

EXHIBIT E

FRANCHISE AGREEMENT

CASA LATINO FRANCHISE CORPORATION

FRANCHISE AGREEMENT

TABLE OF CONTENTS

1.	GRANT.....	2
2.	TERM AND RENEWAL.....	3
3.	DUTIES OF FRANCHISOR.....	4
4.	FEES.....	5
5.	TRAINING.....	7
6.	DUTIES OF FRANCHISEE.....	7
7.	PROPRIETARY MARKS.....	12
8.	OPERATING MANUAL.....	14
9.	CONFIDENTIAL INFORMATION.....	15
10.	ACCOUNTING AND RECORDS.....	15
11.	ADVERTISING AND PROMOTION.....	16
12.	INSURANCE.....	19
13.	TRANSFER OF INTEREST.....	20
14.	DEFAULT AND TERMINATION.....	23
15.	OBLIGATIONS UPON TERMINATION OR EXPIRATION.....	25
16.	COVENANTS.....	27
17.	CORPORATE, PARTNERSHIP OR LIMITED LIABILITY COMPANY FRANCHISEE.....	29
18.	TAXES, PERMITS, AND INDEBTEDNESS.....	30
19.	INDEPENDENT CONTRACTOR AND INDEMNIFICATION.....	30
20.	APPROVALS AND WAIVERS.....	31
21.	GRANT OF SECURITY INTEREST.....	32

22.	NOTICES.....	33
23.	ENTIRE AGREEMENT.....	33
24.	SEVERABILITY AND CONSTRUCTION	33
25.	APPLICABLE LAW	34
26.	ACKNOWLEDGMENTS	35

EXHIBIT A – RESPONSIBLE BROKER

EXHIBIT B -- SITE SELECTION ADDENDUM

EXHIBIT C -- FRANCHISEE’S TERRITORY

EXHIBIT D -- CONFIDENTIALITY AND NON-COMPETITION AGREEMENT

EXHIBIT E -- GUARANTEE, INDEMNIFICATION AND ACKNOWLEDGMENT

EXHIBIT F -- CONSENT AND AGREEMENT OF LESSOR; CONDITIONAL
ASSIGNMENT OF LEASE

**CASA LATINO REAL ESTATE
FRANCHISE AGREEMENT**

THIS AGREEMENT, made and entered into on _____ 200__, by and between Casa Latino Franchise Corporation, the franchisor, a Delaware corporation with its principal place of business at Bullet Hill Park, #307, Southbury, CT 06488 (referred to in this Agreement as “We”, “us” or “our”), and _____, the franchisee, a _____ with its principal place of business at _____ (referred to in this Agreement as “You” or “your”).

WITNESSETH:

WHEREAS, We, as the result of the expenditure of time, skill, effort, and money, have developed, and continue to develop, a distinctive system relating to the establishment and operation of Casa Latino Real Estate Offices, where independent real estate professionals offer to the public, and in particular Hispanic/Latino home buyers, home sellers, real estate brokerage services, including, but not limited to, listing, auctioning, offering for sale and rent, residential and other real property; providing marketing, referral and consulting services for leasing, and renting of real property; and representing sellers, purchasers, lessors and lessees of real property, and all such other activities permitted for a licensed real estate broker or sales person under applicable state law (the “System”);

WHEREAS, the distinguishing characteristics of the System include, without limitation, distinctive marketing, sales and promotional materials, and programs directed to Hispanic/Latino home buyers and home sellers; advertising and operational assistance; policies and procedures for fair, ethical, efficient and courteous operations; and training and assistance; all of which may be changed, improved and further developed by us from time to time;

WHEREAS, the System is identified by means of certain trade names, service marks, trademarks, logos, emblems, trade dress and indicia of origin, including, but not limited to, the mark “Casa Latino,” “Casa Latino Real Estate” and “Casa Latino Realty” as are now designated and may hereafter be designated by us in writing for use in connection with the System (the “Proprietary Marks”);

