

Item 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

01/01/2024 – 12/31/2024 Financial Results

The following chart contains selected financial performance information for one Hole in the Wall business owned by our affiliate that was open for this time period. This location is in Orlando, Florida. Our franchised locations data was not included because they didn't have a full year of data to include.

Hole in the Wall Drywall Repair, LLC Profit and Loss

January - December 2024

	Total	Adjusted Total
Income		
4500 Job Income	1,162,417.50	1,162,417.50
Unapplied Cash Payment Income	19,507.50	19,507.50
Total Income	\$ 1,181,925.00	\$ 1,181,925.00
Cost of Goods Sold		
5150 Job Materials Purchased	117,406.56	117,406.56
5250 Subcontractors Expense	1,632.50	1,632.50
5260 Labor - Staffing Agency	19,147.95	0.00 Experiment with staffing company
5350 Tools and Small Equipment	2,142.36	2,142.36
Total Cost of Goods Sold	\$ 140,329.37	\$ 121,181.42
Gross Profit	\$ 1,041,595.63	\$ 1,060,743.58
Expenses		
6000 Advertising and Promotion	7,969.94	7,969.94
6010 Auto and Truck Expenses		
6011 Fuel	30,750.68	25,866.03 Adjusted for non-operations vehicles
6012 Auto Maintenance	81.37	81.37
6013 Auto Repair	21,394.31	13,511.59 Adjusted for older fleet repairs
6014 Auto Lic, Tag, Title, Reg	885.40	885.40
Total 6010 Auto and Truck Expenses	\$ 53,111.76	\$ 40,344.39
6020 Tolls & Parking	6,616.00	0.00 Adjusted for local tools
6040 Bank Service Charges/Merchant Fees	33,501.30	33,501.30
6100 Business Licenses and Permits	585.00	585.00 Adjusted for podcast, training and franchising
6140 Charitable Contributions	500.00	0.00
6170 Computer and Internet Expenses	10,754.56	2,342.31 Adjusted for podcast, training and franchising
6200 GPS	2,201.65	2,201.65
6270 Dues & Subscriptions	4,609.01	2,553.08 Adjusted for training and franchising
6300 Education & Training	3,188.00	0.00 Adjusted for training and franchising
6330 Insurance Expense		
6331 Insurance - Liability	21,075.50	21,075.50
6332 Insurance - Life	7,733.90	0.00 Adjusted w/o corporate expenses
6333 Insurance - Workers Comp	17,893.59	17,273.37 Adjusted w/o corporate expenses
6334 Insurance - Health	890.76	0.00 Adjusted w/o corporate expenses
6335 Insurance - General	3,722.48	0.00 Adjusted w/o corporate expenses
6336 Insurance - Auto	48,700.46	29,220.28 Adjusted for non-operations vehicles
6337 Insurance - Dental	2,440.36	0.00 Adjusted w/o corporate expenses
Total 6330 Insurance Expense	\$ 102,457.05	\$ 67,569.15
6400 Interest Expense	20,700.04	3,006.69 Adjusted w/o corporate expenses
6430 Meals and Entertainment	5,755.84	0.00 Adjusted w/o corporate expenses
6550 Recruiting	371.46	0.00
6600 Payroll Expenses		
6610 Salaries	313,615.70	0.00
6620 Wages	448,958.98	448,958.98
6630 941 Tax Expense	58,338.43	34,202.63 Adjusted w/o corporate expenses

6640 SUTA Expense	2,231.45	1,562.02	Adjusted w/o corporate expenses
6650 FUTA Expense	765.02	597.02	Adjusted w/o corporate expenses
6660 Payroll Fee	13,838.49	8,147.49	Adjusted w/o corporate expenses
Total 6600 Payroll Expenses	\$ 837,748.07	\$ 493,468.14	
6750 Postage and Delivery	1,015.34	0.00	
6800 Promotions & Marketing	17,538.63	15,913.63	Adjusted for podcast, training and franchising
7000 Lease Expense	46,063.37	16,998.37	Adjusted for podcast, training and franchising
7100 Legal & Accounting	13,601.96	1,500.00	Adjusted for CPA Tax Expense
7200 Office Expense	12,200.86	3,247.27	Adjusted w/o corporate expenses
7450 Repairs & Maintenance	1,752.00	0.00	
7600 Telephone	6,689.38	1,272.87	Adjusted for podcast, training and franchising
7780 Uniforms	1,085.60	1,085.60	
7800 Utilities	6,279.55	2,511.82	
Unapplied Cash Bill Payment Expense	0.00	0.00	
Total Expenses	\$ 1,196,296.37	\$ 696,071.20	
Net Operating Income	-\$ 154,700.74	\$ 364,672.38	
Other Income			
4510 Interest Income	0.21	0.21	
4530 Gain on Sale of Asset	7,500.00	0.00	
Total Other Income	\$ 7,500.21	\$ 0.21	
Other Expenses			
8010 Ask My Accountant	0.00	0.00	
Total Other Expenses	\$ 0.00	\$ 0.00	
Net Other Income	\$ 7,500.21	\$ 0.21	
Net Income	-\$ 147,200.53	\$ 364,672.59	

31% Net Profit

Estimated Royalties: \$70,915.50

Estimated Marketing Fund: \$23,638.50

Estimated Software Subscription Fees: \$2,400

Estimated Tech Fees: \$480

Notes:

1. The foregoing information shows historical financial performance
2. There was a total of one Hole in the Wall business open for this time frame which is owned by our Affiliate.
3. “Gross Sales” means total of all revenue in a period, not including discounts, taxes, tips/gratuity, voids, or refunds.

4. “Expenses” This Item 19 does not include the operating expenses to run and manage the Affiliate owned business. In order for you to understand Net Income from the business, you would need to account for operating costs as well.

6. “Estimated Royalty/Marketing Fees” reflect the 6% royalty plus the 2% System Marketing Contribution that these outlets would have paid if they were franchised.

Some outlets have sold these amounts. Your individual results may differ. There is no assurance that you'll sell as much.

Written substantiation of the information contained in this Item 19 will be made available to prospective franchisees upon reasonable request.

Other than the preceding financial performance representation, Hole in the Wall Franchising, LLC does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting William DeMent and James Groves, 2875 S Orange Ave, #500-525 Orlando, FL 32806, and 407-205-2791, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20 OUTLETS AND FRANCHISEE INFORMATION

**Table 1
Systemwide Outlet Summary
For Years 2021 to 2023**

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2022	0	0	0
	2023	0	0	0
	2024	0	2	+2
Company-Owned	2022	2	1	-1
	2023	1	1	0
	2024	1	1	0
Total Outlets	2022	2	1	-1
	2023	1	1	0
	2024	1	3	+2