
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 this Item 19 may only be given 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.

Financial Performance Representation

The following tables contain historical financial performance representations for franchised outlets that operated for more than 6 months from during the January 1 to December 31, 2025 calendar year: (1) monthly and total gross sales; (2) average and median annual gross sales; and (3) average and median number of estimates, the number of estimates sold, and the correlated closing percentage of estimates sold. The data in the following tables comes from the reported historical performance.

There were 38 Painter1 franchised locations in the United States that were open as of January 1, 2025 and that reported sales for the entire reporting period. 2 additional franchised locations opened after January 1, 2025 and reported sales for at least 6 months during the reporting period. See the notes following the tables for additional details. We excluded from Table 1 and Table 2 and their data 5 franchises that opened during the 2025 reporting period but had fewer than 6 months of operations during the reporting period. We excluded 5 franchises that were inactive and had fewer than 6 months of operations during the 2025 reporting period. We excluded 1 franchise that closed or suspended operations during the 2025 reporting period; none of these excluded franchise outlets closed or suspended operations during the 2025 reporting period after being open less than 12 months. For Table 3, we excluded 4 inactive franchises that did not report sufficient estimate and closing data.

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SECTION 1: 2025 Annual Gross Sales Data

The following table shows 2025 Gross Sales for the 40 franchise outlets that operated for at least 6 months during the 2025 calendar year. Each franchise territory is listed separately, even if operated by the same franchisee.

Table 1
Painter1 Franchise System
Franchisee Gross Sales
January through December 2025

Franchise	Jan	Feb	March	April	May	June	July	Aug	Sep	Oct	Nov	Dec	2025 Total	Avg. Monthly
Baldwin County, AL	\$4,699	\$1,787	\$1,424	\$30,023	\$8,684	\$28,344	\$17,297	\$18,212	\$41,162	\$26,281	\$11,141	\$31,617	\$220,671	\$18,389
Highland Ranch, CO							\$1,133	\$23,889	\$45,072	\$54,530	\$32,433	\$24,311	\$181,367	\$30,228
Westminster, CO							\$1,669	\$20,357	\$11,230	\$30,414	\$35,797	\$9,451	\$108,917	\$18,153
Boca Raton, FL	\$66,071	\$59,108	\$63,362	\$81,014	\$85,451	\$43,954	\$57,339	\$70,925	\$79,531	\$73,588	\$62,323	\$60,213	\$802,878	\$66,907
Central, FL	\$20,082	\$31,644	\$60,939	\$25,510	\$29,884	\$29,035	\$24,277	\$9,464	\$18,700	\$25,682	\$11,679	\$13,853	\$300,749	\$25,062
Orlando, FL	\$11,438	\$13,858	\$3,300	\$20,840	\$0	\$10,980	\$763	\$2,097	\$12,128	\$0	\$2,500	\$0	\$77,902	\$6,492
Marietta, GA	\$4,609	\$16,113	\$15,828	\$59,686	\$27,945	\$19,304	\$10,984	\$18,109	\$22,934	\$30,376	\$27,589	\$19,333	\$272,810	\$22,734
North GA	\$21,038	\$12,906	\$10,026	\$53,204	\$25,224	\$58,061	\$118,073	\$26,448	\$46,023	\$78,461	\$23,037	\$15,910	\$488,412	\$40,701
South GA	\$0	\$24,084	\$19,141	\$28,787	\$21,083	\$34,004	\$17,797	\$50,689	\$30,532	\$17,070	\$12,830	\$8,610	\$264,627	\$22,052
Indianapolis, IN	\$7,544	\$22,671	\$26,791	\$64,308	\$30,693	\$49,571	\$21,497	\$27,979	\$18,845	\$40,903	\$33,337	\$13,940	\$358,077	\$29,840
Washington, DC./MD	\$1,593	\$10,331	\$3,839	\$15,686	\$7,518	\$700	\$0	\$8,116	\$13,990	\$10,177	\$11,933	\$0	\$83,883	\$6,990
Mid Michigan, MI	\$13,898	\$19,994	\$17,007	\$70,795	\$64,807	\$56,548	\$103,026	\$100,166	\$52,410	\$75,590	\$39,641	\$20,920	\$634,801	\$52,900
New England, NH	\$0	\$1,261	\$400	\$2,841	\$14,786	\$28,611	\$22,096	\$20,003	\$27,167	\$0	\$10,844	\$15,495	\$143,504	\$11,959
Charlotte, NC	\$20,318	\$4,044	\$31,349	\$55,620	\$48,552	\$31,713	\$48,067	\$39,237	\$55,320	\$50,810	\$16,277	\$40,194	\$441,501	\$36,792
Fayetteville, NC	\$15,917	\$8,444	\$4,758	\$0	\$2,285	\$9,230	\$21,463	\$16,510	\$14,952	\$26,744	\$18,772	\$11,913	\$150,989	\$12,582

