

A provision in your Franchise Agreement that terminates the franchise on your bankruptcy may not be enforceable under federal bankruptcy law.

ITEM 18. PUBLIC FIGURES

We do not use any public figure to promote our franchise.

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to disclose 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 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 performance at a particular location or under particular circumstances.

Below are the gross sales reported in 2023 by 37 franchise outlets located in the United States, that were open for the full 12 months in 2023 and that did not experience a transfer of the Franchised Business or assets and provided Gross Sales to us.

The term "Gross Sales" means the total revenue derived from the sale of goods or services minus sales tax, discounts, allowances, and returns.

During the year 2023, there were 2 franchises that were closed for part of year due to a transfer and 1 franchise outlet that did not report sales to us; these franchise outlets are not included in the below representation. There was also a total of 9 Company owned outlets open during the period that these gross sales were obtained. The company owned outlets are not included in this representation.

These figures were compiled from franchisee gross sales reports in accordance with generally accepted accounting principles.

The franchisee reports were not audited. Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

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

The average annual gross sales from Core Services for these franchises were \$1,066,887. Eight of those 37 locations, or about 28%, met or exceeded that average. Franchisees are grouped according to the number of households in their territory.

	Number	H.H.	Core Services			Restoration		
			2023	Average	Median	2023	Average	Median
Under 100,000 Households								
Location 1	1	97,306	\$ 75,500	**		\$ 261,748	**	
Location 2	1	91,202	42,985	*		-	*	
Sub-Total	2		\$ 118,485	59,243	59,243	\$ 261,748	261,748	261,748
100-200,000 Households								
Location 1	1	118,006	\$ 323,904	**		-	*	
Location 2	1	198,390	123,655	*		\$ 6,407	**	
Sub-Total	2		\$ 447,559	\$ 223,780	\$ 223,780	\$ 6,407	\$ 6,407	\$ 6,407
200-300,000 Households								
Location 1	1	238,644	\$ 446,690			\$ 25,194		
Location 2	1	266,521	489,807	**		4,145	*	
Location 3	1	227,844	408,270			4,003,464	**	
Location 4	1	265,759	61,789			-		
Location 5	1	278,449	45,813	*		-		
Sub-Total	5		\$ 1,452,369	\$ 290,474	\$ 408,270	\$ 4,032,803	\$ 1,344,268	\$ 25,194
300-500,000 Households								
Location 1	1	331,540	\$ 289,069			\$ 95,672	**	
Location 2	1	387,229	498,526			29,383		
Location 3	1	388,366	328,361			22,057		
Location 4	1	360,253	153,832			-		
Location 5	1	383,308	121,186	*		-		
Location 6	1	492,586	493,405			14,845	*	
Location 7	1	436,061	655,325	**		-		
Sub-Total	7		\$ 2,539,704	\$ 362,815	\$ 328,361	\$ 161,957	\$ 40,489	\$ 25,720
500-750,000 Households								
Location 1	1	531,259	\$ 3,103,168	**		-		
Location 2	1	594,773	340,162			\$ 31,322		
Location 3	1	663,639	960,376			12,836	*	
Location 4	1	599,151	149,211			58,187		
Location 5	1	552,301	146,394	*		130,113	**	
Location 6	1	698,801	233,270			-		
Sub-Total	6		\$ 4,932,581	\$ 822,097	\$ 286,716	\$ 232,458	\$ 58,115	\$ 44,755

750-1,000,000 Households

Location 1	1	812,169	\$ 800,386		\$ 261,569	*		
Location 2	1	755,130	76,645 *			-		
Location 3	1	795,417	6,119,292 **		691,753			
Location 4	1	873,630	5,055,102		882,445	**		
Location 5	1	830,736	1,275,763			-		
Location 6	1	942,965	4,262,649		400,967			
Location 7	1	934,161	1,633,584			-		
Location 8	1	961,700	1,138,534		655,636			
Sub-Total	8		\$19,223,421	\$2,402,928	\$1,633,584	\$ 2,236,734	\$ 447,347	\$ 546,360

1,000,000 + Households

Location 1	1	2,135,628	\$ 738,231		\$ 374,891	**		
Location 2	1	1,145,854	156,435 *			-		
Location 3	1	2,227,932	7,121,596 **		93,189			
Location 4	1	2,349,685	683,253		150 *			
Location 5	1	1,392,249	370,031		1,500			
Location 6	1	1,057,592	725,024		10,531			
Location 7	1	1,139,899	966,145		31,589			
Sub-Total	7		\$ 10,760,715	\$ 1,537,245	\$ 725,024	\$ 511,850	\$ 85,308	\$ 21,060

Total US Operations 37 \$ 39,474,834 \$ 7,443,957

Average Revenues per Unit \$ 1,066,887 \$ 310,165

Number of units 37 24

Operations exceeding avg. 8 6

Operations not exceeding avg. 29 18

Percentage of operations exceeding avg. 28% 33%

Median Revenues per unit \$ 446,690 \$ 31,589

Operations not exceeding median

18

12

NOTE: Some Franchises have signed the Restoration Addendum, the Stone Addendum and Wood Floor Addendum but have not offered the service yet.