WHEREAS, You desire to enter into the business of operating a Casa Latino Real Estate Office under our System and Proprietary Marks (“Casa Latino Real Estate Office” or “Franchised Business”), and wish to enter into an agreement with us for that purpose, and to receive the training, technology and other assistance provided by us in connection therewith; and

WHEREAS, You understand and acknowledge the importance of our high standards of quality, appearance, and service and the necessity of operating the business franchised hereunder in conformity with our standards and specifications;

NOW, THEREFORE, You and We agree as follows:

1. GRANT

1.1 We grant to You the right and You undertake the obligation, upon the express terms and conditions set forth in this Agreement, to establish and operate a Casa Latino Real Estate Office, and to use the Proprietary Marks and the System, as they may be changed and improved from time to time at our sole discretion, solely in connection therewith and only at the location set forth in Section 1.2 below.

1.2 You shall operate the Franchised Business only at _____ (the "Accepted Location"), except as provided in Section 1.4 below. If, at the time of execution of this Agreement, a location for the Casa Latino Real Estate Office has not been obtained by You and approved by us, You shall lease or acquire a location within ninety (90) days after the date of this Agreement, subject to our approval, as provided for in the Site Selection Addendum attached hereto as Exhibit B. You shall not relocate the Casa Latino Real Estate Office without our prior written approval. We shall have the right, in our sole discretion, to withhold approval of relocation.

1.3 Except as otherwise provided in this Agreement, during the term of this Agreement We shall not establish or operate, nor license any other person to establish or operate, a Casa Latino Real Estate Office under the System and the Proprietary Marks at any location within the geographic area described and depicted on the map attached hereto as Exhibit C ("Your Territory"). Notwithstanding the foregoing, (a) We retain the rights, among others, on any terms and conditions We deem advisable, and without granting You any rights therein, to establish and operate, and license others to establish and operate, a Casa Latino Real Estate Office under the System and the Proprietary Marks at any location outside Your Territory; (b) We, any franchisee of ours and any other authorized person or entity may, at any time, advertise or promote the System and provide real estate brokerage services to customers in Your Territory, without granting You any rights therein; and (c) We retain the right to purchase, merge, acquire, be acquired by or in any fashion affiliate with an existing competitive or non-competitive real estate brokerage franchise network, chain or any other business regardless of the location of that network's, chain's or business's offices, and to operate, franchise or license those businesses and/or offices as Casa Latino offices operating under the Proprietary Marks or any other marks following the purchase, merger, acquisition or affiliation, regardless of the location of these facilities, which may be within the Territory, and proximate to your Casa Latino Real Estate Office; provided, however, that we will not operate, franchise or license such businesses and/or offices under the Proprietary Marks within the Territory.

1.4 You may establish and operate an additional Casa Latino Real Estate Office location ("Satellite Office") within Your Territory, subject to our prior written approval for each location, which approval may be withheld in our sole discretion, and your payment of Two Thousand Five Hundred Dollars (\$2,500) within fifteen (15) days of receipt of our approval. Each Satellite Office shall operate as a part of the Casa Latino Real Estate Office (i.e., under the same ownership as the Casa Latino Real Estate Office), shall operate under the same name as the Casa Latino Real Estate Office, and, except as otherwise provided in this Agreement, shall comply with and be subject in every aspect to the terms and conditions of this Agreement as are

applicable to the Casa Latino Real Estate Office. You understand and acknowledge that We are not obligated to provide any Satellite Office with any of the services or benefits made available to the Casa Latino Real Estate Office, although We may, as We in our sole discretion deem appropriate, provide some services and benefits to the Satellite Offices.

1.5 You acknowledge and agree that Casa Latino Real Estate Offices do not currently offer or perform, and the System expressly excludes, ancillary real estate services or activities, including, without limitation, title insurance or title searches, mortgage brokerage or mortgage origination, insurance or insurance-related services or products, escrow or appraisal services or home inspection services, or any other non-real estate related activity. We reserve the right to offer the aforesaid and other ancillary real estate services in the future. Although You are not prohibited from performing these or other ancillary services or engaging in businesses that offer such services, You may not use the System or the Proprietary Marks in any manner in connection with such ancillary services or businesses. You must provide Controlled Business Arrangement (“CBA”) Disclosures to consumers prior to a referral to any ancillary real estate services provider in which you have an ownership or other beneficial interest.

