Center that must be paid to us for the right to market franchises for Market Centers and to provide services to Market Center Licensees. These figures are based on your being required to develop 5 to 9 Market Centers during the initial period.

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 Disclosure 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 Debbie Gardner in our Legal/Commitment Department at 1221 South Mopac Expressway, Suite 400, Austin, Texas 78746.

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(s) carefully. Show your contract(s) 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.

Date of Issuance: April 29, 2019

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 E 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 REGIONAL REPRESENTATIVE AGREEMENT REQUIRES THAT ALL DISAGREEMENTS BE MEDIATED AND ARBITRATED IN AUSTIN, TEXAS. OUT OF STATE MEDIATION, ARBITRATION AND LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT. IT MAY ALSO COST YOU MORE TO LITIGATE WITH US IN AUSTIN, TEXAS THAN IN YOUR HOME STATE.**
2. **THE REGIONAL REPRESENTATIVE AGREEMENT STATES THAT TEXAS LAW GOVERNS THE REGIONAL REPRESENTATIVE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.**
3. **WE MAY TERMINATE THE REGIONAL REPRESENTATIVE AGREEMENT IF YOU DO NOT ACHIEVE AND MAINTAIN MINIMUM BUSINESS AND DEVELOPMENT STANDARDS.**
4. **THE FRANCHISEE WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$156,000 TO \$473,500. THIS AMOUNT EXCEEDS THE FRANCHISOR'S NEGATIVE STOCKHOLDERS' EQUITY AS OF 12/31/2018, WHICH IS (\$183,427,295).**
5. **THE REGION IS NOT EXCLUSIVE. YOU MAY FACE COMPETITION FROM OTHER FRANCHISEES, FROM FRANCHISOR OWNED OUTLETS OR FROM OTHER CHANNELS OF DISTRIBUTION OR COMPETITIVE BRANDS FRANCHISOR CONTROLS.**
6. **THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.**

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State registration effective dates are listed on the State Registrations page.

KELLER WILLIAMS REALTY, INC.
STATE REGISTRATIONS

(Regional Representative)

This Disclosure Document is registered, on file or exempt from registration in the following states with franchise registration and disclosure laws:

State	Effective Date
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

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