

THE FRANCHISE RELATIONSHIP		
Provision	Section in Agreement	Summary
s. Modification of the Agreement	Section 18 of Franchise Agreement	We have the right to change the Sotheby's International Realty® System and the procedures as set out in the P&P Manual, so long as we do not change any material obligation under the Franchise Agreement. Any other change requires both our signatures.
t. Integration/merger clause	Section 22.14 of the Franchise Agreement	Only terms of Franchise Agreement, Exhibits, Addenda, and all agreements signed in connection with it are binding (subject to state law). Any representations or promises made outside this disclosure document and Franchise Agreement, Exhibits, Addenda, and all agreements signed in connection with it may not be enforceable. Our integration/merger clause does not disclaim the representations in this disclosure document.
u. Dispute resolution by arbitration or mediation	None	Not applicable.
v. Choice of forum	Section 22.6 of the Franchise Agreement	Subject to state law, non-exclusive venue in Morris County, New Jersey or U.S. District Court in New Jersey.
w. Choice of law	Section 22.5 of the Franchise Agreement	Subject to state law, New Jersey law applies (except New Jersey Franchise Practices Act does not apply to offices located outside of New Jersey).

ITEM 18. PUBLIC FIGURES

We do not use any public figure to promote the sale of franchises.

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

The Federal Trade Commission'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.

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. 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 Kelly Brown, Vice President, Legal, 175 Park Avenue, Madison, New Jersey 07940, (973) 407-7401, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

**SYSTEMWIDE OUTLET SUMMARY
FOR YEARS 2023 TO 2025 [1][2][3]
(Table 1)**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	663	674	11
	2024	674	666	(8)
	2025	666	672	6
Company Owned	2023	44	44	0
	2024	44	44	0
	2025	44	37	(7)
Total Outlets	2023	707	718	11
	2024	718	710	(8)
	2025	710	709	(1)

**TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(OTHER THAN THE FRANCHISOR)
FOR YEARS 2023 TO 2025 [1][2]
(Table 2)**

State	Year	Number of Transfers
California	2023	0
	2024	1
	2025	6
Florida	2023	2
	2024	8
	2025	0
Georgia	2023	0
	2024	0
	2025	1
Hawaii	2023	0
	2024	5
	2025	0