1.6 While We permit You to perform Services for non-residential property under the Proprietary Marks and pursuant to this Agreement, and require You to pay Continuing Royalties and Advertising Fund fees on all Gross Commission Income from such services, You understand and agree that We have absolutely no obligation of any sort to furnish any training, support, promotion or other assistance to You in connection with such non-residential real estate brokerage activities, and You waive, release and discharge any claim to the contrary. By way of example, and without limitation, We will have no obligation to list any non-residential property You may be offering on our Web site. You agree to adopt any regulations, standards or policies governing the furnishing of brokerage services for non-residential property by our franchisees which We may set forth in our Manual or otherwise.

2. TERM AND RENEWAL

2.1 This Agreement shall be in effect upon its acceptance and execution by us and, except as otherwise provided herein, the term of this Agreement shall be seven (7) years from the date first above written.

2.2 You may, subject to the following conditions, renew this Agreement for two (2) additional consecutive terms of seven (7) years each. We may require, in our sole discretion, that any or all of the following conditions be met prior to such renewal:

2.2.1 You give us written notice of your election to renew not less than six (6) months nor more than twelve (12) months prior to the end of the then-current term;

2.2.2 You have maintained the premises of your Casa Latino Real Estate Office (the “Premises”) and any Satellite Offices in a condition acceptable to us;

2.2.3 You are not in default of any provision of this Agreement, any amendment of this Agreement or successor to this Agreement, or any other agreement between You and us or our affiliates; and You have substantially complied with all the terms and conditions of such agreements during the terms thereof;

2.2.4 You have satisfied all of your monetary obligations to us and our affiliates, and have timely met those obligations throughout the term of this Agreement;

2.2.5 You present evidence satisfactory to us that You have the right to remain in possession of the Premises for the duration of the renewal term or shall obtain our approval of a new location for the Casa Latino Real Estate Office and any Satellite Office within Your Territory for the duration of the renewal term;

2.2.6 You execute our then-current form of renewal franchise agreement (but only for such renewal terms as are provided by this Agreement), which shall supersede this Agreement in all respects, and the terms of which may differ from the terms of this Agreement including, without limitation, higher fees, and advertising contributions, except that You shall not be required to pay any initial franchise fee and Your Territory shall remain the same;

2.2.7 You execute a general release, in a form We prescribe, of any and all claims against us and our affiliates, and our respective officers, directors, agents, and employees;

2.2.8 You comply with our then-current qualification and training requirements; and

2.2.9 You pay us a renewal fee in the amount of One Thousand Dollars (\$1,000).

3. DUTIES OF FRANCHISOR

3.1 We will (a) make available, at no charge to You, standards, operating procedures, policies and guidelines to assist You in the opening of the Casa Latino Real Estate Office, including, signage designs, letterhead designs, sales and promotional materials, and other similar office materials and consultation, and (b) assist You, as We deem appropriate in our sole discretion, with grand opening publicity and advertising for your Casa Latino Real Estate Office.

3.2 We will provide You with the right to use such accounting system and software as we designate from time to time and our Casa Latino Real Estate public web site. You must bear the expenses for us to obtain the multiple listing data and the legal rights associated with our accessing the multiple listing service data on an ongoing basis.

3.3 We will provide training as set forth in Section 5 below.

3.4 We will provide You with three (3) days of pre-opening and post-opening consultation and guidance at your Accepted Location as We deem necessary or appropriate in our sole discretion.

3.5 Upon your request, We will provide additional opening consultation and on-site assistance, at a cost of Two Hundred Fifty Hundred Dollars (\$250) per person providing such assistance per day, plus our out-of-pocket expenses (including without limitation, the costs of travel, lodging and meals) We incur.

3.6 We will provide You, on loan, one copy of our confidential Franchise Operations Manual (the "Manual"), as more fully described in Section 9 below.

