

t. Integration / merger clause	§ 21	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises made outside the Disclosure Document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	§ 23.2	All disputes will be resolved by arbitration at the American Arbitration Association office located nearest our principal place of business (currently, Austin, Texas), subject to applicable state law (except for injunctive relief). (see note below).
v. Choice of forum	§§ 23.2 and 23.3	The parties consent to venue in the federal or state courts in the county in which our principal place of business is located (currently Brevard County, Texas), subject to applicable state law (see note below).
w. Choice of law	§ 23.1	The laws of Texas shall govern, subject to applicable state law. (see Note below).

Please refer to the disclosure addenda and contractual amendments appended to this Disclosure Document for any additional terms that may be required under applicable state law. These additional disclosures, if any appear in an addendum or rider in Exhibit G.

ITEM 18 **PUBLIC FIGURES**

We do not currently use any public figures 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 this Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet a franchisee is 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.

The following tables and accompanying footnotes are a historical financial performance representation.

Table 1 – Affiliate Gross Revenues, Gross Profit, Disclosed Expenses, and Adjusted Profit for the period from January 1, 2024 to December 31, 2024

Table 1 provides Gross Revenues, Gross Profit, Disclosed Expenses, and Adjusted Profit for our Affiliate's two Businesses located in Cedar Park, Texas and Austin, Texas from January 1, 2024 to December 31, 2024. See Item 1 for more information regarding our Affiliate and these Businesses.

2024					
Location - Cabinet IQ of Cedar Park Year 7 Store			Location - Cabinet IQ of Austin Year 3 Store		
Gross Revenue (1)	\$	2,145,793	Gross Revenue (1)	\$	1,720,215
Materials (2)	\$	909,816 42.4%	Materials (2)	\$	660,563 38.4%
Installation Labor (3)	\$	246,766 11.5%	Installation Labor (3)	\$	166,861 9.7%
Gross Profit (4)	\$	989,211 46.1%	Gross Profit (4)	\$	892,792 51.9%
Disclosed Expenses		% of Gross Revenue	Disclosed Expenses		% of Gross Revenue
Payroll and Commissions			Payroll and Commissions		
Sales Payroll and Commissions (5)	\$	124,739 5.8%	Sales Payroll and Commissions (5)	\$	112,114 6.5%
General Manager (6)	\$	58,880 2.7%	General Manager (6)	\$	63,278 3.7%
Installation Manager (7)	\$	21,395 1.0%	Installation Manager (7)	\$	22,993 1.3%
Advertising & Marketing (8)	\$	88,427 4.1%	Advertising & Marketing (8)	\$	75,401 4.4%
Royalty (9)	\$	128,748 6.0%	Royalty (9)	\$	103,213 6.0%
National Brand Fund (10)	\$	21,458 1.0%	National Brand Fund (10)	\$	17,202 1.0%
Bank Services (11)	\$	677 0.0%	Bank Services (11)	\$	- 0.0%
Insurance (12)	\$	8,759 0.4%	Insurance (12)	\$	10,238 0.6%
Office Supplies and Software (13)	\$	23,605 1.1%	Office Supplies and Software (13)	\$	15,550 0.9%
Legal & Professional Services (14)	\$	9,614 0.4%	Legal & Professional Services (14)	\$	10,333 0.6%
Merchant Account Fees (15)	\$	6,334 0.3%	Merchant Account Fees (15)	\$	5,374 0.3%
Rent (16)	\$	93,750 4.4%	Rent (16)	\$	37,620 2.2%
Utilities (17)	\$	12,015 0.6%	Utilities (17)	\$	7,493 0.4%
Repairs and Maintenance (18)	\$	14,373 0.7%	Repairs and Maintenance (18)	\$	2,716 0.2%
Showroom Materials (19)	\$	1,842 0.1%	Showroom Materials (19)	\$	1,528 0.1%
Tools Supplies and Consumables (20)	\$	5,408 0.3%	Tools Supplies and Consumables (20)	\$	1,350 0.1%
Total Disclosed Expenses (21)	\$	620,024 28.9%	Total Disclosed Expenses (21)	\$	486,403 28.3%
Adjusted Profit \$ (22)	\$	369,187 17.2%	Adjusted Profit \$ (22)	\$	406,389 23.6%

Table 1 Notes:

(1) "Gross Revenues" are the total amount received by or in connection with our Affiliate's Businesses from, connected with or related to the sale of any services, products, goods or merchandise and all business transacted related to these Businesses; including jobs completed and jobs sold excluding only the following (a) the amount of any refunds to clients for bona fide returns of goods sold or cancellations; and (b) the amount of any excise or sales tax levied upon retail sales and paid over to the appropriate governmental authority.

(2) "Materials" are the cost of materials used in the services, including cabinets, countertops, and other materials.