Franchise	Jan	Feb	March	April	May	June	July	Aug	Sep	Oct	Nov	Dec	2025 Total	Avg. Monthly
Raleigh, NC	\$4,439	\$6,577	\$18,141	\$19,914	\$27,144	\$16,518	\$16,289	\$8,847	\$20,490	\$4,821	\$18,195	\$2,316	\$163,691	\$13,641
Cincinnati, OH	\$29,075	\$60,420	\$80,503	\$77,202	\$78,793	\$95,575	\$100,913	\$125,392	\$100,372	\$127,042	\$64,431	\$35,704	\$975,420	\$81,285
Columbus, OH*	\$6,121	\$19,353	\$16,068	\$15,703	\$29,493	\$24,554	\$24,925	\$21,502	\$16,655	\$34,683	\$20,289	\$12,355	\$241,700	\$20,142
Tulsa, OK	\$5,843	\$7,539	\$32,712	\$53,637	\$36,250	\$62,463	\$49,751	\$81,456	\$59,830	\$49,063	\$31,717	\$33,552	\$503,812	\$41,984
Portland, OR	\$14,304	\$35,702	\$14,143	\$63,332	\$71,883	\$52,350	\$57,603	\$67,149	\$51,321	\$51,395	\$26,868	\$15,096	\$521,145	\$43,429
Main Line, PA	\$2,797	\$1,200	\$15,990	\$22,531	\$19,241	\$8,787	\$5,693	\$14,885	\$0	\$0	\$7,260	\$2,204	\$100,589	\$8,382
Coastal Carolina, SC	\$23,867	\$35,289	\$79,867	\$58,876	\$66,058	\$74,619	\$102,856	\$54,171	\$13,664	\$48,490	\$44,283	\$54,989	\$657,028	\$54,752
Lowcountry, SC*	\$30,392	\$77,400	\$68,390	\$86,018	\$107,221	\$71,857	\$64,869	\$64,537	\$67,682	\$58,077	\$41,271	\$50,888	\$788,600	\$65,717
Upstate, SC*	\$50,475	\$32,912	\$54,820	\$55,005	\$76,591	\$38,318	\$42,251	\$58,038	\$29,760	\$44,086	\$19,285	\$31,634	\$533,175	\$44,431
Chattanooga, TN	\$20,059	\$36,199	\$20,577	\$29,149	\$76,189	\$53,667	\$85,313	\$81,771	\$39,868	\$62,290	\$115,559	\$59,901	\$680,540	\$56,712
Knoxville, TN	\$120,018	\$126,996	\$131,512	\$102,179	\$121,906	\$158,671	\$238,936	\$152,292	\$156,888	\$152,109	\$173,139	\$141,872	\$1,776,517	\$148,043
Memphis, TN	\$6,289	\$10,831	\$9,643	\$7,960	\$23,276	\$6,258	\$34,537	\$16,392	\$5,748	\$16,744	\$12,220	\$17,635	\$167,534	\$13,961
Austin Metro, TX	\$23,229	\$17,552	\$33,155	\$55,600	\$54,837	\$55,618	\$26,487	\$46,498	\$38,977	\$34,099	\$29,726	\$24,730	\$440,509	\$36,709
Great Austin, TX	\$9,599	\$2,183	\$2,693	\$6,106	\$3,756	\$0	\$9,723	\$14,732	\$0	\$5,025	\$10,127	\$0	\$63,944	\$5,329
Bayou City, TX	\$53,560	\$49,724	\$52,555	\$44,656	\$50,059	\$46,123	\$59,567	\$55,059	\$28,271	\$19,232	\$47,853	\$28,643	\$535,302	\$44,609
Dallas, TX	\$12,704	\$10,558	\$6,440	\$5,156	\$14,395	\$15,085	\$0	\$3,000	\$27,094	\$11,979	\$11,001	\$13,768	\$131,179	\$10,932
DFW, TX	\$8,545	\$1,925	\$4,126	\$13,184	\$22,895	\$26,922	\$29,771	\$41,129	\$18,843	\$31,896	\$17,684	\$13,970	\$230,889	\$19,241
Northern Utah, UT	\$48,381	\$65,737	\$73,880	\$84,981	\$153,925	\$141,512	\$122,381	\$84,748	\$139,378	\$54,417	\$48,219	\$58,367	\$1,075,926	\$89,661
Greater SLC, UT	\$9,788	\$5,597	\$21,123	\$47,738	\$45,445	\$40,303	\$36,217	\$50,370	\$37,854	\$38,457	\$40,483	\$9,718	\$383,092	\$31,924
Salt Lake City, UT	\$2,343	\$36,644	\$24,560	\$26,624	\$26,104	\$47,927	\$4,796	\$17,295	\$27,681	\$10,000	\$21,619	\$0	\$245,594	\$20,466
St. George, UT*	\$2,343	\$36,644	\$24,560	\$26,624	\$26,104	\$47,927	\$4,796	\$17,295	\$27,681	\$10,000	\$21,619	\$0	\$245,594	\$20,466
N Central Utah	\$6,024	\$2,915	\$2,585	\$1,990	\$6,001	\$0	\$0	\$8,881	\$9,749	\$0	\$0	\$9,882	\$48,027	\$4,002