3.7 We will make available to You advertising and promotional materials as provided in Section 11 below and advertising assistance for newspaper inserts and local real estate magazines.

3.8 We will make available to You for purchase from time to time various materials and supplies for the Casa Latino Real Estate Office or for purchase by licensed agents that may, at our option, include business cards, brochures, flyers, post cards, envelopes, key tags, letterhead, name badges, signs or other similar items.

3.9 We will conduct, as We deem advisable, inspections of your operation of the Casa Latino Real Estate Office.

3.10 You acknowledge and agree that any duty or obligation imposed on us by this Agreement may be performed by any designee, employee, or agent of us, as We may direct.

4. FEES

4.1 In consideration of the rights granted herein, You shall pay us, on execution of this Agreement, an initial franchise fee in the amount of Twelve Thousand Five Hundred Dollars (\$12,500). Receipt of this initial fee is hereby acknowledged. This fee is deemed fully earned and non-refundable in consideration of administrative and other expenses incurred by us in entering into this Agreement and for our lost or deferred opportunity to enter into this Agreement with others. If You are among the first fifty Casa Latino Real Estate Office franchisees, and have executed this Agreement prior to September 30, 2008, You will be entitled to receive a Five Thousand Dollar (\$5,000) credit towards Your franchise fee.

4.2 In consideration of our granting You a franchise under this Agreement, You agree to pay us a weekly Continuing Royalty equal to 6% of the Gross Commission Income of your Franchised Business, or a monthly fee of Five Hundred Dollars (\$500), whichever is greater. Gross Commission Income is the pre-tax real estate commission income received by You and licensed real estate agents, salespersons and brokers associated with your Casa Latino Real Estate Office from the sale of all real estate services and products and all other income of every kind and nature at or from your Casa Latino Real Estate Office or otherwise related to your Casa Latino Real Estate Office, including, without limitation, any proceeds from business interruption

insurance, whether for cash or credit, and regardless of collection in the case of credit. Gross Commission Income shall not include any sales taxes or other taxes collected from customers by You and paid directly to the appropriate taxing authority.

4.3 You shall make weekly and monthly expenditures and contributions for advertising and promotion as specified in Section 11 below.

4.4 You shall pay us for all materials and supplies You purchase from us for the Casa Latino Real Estate Office (as described in Section 3.8 above) at the prices set forth in our then-current price list as described in the Manual or otherwise in writing from time to time, within thirty (30) days of the date of your receipt of the billing statement for such purchases. You acknowledge and agree that We have the right to change the prices from time to time upon reasonable notice to You.

4.5 All payments required by Sections 4.2 and 11.2 of this Agreement shall be paid by Wednesday of each week for the preceding week, and shall be made via electronic fund transfer, as described in Section 4.7 below. Any payment due under this Agreement which is not paid when due, via electronic funds transfer or otherwise, shall be deemed overdue. If any payment is overdue, You shall pay us, in addition to the overdue amount, interest on such amount from the date it was due until paid at the rate of eighteen percent (18%) per annum, or the maximum rate permitted by law, whichever is less. Entitlement to such interest shall be in addition to any other remedies We may have. You shall not be entitled to withhold payments due to us on grounds of alleged nonperformance by us of obligations under this Agreement. You shall not be entitled to set-off any payments required to be made under this Agreement against any monetary claim You may have against us. You acknowledge and agree that if You fail to pay us within the times prescribed in this Section 4, We have the right, among other remedies, to (a) suspend any or all assistance and services We are providing to You pursuant to this Agreement, and (b) withhold shipment to You of any or all materials and supplies which We are providing to You pursuant to this Agreement.

4.6 All other payments required under this Agreement, including those related to reimbursement of expenses, are due and payable upon demand or receipt of any billing statement or invoice therefor, whichever is earlier and shall otherwise be payable in accordance with the provisions of this Agreement, unless We otherwise instruct in writing. We reserve the right to require all such payments to be made via electronic fund transfer, as described in Section 4.7 below.

