

<b>Provision</b>	<b>Section in Franchise Agreement (unless otherwise specified)</b>	<b>Summary</b>
		agreement is intended to disclaim our representations made in this disclosure document.
u. Dispute resolution by arbitration or mediation	11	Most disputes must be initially mediated. If a dispute is not resolved through the mediation process described in the Franchise Agreement, most disputes must be settled by litigation, subject to state law. Only if a court invalidates a jury waiver or a class action waiver will the dispute be resolved through arbitration, subject to state law.
v. Choice of venue	14(H)	Unless state law supersedes this provision, venue for mediation, arbitration, and litigation is in McLennan County, Texas.
w. Choice of law	14(G)(1)	Texas law applies unless state law supersedes this provision.

SEE THE ATTACHED STATE ADDENDA FOR ADDITIONAL DISCLOSURES.

## **ITEM 18. PUBLIC FIGURES**

We do not presently use any public figures to promote our franchise.

## **ITEM 19. FINANCIAL PERFORMANCE REPRESENTATION**

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.

As of December 31, 2024, there were 447 Real Property Management franchises. This Item 19 includes data from 385 franchised businesses, which were all in operation and reporting sales for the entire calendar year 2024. The information provided in this Item 19 does not include data from (a) 37 new franchised businesses that opened during the calendar year 2024 and therefore were not in operation for the entire reporting period, (b) 14 franchised businesses that transferred ownership to new owners during 2024 and were not in operation for the entire reporting period and (c) 11 franchised businesses that failed to report sufficient or reliable data to us for the entire 12-month reporting period.

12 franchised businesses closed during the 2024 calendar year and so they did not report data to us for the entire reporting period and therefore their data is also excluded from this Item 19. Of the 12 franchised businesses that closed during calendar year 2024, none of the businesses closed after being open for less than 12 months.

“Annual Revenue” as used in the following charts means the sum of the Non-Maintenance Gross Sales and Maintenance Revenues for each franchisee during the fiscal year ended December 31, 2024. Also, because these are Annual Revenue results only, no costs or expenses are taken into account.

Non-Maintenance Gross Sales include the total revenues and receipts from whatever source (whether in the form of cash, credit, agreement to pay, barter, trade or other consideration) that arise, directly or indirectly, from the operation of or in connection with a Real Property Management business whether under any of the Marks or otherwise, including, without limitation, all proceeds from any business interruption insurance, minus Maintenance Revenues. Non-Maintenance Gross Sales exclude sales taxes collected from customers and paid to the appropriate taxing authority and any other bona fide refunds, rebates or discounts that we authorize in writing.

Maintenance Revenues include all gross revenue derived from repairs and maintenance services to real property or equipment, such as, but not limited to, painting, lawn care, preventative maintenance, cleaning, plumbing, and general repairs to real property or equipment, whether such gross revenue is generated by (i) Franchisee; (ii) any business entity that controls, is controlled by, or is under common control with Franchisee; or (iii) any person or family member of any person with an ownership interest in Franchisee. Pass-through expenses, such as costs of outside vendors, may not be deducted from Maintenance Revenues without prior approval from us, and must be accounted for through your trust account. Maintenance Revenues exclude sales taxes collected from customers and paid to the appropriate taxing authority and any other bona fide refunds, rebates or discounts that we authorize in writing.

Monthly reports from franchise owners provide our only visibility into the financial results of the individual franchise owners’ operations. Neither we or our independent certified public accountants have audited or independently verified any of the data submitted by franchisees. Franchisees are not required to use generally accepted accounting principles when reporting these figures.

All calculations are based on financial and unit data for the year ended December 31, 2024. This report does not include information about previous periods or any future periods.

### **2024 Annual Number of Property Units under Management and Annual Revenue Per Unit**

The following three charts represent the average and median number of property units and average and median revenue per unit being managed by Real Property Management franchised businesses (“Franchises”). The data is broken down according to the age of the franchised business, based upon the year the franchised business was opened. The average and median annual revenue per unit data was drawn from the franchisee reports described above. No adjustments, including adjustments for geographic location, have been made to these reported sales.