Franchise	Jan	Feb	March	April	May	June	July	Aug	Sep	Oct	Nov	Dec	2025 Total	Avg. Monthly
Utah County, UT	\$26,232	\$19,772	\$30,487	\$84,572	\$100,465	\$117,399	\$137,590	\$100,881	\$136,491	\$107,947	\$61,168	\$77,902	\$1,000,905	\$83,409
Wasatch Summit, UT	\$0	\$1,905	\$3,985	\$17,542	\$5,191	\$23,624	\$22,349	\$11,745	\$10,000	\$9,815	\$17,436	\$8,338	\$131,929	\$10,994
Spokane, WA	\$7,475	\$449	\$21,071	\$23,124	\$62,105	\$46,241	\$47,265	\$69,636	\$55,702	\$16,767	\$18,634	\$7,437	\$375,908	\$31,326

Notes:

- 1) “*” means the franchisee operated in a protected territory
- 2) “Gross Sales” means all income and receipts generated whether based on coating (such as paint, sealers, epoxy, etc.) and cleaning (prep work, power washing, etc.). The “2025 Total” column is the sum of all monthly amounts in the cells to the left in the given row. The “Avg. Monthly” column is the average monthly Gross Sales for the franchise in the given row, which is calculated by dividing the amount from the “2025 Total” column by the number of months for which sales were reported in each row.
- 3) As this table discloses the actual reported Gross Sales for our various franchisees, each outlet actually attained its stated number. As this financial performance representation only discloses gross sales, and not profits or margins, it does not include information concerning royalty fees and other fees or payments made by franchisees to us. You will be expected to pay the royalty fees and other fees as outlined in your Franchise Agreement.