4.7 You shall maintain a single operational bank account for the operation of the Franchised Business, and all revenues from operation of the Franchised Business (excluding funds held in trust) shall be deposited into such bank account within two (2) days of receipt, including cash, checks, credit card receipts or the value of other forms of payment. You shall also maintain a separate real estate trust escrow account as may be required by applicable law. You shall furnish to us, upon our request, the bank and account number for the operational account, a voided check from the operational bank account, and written authorization for us to withdraw funds from the operational bank account via electronic funds transfer without further consent or authorization. You agree to execute any and all documents as may be necessary to

effectuate and maintain the electronic funds transfer arrangement required by Sections 4.5 and 4.6 above. In the event You change banks or accounts for the operational bank account required by this Section 4.7, You shall, prior to such change, provide to us such information concerning the new account and an authorization for us to make withdrawals therefrom. Your failure to provide such information concerning the operational bank account required by this Section 4.7 or any new account, or your withdrawal of consent to withdrawals for whatever reason and by whatever method shall constitute a material breach of this Agreement.

5. TRAINING

5.1 Prior to the opening of the Casa Latino Real Estate Office, You (or, if You are a corporation, partnership or limited liability company, a principal of You approved by us), or your designated manager(s) and up to five additional persons designated by You and approved by us shall attend and complete to our satisfaction the initial training program for franchisees We offer.

5.2 The training program required by Section 5.1 above shall be at such times as We may designate and shall take place at your approved Casa Latino Real Estate office location. You and your employees shall attend such additional training courses and programs at such times and places as We may designate from time-to-time. You or your employees shall be responsible for any and all other expenses incurred by them in connection with the training program, including, without limitation, the costs of transportation, lodging, meals, and wages. We shall provide, at no charge to You, instructors and training materials for the initial training described in Section 5.1 hereof and we reserve the right to charge You and your employees our then-current training fee for the additional training courses and programs

5.3 We reserve the right to require You (or, if You are a corporation, partnership or limited liability company, a principal of You approved by us, or such other person from the Casa Latino Real Estate Office You designate and We approve) to attend one annual, national or regional meeting, seminar or convention for Casa Latino Real Estate Office franchisees, at such location as We designate for training or business purposes at your expense, and We reserve the right to charge You an attendance fee for any such convention.

6. DUTIES OF FRANCHISEE

6.1 You shall renovate or construct, furnish and equip, the Casa Latino Real Estate Office at your own expense.

6.2 You shall be responsible, at your expense, for obtaining all zoning classifications, permits, and clearances, including, but not limited to, certificates of occupancy, which may be required by federal, state or local laws, ordinances, or regulations, or which may be necessary or advisable owing to any restrictive covenants relating to the premises or required by the lessor.

6.3 You shall open the Casa Latino Real Estate Office within ninety (90) days after the date of this Agreement. The parties agree that time is of the essence in the opening of the Casa Latino Real Estate Office.

6.4 Unless otherwise approved by us in writing, You shall use the Premises solely for the operation of the business franchised hereunder; shall keep the Casa Latino Real Estate Office open and in normal operation for such minimum hours and days as We may specify; shall refrain from using or permitting the use of the Premises for any other purpose or activity at any time without first obtaining the written consent of us; and shall operate the Casa Latino Real Estate Office in strict conformity with such methods, standards, and specifications as We may from time to time prescribe in the Manual or otherwise in writing. You shall refrain from deviating from such standards, specifications, and procedures without our prior written consent.

6.5 To insure that the highest degree of quality and service is maintained, You shall operate the Casa Latino Real Estate Office in strict conformity with such methods, standards, and specifications as We may from time to time prescribe in the Manual or otherwise in writing. You agree:

6.5.1 To sell or offer for sale only such real estate services and products as described in this Agreement; to offer such real estate services and products as We specify from time to time; to refrain from any deviation from our standards and specifications without our prior written consent; and to discontinue offering any real estate services or products which We may, in our discretion, disapprove in writing at any time.

6.5.2 To use, in the operation of the Franchised Business, such standards, specifications, and procedures as We prescribe.

6.5.3 To refrain from selling or advertising any real estate services hereunder on the Internet without our prior, written approval.

