

	<b>Provision</b>	<b>Section in Franchise Agreement</b>	<b>Summary</b>
v.	Choice of forum	Sections 17.2 and 19.2	All dispute resolution must be held in Salt Lake City, Utah or the county where our then-current headquarters is located. (Subject to state law).
w.	Choice of Law	Sections 19.1 and 19.5	Idaho law, the Federal Arbitration Act, and the United States Trademark Act apply. (Subject to applicable state law).

States may have statutes or court decisions which supersede the franchise agreement in your relationship with the franchisor including areas of termination and renewal of your franchise. (See state specific addenda).

### **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 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.

#### 2024 Franchise Shoppes

The below table is an historic performance representation sets forth average weekly sales for all 45 of our existing Real Deals on Home Décor® franchises in the United States that were open and operating as of December 31, 2024. We did not include our Canadian franchisee. 3 of the 45 are new franchisees that opened in 2024, and four are transfer franchisees that closed for a part of 2024 and were reopened by December 31, 2024. Each Shoppe is open from 2 days to 6 days a week.

#### AVERAGE & MEDIAN GROSS WEEKLY SALES OF SHOPPES OPEN FOR THE FULL 2024 CALENDAR YEAR

<b>Number of Shoppes Used</b>	<b>Average Weekly Sales</b>	<b>Median Weekly Sales</b>	<b>Percent of applicable Shoppes that attained or surpassed the stated result</b>
45	\$9581.91	\$6480.90	36%

High Weekly Sales: \$93,405; Low Weekly Sales \$339.40

#### Notes

1. "Sales" means the total of all sales of all goods and services sold, traded, bartered, or rendered by you and income of every kind and nature including the value of a trade or other bartering, arising from your franchise business and tangible property of every kind sold by you during the term of this agreement. Gross sales also includes insurance proceeds and/or condemnation awards for loss of sales, profits, or business. "Gross Sales" excludes bona fide credits or returns and excludes amounts paid by you for sales or use taxes on the sale of any products or services.
2. "Average" means the sum of all data points in a set, divided by the number of data points in



that set.

3. "Average annual sales" means the sum of the gross sales of the locations listed in an applicable group divided by the number of locations in that group.
4. "Median" means the data point that is in the center of all data points used. That number is found by examining the total number of data points and finding the middle number in that set. In the event the number of data points is an odd number, the median will be the center number. If the dataset contains an even number of data points, the median is reached by taking the 2 numbers in the middle, adding them together, and dividing by 2.
5. The financial performance representations do not reflect the costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchised business. Franchisees or former franchisees, listed in this disclosure document, may be one source of this information.

A Real Deals on Home Décor® franchise business' actual operating costs may vary widely, which can impact gross sales. Numerous factors will affect a particular Real Deals on Home Décor® business's sales, including goodwill and name recognition in the market; length of time in business; nearby businesses; personnel costs; rent and occupancy expenses; nearby working and living population; traffic count; site accessibility and visibility; the local market and competition from other retail businesses offering furniture, home décor and clothing/accessory boutique items; general economic conditions; local factors affecting goods and supply costs; the franchisee's management skill, experience, business acumen, and the ability to promote and market its Real Deals on Home Décor® business effectively in the local market; service levels and customer satisfaction; and the degree of adherence to our methods and procedures in operating the Real Deals on Home Décor® business. The market in which you are interested in developing a Real Deals on Home Décor® business may have higher population densities, higher or lower labor costs, and higher or lower rent expenses than other markets across the United States or Canada.

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

This financial performance representation has been prepared based on information as reported by the individual franchises. The numbers they reported to us were used for determining royalty payments due to us. The basis of accounting used by the franchisees is determined by the individual franchisee, but generally the franchisees use cash basis accounting. The figures in the reported to us have not been audited and we have not undertaken to otherwise independently verify the accuracy of such information. You must estimate your own costs and expenses including, but not limited to, inventory, marketing, insurance, royalties, rent, wages, payroll taxes and professional fees. You should conduct an independent investigation of the costs and expenses you will incur in operating your Real Deals on Home Décor® business.

The information in this Item 19 was taken from financial statements from our company owned locations and our franchisees. Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

Other than the preceding financial performance representation, Real Deals, Inc. 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 Real Deals, Inc., 1411 E. 4400 N., Buhl, Idaho 83316, and (208) 543-6300, the Federal Trade Commission, and the appropriate state regulatory agencies.



**ITEM 20**  
**OUTLETS AND FRANCHISE INFORMATION**

**Table No. 1**  
**Systemwide Outlet Summary**  
**For Years 2022 to 2024**

<b>Outlet Type</b>	<b>Year</b>	<b>Outlets at the Start of the Year</b>	<b>Outlets at the End of the Year</b>	<b>Net Change</b>
Franchised <sup>1</sup>	2022	50	44	-6
	2023	44	46	+2
	2024	46	46	+0
Company Owned	2022	1	1	+0
	2023	1	1	+0
	2024	0	0	+0
Total Outlets	2022	51	44	-7
	2023	44	46	+2
	2024	46	46	+0

<sup>1</sup> These totals include our Canadian franchises (see table 3 below).

**Table No. 2**  
**Transfers of Outlets from Franchisees to New Owners**  
**(other than the Franchisor)**  
**For Years 2022 to 2024**

<b>State</b>	<b>Year</b>	<b>Number of Transfers</b>
Arizona	2022	0
	2023	0
	2024	1
Oregon	2022	0
	2023	0
	2024	1
Tennessee	2022	0
	2023	1
	2024	0
Utah	2022	1
	2023	0
	2024	0
Virginia	2022	0
	2023	1
	2024	0
Total	2022	1
	2023	2
	2024	2