SECTION 2: 2025 Average and Median Annual Gross Sales

The following table shows the average and median annual Gross Sales for the 40 franchise outlets that operated for more than 6 months during the 2025 calendar year.

Table 2
Painter1 Franchise System
Average and Median Annual Gross Sales
January through December 2025

	Annual Gross Sales
Franchises	40
Average	\$413,741
Attained or surpassed the Average	16 (40%)
Median	\$286,780
Attained or surpassed the Median	22 (50%)
High	\$1,776,517
Low	\$48,027

- 1) “Gross Sales” means all income and receipts generated whether based on coating (such as paint, sealers, epoxy, etc.) and cleaning (prep work, power washing, etc.). “Annual Gross Sales” refers to the total amount of Gross Sales derived from a franchise in the reporting period. The “Average” means the average Annual Gross Sales of the franchises from the dataset. The “Median” means the median Annual Gross Sales of the franchises from the dataset. The “High” is the highest Annual Gross Sales from among the franchises in the dataset. The “Low” is the lowest Annual Gross Sales from among the franchises in the dataset.
- 2) As this financial performance representation only discloses gross sales, and not profits or margins, it does not include information concerning royalty fees and other fees or payments made by franchisees to us. You will be expected to pay the royalty fees and other fees as outlined in your Franchise Agreement.

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Section 3: 2025 Total Estimates, Estimates Sold, and Conversion Percentage Data

The following table shows the number of total estimates, total estimates sold, and the estimates-to-sold closing percentage data for the 46 franchise outlets that operated during the 2025 calendar year and reported to us sufficient estimate and closing data.

Table 3
Painter1 Franchise System
Franchisee Total Estimates, Total Estimates Sold, and Closing Percentage
January through December 2025

	Total Estimates	Total Estimates Sold	Closing Percentage
Franchises	46	46	46
Average	218	89	41%
Attained or surpassed the Average	16 (34%)	18 (39%)	21 (45%)
Median	155	58	40%
Attained or surpassed the Median	23 (50%)	23 (50%)	24 (52)%
High	1270	410	76%
Low	4	0	14%

- 1) "Total Estimates" means the number of estimates or bids for painting and/or coating jobs that a given franchisee received during the reporting period. "Total Estimates Sold" means the number of Total Estimates that the customer accepted for a given franchisee during the reporting period. The "Closing Percentage" measures the closing rate by dividing Total Estimates Sold by the Total Estimates for a given franchisee during the reporting period. The "Average" means the average number of the 46 franchises during the reporting period for each column. The "Median" means the median number of the 46 franchises for each column. The "High" is the highest number from among the 46 franchises for each column. The "Low" is the lowest number from among the 46 franchises for each column.
- 2) As this financial performance representation only discloses the number of estimates received and sold by franchises and the corresponding closing rates and not revenue, sales, profits or margins, it does not include information concerning royalty fees and other fees or payments made by franchisees to us. You will be expected to pay the royalty fees and other fees as outlined in your Franchise Agreement.

Some outlets have earned this amount. Your individual results may vary. There is no assurance that you will earn as much.

Written substantiation for this financial performance representation is available to you upon reasonable written request.

Other than the preceding financial performance representation, Stratify, LLC dba Painter1 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 Jason Leber at 105 N Main St., Spanish Fork, UT 84660 AND (801)919-8522, the Federal Trade Commission, and the appropriate state regulatory agencies.

20. OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
SYSTEMWIDE OUTLET SUMMARY
As of December 31 for Years 2023 to 2025

<u>Column 1</u> <u>Outlet Type</u>	<u>Column 2</u> <u>Year</u>	<u>Column 3</u> <u>Outlets at the</u> <u>Start of the</u> <u>Year</u>	<u>Column 4</u> <u>Outlets at the</u> <u>End of the</u> <u>Year</u>	<u>Column 5</u> <u>Net Change</u>
Franchised	2023	36	38	+2
	2024	38	42	+4
	2025	42	45	+3
Company or Affiliate Owned	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Total Outlets	2023	36	38	+2
	2024	38	42	+4
	2025	42	45	+3

Table No. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(other than the Franchisor)
As of December 31 for Years 2023 to 2025

<u>Column 1</u> <u>State</u>	<u>Column 2</u> <u>Year</u>	<u>Column 3</u> <u>Number of</u> <u>Transfers</u>
Arizona	2023	1*
	2024	1**
	2025	0
North Carolina	2023	0
	2024	0
	2025	2
Ohio	2023	0
	2024	1
	2025	0

<u>Column 1</u> <u>State</u>	<u>Column 2</u> <u>Year</u>	<u>Column 3</u> <u>Number of</u> <u>Transfers</u>
Oregon	2023	0
	2024	1
	2025	0
South Carolina	2023	0
	2024	1
	2025	0
Utah	2023	0
	2024	0
	2025	1
Total	2023	1
	2024	4
	2025	3

* Transferred to new owner that relocated to territory in Florida

** Transferred to new owner that relocated to territory in Utah

Table No. 3
STATUS OF FRANCHISED OUTLETS
As of December 31 for Years 2023 to 2025

<u>Column 1</u> <u>State</u>	<u>Column 2</u> <u>Year</u>	<u>Column 3</u> <u>Outlets</u> <u>at the</u> <u>Start of</u> <u>the</u> <u>Year</u>	<u>Column 4</u> <u>Outlets</u> <u>Opened</u>	<u>Column 5</u> <u>Terminations</u>	<u>Column 6</u> <u>Non-</u> <u>Renewals</u>	<u>Column 7</u> <u>Reacquired</u> <u>by</u> <u>Franchisor</u>	<u>Column 8</u> <u>Ceased</u> <u>Operations</u> <u>– Other</u> <u>Reasons</u>	<u>Column 9</u> <u>Outlets</u> <u>at End</u> <u>of the</u> <u>Year</u>
Alabama	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Arizona	2023	1	1	0	0	0	1	1
	2024	1	0	0	0	0	1*	0
	2025	0	0	0	0	0	0	0
Colorado	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	2	0	0	0	0	2
Delaware	2023	1	0	1	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0

<u>Column 1</u> <u>State</u>	<u>Column 2</u> <u>Year</u>	<u>Column 3</u> <u>Outlets</u> <u>at the</u> <u>Start of</u> <u>the</u> <u>Year</u>	<u>Column 4</u> <u>Outlets</u> <u>Opened</u>	<u>Column 5</u> <u>Terminations</u>	<u>Column 6</u> <u>Non-</u> <u>Renewals</u>	<u>Column 7</u> <u>Reacquired</u> <u>by</u> <u>Franchisor</u>	<u>Column 8</u> <u>Ceased</u> <u>Operations</u> <u>– Other</u> <u>Reasons</u>	<u>Column 9</u> <u>Outlets</u> <u>at End</u> <u>of the</u> <u>Year</u>
Florida	2023	2	1	0	0	0	0	3
	2024	3	1	0	0	0	1^	3
	2025	3	2	0	0	0	0	5
Georgia	2023	2	2	0	0	0	0	4
	2024	4	0	0	0	0	0	4
	2025	4	0	0	0	0	1	3
Idaho	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	1	0
Indiana	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Maryland	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Michigan	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Nevada	2023	1	0	0	0	0	1*	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
New Hampshire	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
North Carolina	2023	3	1	0	0	0	1	3
	2024	3	2	0	0	0	0	5
	2025	5	0	1#	0	0	0	5
Ohio	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	1	2
Oklahoma	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1