6.6 We reserve the right to require that You purchase and install, at your expense, all equipment (including, without limitation, computer hardware and software, a fax machine and telephone), broadband Internet access, fixtures, furnishings, supplies, and signs as We may reasonably direct from time to time; shall use at all times, only such equipment (including, without limitation, computer software and hardware, fax machine and telephone), Internet access, fixtures, furnishings, supplies, and signs as conform with our standards and specifications; and refrain from using, installing or permitting to be installed on or about the Premises, without our prior written consent, any equipment (including, without limitation, computer hardware or software, fax machine, or telephone), Internet access, fixtures, furnishings, supplies, or signs not previously approved as meeting our standards and specifications.

6.7 If established by us, You shall use such intranet computer network as we designate and shall maintain an agent roster on such Casa Latino information management and accounting systems as we develop from time to time. We shall have the right to, at any time, retrieve from your computer system any accounting information pertaining to your Casa Latino Real Estate Office that We, in our discretion, deem necessary.

6.8 You agree to use such accounting software as We designate from time to time to maintain all books, accounts, and records of the Franchised Business, as We specify in the

Manual or otherwise in writing from time to time. You understand and acknowledge that You shall purchase the accounting software exclusively from a supplier or suppliers designated by us from time to time, and that You shall pay directly to such supplier(s) all required software license and ongoing maintenance fees during the term of this Agreement.

6.9 You (or, if You are a corporation, partnership or limited liability company, at least one principal of You) shall have at least two (2) years of real estate experience and shall at all times hold a valid state real estate broker license; shall obtain our prior written approval for any broker You wish to employ or affiliate with your Casa Latino Real Estate Office; shall at all times devote full time and best efforts to the management and supervision of the Casa Latino Real Estate Office; shall supervise the licensed agents; and shall be responsible for the continuing oversight, day-to-day management, orientation, instruction and supervision of the licensed agents.

6.10 The Casa Latino Real Estate Office shall at all times be under the direct, on-premises supervision of an individual who has satisfactorily completed the training as required by Section 5.1 above, and has at least two (2) years of real estate experience and is a Responsible Broker as defined in this Section 6.10. You shall maintain a competent, conscientious, trained staff. You shall take such steps as are necessary to ensure that your employees preserve good customer relations; render competent, prompt, courteous and knowledgeable service; and meet such minimum standards, including, without limitation, such attire as We reasonably require, as We may establish from time to time in the Manual. You and your employees shall handle all customer complaints in a manner that will not detract from our name and goodwill. You shall be solely responsible for all employment decisions and functions of the Casa Latino Real Estate Office, including, without limitation, those related to hiring, firing, training, wage and hour requirements, record-keeping, supervision, and discipline of employees.

You hereby represent and warrant that, as of the date You execute this Agreement, You are, or must have designated a real estate broker duly licensed under any and all applicable laws, rules and regulations of the Territory (your "Responsible Broker") at the Casa Latino Real Estate Office. Your Responsible Broker is identified as such on Exhibit A; and must personally and directly supervise the operation of your Casa Latino Real Estate Office. You agree immediately to notify us of the death, disability or termination of employment of your Responsible Broker or the loss or suspension of your Responsible Broker's real estate brokerage license. You must designate a successor or acting Responsible Broker no later than ten days following the death, disability, termination of a Responsible Broker or the loss or suspension of your Responsible Broker's real estate brokerage license. Each successor or acting Responsible Broker must be a licensed real estate broker under applicable law in the Territory, must receive our approval and must possess any required credentials in our Manual.

6.11 You (or, if You are a corporation, partnership or limited liability company, at least one principal of You) and each of your licensed agents shall join and remain a member in good standing of the National Association of Hispanic Real Estate Professionals ("NAHREP") and the local board(s) of Realtors® applicable to Your Territory and shall comply with their respective

by-laws, rules and regulations; and shall abide by the Code of Ethics of the National Association of Realtors®.