Denotes the lowest in each sub-set *

Denotes the highest in each sub-set **

Excludes Franchise locations that were not open for an entire year (2) and one bought out location that is not required to report revenues

	Number	H.H.	Stone Restore 2023		Wood Floor 2023		
			Average	Median	Average	Median	
Under 100,000 Households							
Location 1	1	97,306	1,009	**	0	0	*
Location 2	1	91,202	510	*	0	1,033	**
Sub-Total	2		1,519	760	760	1,033	1,033
100-200,000 Households							
Location 1	1	118,006	1,950	*	0	8,796	**
Location 2	1	198,390	18,095	**	0	0	*
Sub-Total	2		20,045	10,023	10,023	8,796	8,796
200-300,000 Households							
Location 1	1	238,644	446,690			25,194	
Location 2	1	266,521	489,807	**		4,145	*
Location 3	1	227,844	408,270			4,003,464	**
Location 4	1	265,759	0			0	
Location 5	1	278,449	1,288	*		0	
Sub-Total	5		67,139	16,785		24,438	
300-500,000 Households							
Location 1	1	331,540	289,069			95,672	**
Location 2	1	387,229	498,526			29,383	
Location 3	1	388,366	328,361			22,057	
Location 4	1	360,253	153,832			0	
Location 5	1	383,308	121,186	*		0	
Location 6	1	492,586	20,082			6,076	*
Location 7	1	436,061	45,918	**		7,005	

Sub-Total	7	114,759	19,127	25,938	4,323
500-750,000 Households					
Location 1	1	531,259	0 0	38,009	
Location 2	1	594,773	5,333	12,032	
Location 3	1	663,639	17,188 **	38,397	
Location 4	1	599,151	1,107 *	6,450	
Location 5	1	552,301	5,121	2,288	
Location 6	1	698,801	2,905 0	7,222	
Sub-Total	6	31,654	6,331	104,398	
750-1,000,000 Households					
Location 1	1	812,169	10,587 *	9,938 *	
Location 2	1	755,130	0	0	
Location 3	1	795,417	206,300 **	176,880 **	
Location 4	1	873,630	38,063	55,761	
Location 5	1	830,736	75,341	32,928	
Location 6	1	942,965	80,657	84,194	
Location 7	1	934,161	0	18,211	
Location 8	1	961,700	29,335	27,057	
Sub-Total	8	410,948	68,491	75,341	377,912 53,987 44,345
1,000,000 + Households					
Location 1	1	2,135,628	599 *	5,176 *	
Location 2	1	1,145,854	4,895	16,188	
Location 3	1	2,227,932	404,395 **	106,823 **	
Location 4	1	2,349,685	3,373	5,848	
Location 5	1	1,392,249	8,620	3,450	
Location 6	1	1,057,592	37,295	17,318	
Location 7	1	1,139,899	71,000	49,453	
Sub-Total	7	530,177	75,740	8,620	204,256 29,179 16,188
Total US Operations	<u><u>37</u></u>	<u><u>1,176,241</u></u>		<u><u>746,771</u></u>	
Average Revenues per Unit		\$ 36,758		\$ 24,089	
Number of units		32		31	
Operations exceeding avg.		8		9	

Operations not exceeding avg.	22	20
Percentage of operations exceeding avg.	36%	45%
Median Revenues per unit	\$ 24,709	\$ 17,318
Operations not exceeding median	16	15

NOTE: Some Franchises have signed the Restoration Addendum, the Stone Addendum and Wood Floor Addendum but have not offered the service yet.

Denotes the lowest in each sub-set *

Denotes the highest in each sub-set **

Excludes Franchise locations that were not open for an entire year (2) and one bought out location that is not required to report revenues

Other than the preceding financial performance representation, COIT Services, Inc. does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations 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 Doug Kitzmiller at 897 Hinckley Road, Burlingame, California 94010, (800) 243-8797 (ext. 2004), the Federal Trade Commission, and the appropriate.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
SYSTEMWIDE OUTLET SUMMARY
 For Years 2021 to 2023

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised Outlets	2021	38	40	+2
	2022	40	40	+0
	2023	40	42	+2
Company-Owned	2021	9	9	0
	2022	9	9	0
	2023	9	9	0
TOTAL OUTLETS	2021	47	49	+2
	2022	49	49	0
	2023	49	51	+2

Table No. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
 (Other than Franchisor)
 For Years 2021 to 2023

State	Year	Number of Transfers
Ohio	2021	3
	2022	0
	2023	0
Missouri	2021	0
	2022	1
	2023	0