- (3) **"Installation Labor"** includes installation labor costs.
- (4) **"Gross Profit"** is Gross Revenues less COGS (Installation Labor and Materials).
- (5) **"Sales Payroll and Commissions"** includes sales base pay plus commissions.
- (6) **"General Manager"** includes salary. Note: These costs could be higher for your Business on a per location basis as the General Manager was shared between the two locations.
- (7) **"Installation Manager"** includes salary. Note: These costs could be higher for your Business on a per location basis as Installation Manager was shared between the two locations.
- (8) **"Advertising & Marketing"** includes all costs incurred for advertising.
- (9) **"Royalty"** is the sum of the Royalty Fee during the measurement period.
- (10) **"Brand Fund"** is the amount that was contributed by our Affiliate to the Brand Fund. See Items 6 and 11 for more information. The current required Brand Fund contribution for your Business is 1%, although it can be increased to up to 2% of Gross Revenues.
- (11) **"Bank Services"** includes all banking charges.
- (12) **"Insurance"** includes auto insurance and business liability.
- (13) **"Office Supplies and Software"** includes the cost of general office supplies, Design 20/20 software, QuickBooks, CRM software, DocuSign software, computers, monitors, office furniture and appliances.
- (14) **"Legal and Professional Services"** includes legal advice, accounting services, and other professional services.
- (15) **"Merchant Account Fees"** includes ACH processing fees and credit card processing fees.
- (16) **"Rent"** includes showroom space rental.
- (17) **"Utilities"** includes internet, electric, water, and bulk trash service.
- (18) **"Repairs and Maintenance"** includes cleaning service, consumer trash service, showroom lighting, warehouse and showroom maintenance.
- (19) **"Showroom Materials"** includes cabinet displays for showroom.
- (20) **"Tools Supplies and Consumables"** is defined as warehouse and installer tools, installation consumables, and warehouse supplies.

(21) "Total Disclosed Expenses" is the sum of the Disclosed Expenses in this table covered by Notes 5 through 19.

(22) "Adjusted Profit" is defined as Gross Profit less the Total Disclosed Expenses. Adjusted Profit is not equal to net profit or income and, except as to Cost of Goods Sold and the Total Disclosed Expenses, does not include the deduction of all other expenses incurred by a Franchised Business including, but not limited to, other operating expenses, management wages, interest, taxes, depreciation, and amortization.

(23) You will incur other additional costs and expenses in operating a Business including but not limited to amounts due to us under the Franchise Agreement. See Items 6 and 7 for further information.

Table 2 – Ticket Amounts

The following table reflects the high ticket, average ticket, median ticket, and low ticket received by our Affiliate's Businesses in Cedar Park, Texas and Austin, Texas for the period from January 1, 2024 to December 31, 2024. For purposes of this Table, each **"Ticket"** is the Gross Revenues received on for an individual project involving the installation of cabinets or countertops

High Ticket	\$282,500
Average Ticket	\$34,212
Median Ticket	\$26,296
Low Ticket	\$990

Table 3 – Franchise Location Statistics

The following table reflects the Gross Revenues, Gross Profit Margin, high ticket, average ticket, median ticket, and low ticket received by the one franchisee that had a Showroom open throughout the period July 1, 2024 through December 31, 2024 (the "Measurement Period").

Gross Revenues (July 1 st -December 31 st , 2024)	\$519,265
Gross Profit Margin	47.2%
High Ticket	\$54,460
Average Ticket	\$30,531
Median Ticket	\$29,956
Low Ticket	\$5,726

Table 3 Notes:

(1) This data represents the 1 franchised location (the "Reporting Franchisee") that had a Showroom in operation throughout the Measurement Period. This franchisee had 1 territory. It does not include the 1 franchisee which had a Showroom open, but for

only a portion of the Measurement Period, and it does not include the 13 franchisees that were open during some portion of the Measurement Period but did not have a Showroom open during the Measurement Period

(2) Gross Profit Margin by Reporting Franchisee during Measurement Period. Gross Profit Margin is defined as Gross Revenue minus Material and Labor costs related to the job.

You should develop your own business plan for your Business, including capital budgets, financial statements, projections and other appropriate factors. You are encouraged to consult with your own accounting, business and legal advisors in doing so. The business plan should make necessary allowances for economic downturns, periods of inflation and unemployment, and other negative economic influences.

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The financial information provided above has not been audited.

Written substantiation for the financial performance representation will be made available to prospective franchisees upon reasonable request.

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

We recommend that you make your own independent investigation to determine whether or not the Franchise may be profitable and that you consult with an attorney and other advisors prior to executing the Franchise Agreement.

Other than the preceding financial performance representation, 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 unit; 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 our CEO by contacting Michael Hartel at 2419 S. Bell Blvd., Cedar Park, Texas 78613, 512-729-3982, the Federal Trade Commission and the appropriate state agencies.

ITEM 20 **OUTLETS AND FRANCHISEE INFORMATION**

Table No. 1
Systemwide Outlet Summary
for years 2022 to 2024

Outlet Type	Year	Outlets at Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	0	0	0
	2023	0	0	0
	2024	0	15	+15