6.12 We reserve the right to require that all products, materials, supplies, fixtures, furnishings and equipment used at the Casa Latino Real Estate Office, meet our then-current standards and specifications, as established in the Manual or otherwise in writing. You shall purchase all supplies, materials, and other products and equipment used or offered for sale at the Casa Latino Real Estate Office for which We establish standards or specifications solely from suppliers (including manufacturers, distributors and other sources) which demonstrate, to our continuing reasonable satisfaction, the ability to meet our standards and specifications, who possess adequate quality controls and capacity to supply your needs promptly and reliably, and who We have approved in the Manual or otherwise in writing. If You desire to purchase products from a party other than an approved supplier, You shall submit to us a written request to approve the proposed supplier, together with such evidence of conformity with our specifications as We may reasonably require. We shall use our best efforts, within seven (7) days after our receipt of such completed request, to notify You in writing of our approval or disapproval of the proposed supplier. Approval shall not be unreasonably withheld. You shall not sell or offer for sale any products of the proposed supplier until our written approval of the proposed supplier is received. We may from time to time revoke our approval of particular products or suppliers if We determine, in our sole discretion, that such products or suppliers no longer meet our standards. Upon receipt of written notice of such revocation, You shall cease to sell any disapproved products and cease to purchase from any disapproved supplier. You agree that You shall use any products purchased from approved suppliers solely for the purpose of operating the Casa Latino Real Estate Office and not for any other purpose, including, without limitation, resale.

6.13 You shall permit us and our agents to enter upon the Casa Latino Real Estate Office premises at any time during normal business hours for the purpose of conducting inspections; shall cooperate with our representatives in such inspections by rendering such assistance as they may reasonably request; and, upon notice from us or our agents, and without limiting our other rights under this Agreement, shall take such steps as may be necessary to correct immediately any deficiencies detected during any such inspection. Should You, for any reason, fail to correct such deficiencies within a reasonable time as We determine, We shall have the right, but not the obligation, to correct any deficiencies which may be susceptible to correction by us and to charge You a reasonable fee for our expenses in so acting, payable to You upon demand. The foregoing shall be in addition to such other remedies We may have.

6.14 You shall ensure that all advertising and promotional materials, signs, decorations and other items We specify bear the Proprietary Marks in the form, color, location, and manner prescribed by us.

6.15 You shall maintain the premises of the Casa Latino Real Estate Office and any Satellite Offices (including the adjacent public areas) in a clean, orderly condition and in excellent repair; and, in connection therewith, You shall, at your expense, make such additions, alterations, repairs and replacements thereto (but no others without our prior written consent) as

may be required for that purpose, including, without limitation, such periodic repainting or replacement of obsolete signs, furnishings, equipment and décor as We may reasonably direct.

6.16 We reserve the right require You to refurbish the premises of the Casa Latino Real Estate Office and any Satellite Offices, no more than once every five (5) years, unless sooner required by your lease, at your expense, to conform to the building design, trade dress, color schemes and presentation of the Proprietary Marks in a manner consistent with the then-current image for new Casa Latino Real Estate Office franchised businesses. Such refurbishment may include, without limitation, structural changes, installation of new equipment, computer hardware and software, remodeling, redecoration, and modifications to existing improvements.

6.17 You acknowledge that We may supplement, improve, and otherwise modify the System from time to time; and You agree to comply with all of our reasonable requirements in that regard, including, without limitation, offering and selling new or different products or services as We specify. You shall not implement any change, amendment or improvement to the System without our express prior written consent. You shall notify us in writing of any change, amendment or improvement in the System which You propose to make, and shall provide to us such information as We request regarding the proposed change, amendment or improvement. You acknowledge and agree that We shall have the right to incorporate the proposed change, amendment or improvement into the System and shall thereupon obtain all right, title and interest therein without compensation to You.

6.18 You shall use best efforts to refer requests for real estate services within a territory of another Casa Latino Real Estate Office franchisee to that franchisee, in accordance with the procedure and fee schedule specified by us in the Manual or otherwise in writing from time to time.