<b>Total Reporting Franchises More than 1 Year and Less than 3 Years Old</b>	
<i>Average Number of Units Managed per Franchise</i>	55
<i>Median Number of Units Managed per Franchise</i>	88
	45

<b>Total Reporting Franchises More than 1 Year and Less than 3 Years Old</b>	<b>55</b>
<i>Average Annual Revenue per Unit</i>	<i>\$5,610</i>
<i>Median Annual Revenue per Unit</i>	<i>\$5,022</i>

- 1 There are 55 reporting franchises included in this analysis. The actual range of the Annual Revenue per Unit in 2024 was \$446.98 to \$14,557.97.
- 2 17 franchises (31%) achieved or exceeded the reported Average Annual Revenue per Unit.
- 3 29 franchises (53%) achieved or exceeded the reported Median Annual Revenue per Unit.
- 4 Average Source of Revenue breakdown:
  - Property Owners (property owners who pay franchisees fees to manage the property): (49%)
  - Property Residents (tenants who pay franchisees for background checks, application fees, lease renewal fees, lease renewal fees, resident benefits packages, setup fees, etc.): (6%)
  - Property Maintenance (maintenance done on the property): (37%).

<b>Total Reporting Franchises Over 3 Years Old</b>	<b>330</b>
<i>Average Number of Units Managed per Franchise</i>	<i>311</i>
<i>Median Number of Units Managed per Franchise</i>	<i>162</i>
<i>Average Annual Revenue per Unit</i>	<i>\$4,543</i>
<i>Median Annual Revenue per Unit</i>	<i>\$4,252</i>

- 1 There are 330 reporting franchises included in this analysis. The actual range of the Annual Revenue per Unit in 2024 was \$465.76 to \$26,302.26.
- 2 133 franchises (40%) achieved or exceeded the reported Average Annual Revenue per Unit.
- 3 156 franchises (47%) achieved or exceeded the reported Median Annual Revenue per Unit.
- 4 Average Source of Revenue breakdown: Property Owners (46%); Property Residents (6%); Property Maintenance (41%).

<b>Total Reporting Franchises Overall</b>	<b>384</b>
<i>Average Number of Units Managed per Franchise</i>	<i>270</i>
<i>Median Number of Units Managed per Franchise</i>	<i>131</i>
<i>Average Annual Revenue per Unit</i>	<i>\$4,743</i>
<i>Median Annual Revenue per Unit</i>	<i>\$4,392</i>

- 1 There are 385 reporting franchises included in this analysis. The actual range of the Annual Revenue per Unit in 2024 was \$465.76 to \$26,302.26.
- 2 141 franchises (37%) achieved or exceeded the reported Average Annual Revenue per Unit.
- 3 182 franchises (47%) achieved or exceeded the reported Median Annual Revenue per Unit.
- 4 Average Source of Revenue breakdown: Property Owners (47%); Property Residents (6%);

Property Maintenance (41%).

### **Average and Median Monthly Rent**

The below table shows the average and median monthly rent charged per unit by the 385 reporting franchises in 2024:

<b>Total Reporting Franchises Overall</b>		<b>385</b>
<i>Average Rent</i>		<b>\$1,509</b>
<i>Median Rent</i>		<b>\$1,490</b>
<i>*Calculated as Total rent charged on leases/active units managed (including vacancies). Local market rental rates may vary.</i>		

- 1 The actual range of the rent was \$465.33 to \$3,395.52
- 2 196/51% of franchises charged the Average Rent or greater.

### **Historical Average and Median Annual Revenue per Unit**

The below two tables show the average and median Annual Revenue per property unit managed by the reporting franchises in each of the years 2017 – 2024.

<b>Year</b>	<b>Average Revenue per Unit<sup>2</sup></b>	<b>Total Reporting Franchised Businesses<sup>1</sup></b>	<b>Highest Revenue per Unit<sup>3</sup></b>	<b>Lowest Revenue per Unit<sup>3</sup></b>	<b>Median Revenue per Unit<sup>2</sup></b>	<b>Number and Percentage that Attained at least Average<sup>4</sup></b>
<b>2017</b>	\$2,952	233	\$9,794.00	\$913.00	\$2,835	101/43%
<b>2018</b>	\$3,199	279	\$9,874.38	\$788.47	\$3,026	114/41%
<b>2019</b>	\$3,170	263	\$6,658.16	\$106.26	\$3,020	112/49%
<b>2020</b>	\$3,183	261	\$15,204.99	\$245.67	\$3,006	114/44%
<b>2021</b>	\$3,443	255	\$10,166.66	\$501.81	\$3,294	114/45%
<b>2022</b>	\$4,353	320	\$51,643.37	\$856.93	\$3,814	105/33%
<b>2023</b>	\$3,973	340	\$10,364.97	\$489.98	\$3,846	125/45%
<b>2024</b>	\$4,743	385	\$26,302.26	\$465.76	\$4,392	141/37%

