

Regional Guide for Reviewing New Market Center Applications



- ☐ Disclose all investors and follow up on Item 23s (Must be returned 14 days prior to signing License Agreement)
- ☐ File Data Sheet
 - a. MC Roster name should be geographically specific for internal reference. Note this is not the Market Center DBA Name
 - b. If TL/MCA role is vacant. Provide status of Career Visioning for new TL / MCA
 - c. Please include proposed Domain Name(s)
 - i. Do not purchase Domain Name until approved by KWRI.
 - d. Ownership must total 100%
 - e. Include all sub-entity ownership
 - f. Date investors and leadership attended FSO
 - g. Date investors participated in Investor Workshop
- ☐ Awarded Area and Location
 - a. Proposed Awarded Area description should match map provided
 - b. If Market Center is not centrally located in territory, provide rationale
- ☐ Career Visioning Packet (for first time OPs)
- ☐ Franchise Application Questionnaire (for first time OPs)
- ☐ Multiple Market Center Application
 - a. Required if OP or Controlling Principal (20%+ ownership) is investor in other Market Centers
- ☐ Guerrilla Warfare/Competitive Research
 - a. Submit map signed by the OP and RD of the proposed territory (should match written description)
 - b. Territory Data Summary should reflect the unit count and agent count. If significantly higher than standard (1000/500), please submit rationale.
 - c. Include third party territory data and identify unit count and agent count.
 - d. Competitive Analysis should be completed in full and accurately reflect cap and royalty.
- ☐ Investor Breakdown
 - a. Equity percentages should be consistent with the amount of capital invested. If not, please provide rationale for investor.
- ☐ Financial Statement
 - a. Needed for all Controlling Principals
 - b. Financial Statement is completed in full, including the Contingent Liabilities and General Information sections.
- ☐ Forecast Model and Initial Budget
 - a. Submit Forecast Model Excel Spreadsheet.
 - b. Provide rationale for any expenses that are not in line with regional averages.
- ☐ Core Group
 - a. Minimum of 20 associates including 12 cappers
 - i. If not, please submit rationale.
 - b. Core Agent Profiles for Cappers
 - c. Commitment Letters for associates transferring from other companies
 - d. OP authorization letter for agents transferring from other Market Centers
 - e. Projected Company Dollar, Proposed Budget and the Projected Profit.
 - i. Budget amount should be consistent to the Initial Budget submitted.
- ☐ Authorization to Proceed
 - a. Region should review all information submitted prior to proposed MC working on following sections.

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- ☐ Entity Documents
 - a. Proposed Licensee has applied for licensure as required by your state or province
 - b. Filed Articles of Organization, Articles of Incorporation or Certificate of Limited Partnership
 - c. Letter from the OP candidate stating that the Market Center entity has not conducted business since its formation
 - d. Confirmation documents indicating Tax ID or EIN number
 - e. Market Center entity's current Operating Agreement / Bylaws / Partnership Agreement should be fully signed by all investors and should be consistent with the File Data Sheet and Investor Breakdown
 - f. Market Center entity's current Operating Agreement / Bylaws / Partnership Agreement should address the required provisions (see Provisions Checklist)
- ☐ DBA Information
- ☐ Initial Capitalization
 - a. Submit bank statement of required minimum capitalization (\$ invested per Investor Breakdown) for the proposed Licensee entity
- ☐ Consultants and Service Providers
 - a. Please submit response from Accountant agreeing to provide services
- ☐ Proposed Site approval
- ☐ Technology and Training
- ☐ Expansion
 - a. Please submit Host Market Center Statement with Team Cap.
- ☐ Application Fully Signed
 - a. If OP is RD: ROP will need to sign the application
- ☐ To be submitted upon execution:
 - a. \$35,000 Initial License Fee will be drafted via ACH upon Execution of the Market Center.
 - b. Registration of Trade Name or dba (Keller Williams Realty) with the proper body in your state/province
 - c. Insurance
 - i. General Liability (\$1M limit/\$1M aggregate)
 - ii. Auto Liability for non-owned and hired autos (\$1M)
 - iii. Real Estate E&O (\$1M/\$2M commercial)
 - iv. Worker's Comp (\$500K)
 - v. Should name Keller Williams Realty, LLC and its designated affiliates 1221 S. Mopac Expwy, Suite 110 Austin, TX 78746 as additional insured under the Market Centers [General Liability, Auto and E&O policies]
 - d. Lease