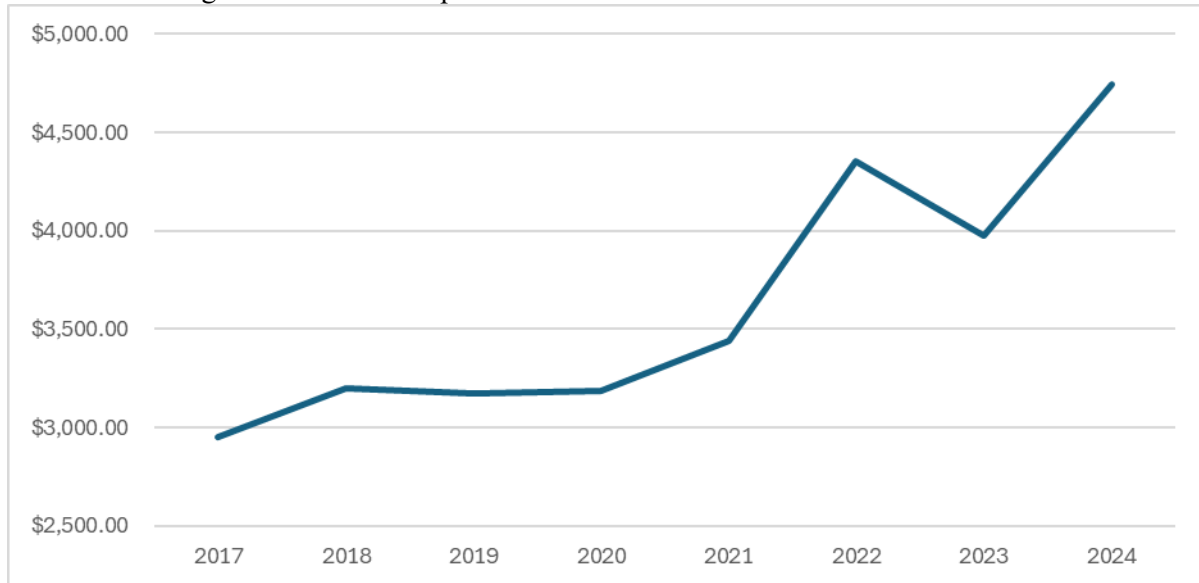
<sup>1</sup> This is the number of franchised businesses included in the analysis (the “Reporting Businesses”) for each applicable calendar year (each, a “reporting period”).

<sup>2</sup> We calculated the average and median Annual Revenue per Unit as follows: (i) first, we received the Annual Revenue of each Reporting Business and the total number of units managed by each Reporting Business during the applicable reporting period, as provided to us through our Software System, (ii) we calculated the average Annual Revenue per Unit for each Reporting Business by dividing the Reporting Business’ total Annual Revenue by the total number of units managed by the Reporting Business during applicable reporting period (the “Individual Business Average Revenue per Unit”), and (iii) then we calculated the average and median of all Reporting Businesses’ Individual Business Average Revenue per Unit for each reporting period.

<sup>3</sup> This is the range between the Reporting Businesses' actual highest Annual Revenue per Unit for the applicable reporting period and the actual lowest Annual Revenue per Unit for each reporting period.

<sup>4</sup> This is the number and percentage of Reporting Businesses that achieved or exceeded the Average Revenue per Unit for the applicable reporting period.

Historical Average Annual Revenue per Unit:



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

We will make available to you, on reasonable request, written substantiation of the data used in preparing the information in this Item.

Other than the preceding financial performance representation, we do 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 actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to our management by contacting Jeffrey Peppermey, 1010 North University Parks Drive, Waco, Texas 76707, (254) 745-2404, the Federal Trade Commission, and the appropriate state regulatory agencies.

## ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

**Table No. 1**  
**Systemwide Outlet<sup>1</sup> Summary for Years 2022 to 2024**

Outlet Type	Year	Outlets at Start of Year	Outlets at End of Year	Net Change
Franchised	2022	360	389	+29
	2023	389	422	+33
	2024	422	447	+25