6.19 You shall comply with all the terms of your lease or sublease and all other agreements affecting the operation of the Casa Latino Real Estate Office; shall promptly furnish us a copy of your lease, upon request; shall undertake best efforts to maintain a good and positive working relationship with your landlord and/or lessor; and shall refrain from any activity which may jeopardize your right to remain in possession of, or to renew the lease or sublease for, the Casa Latino Real Estate Office premises.

6.20 You shall furnish to us within five (5) days after receipt thereof, a copy of any violation or citation, which indicates your failure to maintain proper brokerage or business licenses in the operation of the Casa Latino Real Estate Office.

6.21 We reserve the right to require You to comply with reasonable restrictions on maximum prices of specific goods or services offered and sold by You as required in the Manual or through the Advertising Fund, or as otherwise reasonably directed by us in writing from time to time.

6.22 You shall immediately notify us in writing of the commencement of any action, suit, or proceeding, and of the issuance of any order, writ, injunction, award, or decree of any

court, agency, or other governmental instrumentality, which may adversely affect the operation or financial condition of the Franchised Business.

6.23 You must be and remain a member in good standing of the National Association of Hispanic Real Estate Professionals and the National Association of Realtors® throughout the term and any renewal term of this Agreement. Your Franchised Business must comply with the Code of Ethics of the National Association of Realtors® at all times.

7. PROPRIETARY MARKS

7.1 We represent with respect to the Proprietary Marks that We have taken and will take all steps reasonably necessary to preserve and protect the ownership and validity of the Proprietary Marks.

7.2 With respect to your use of the Proprietary Marks, You agree that:

7.2.1 You shall use only the Proprietary Marks We designate, and shall use them only in the manner We authorize and permit;

7.2.2 You shall use the Proprietary Marks only for the operation/of the Casa Latino Real Estate Office and only at and from the Accepted Location or approved Satellite Office location, or in advertising for the Casa Latino Real Estate Office conducted at or from the Accepted Location;

7.2.3 Unless We otherwise authorize or require, You shall operate and advertise the Casa Latino Real Estate Office under the name "Casa Latino Real Estate" with such other language as required by us or otherwise required by law, and shall use all Proprietary Marks without prefix or suffix;

7.2.4 During the term of this Agreement and any renewal or extension of this Agreement, You shall identify yourself as the owner of the Casa Latino Real Estate Office (in the manner We require) in conjunction with any use of the Proprietary Marks, including, but not limited to, on contracts with all third parties or entities, business stationery, invoices, order forms, and receipts, as well as the display of such notices in such content and form and at such conspicuous locations as We may designate in writing;

7.2.5 Your right to use the Proprietary Marks is limited to such uses as are authorized under this Agreement, and any unauthorized use thereof shall constitute an infringement of our rights and will entitle us to exercise all of our rights under this Agreement in addition to all rights available at law or in equity;

7.2.6 You shall not use the Proprietary Marks to incur any obligation or indebtedness on behalf of us;

7.2.7 You shall execute any documents We deem necessary to obtain protection for the Proprietary Marks or to maintain their continued validity and enforceability;

7.2.8 You shall promptly notify us of any suspected unauthorized use of the Proprietary Marks; any challenge to the validity of the Proprietary Marks, or any challenge to our ownership of, our right to use and to license others to use, or your right to use, the Proprietary Marks. You acknowledge that We have the sole right to direct and control any administrative proceeding or litigation involving the Proprietary Marks, including any settlement thereof. We have the right, but not the obligation, to take action against uses by others that may constitute infringement of the Proprietary Marks. We shall defend You against any third-party claim, suit, or demand arising out of your use of the Proprietary Marks. If We, in our sole discretion, determine that You have used the Proprietary Marks in accordance with this Agreement, We will bear the cost of such defense, including the cost of any judgment or settlement. If We, in our sole discretion, determine that You have not used the Proprietary Marks in accordance with this Agreement, You shall bear the cost of such defense, including the cost of any judgment or settlement. In the event of any litigation relating to your use of the Proprietary Marks, You shall execute any and all documents and do such acts as may, in our opinion, be necessary to carry out such defense or prosecution, including, but not limited to, becoming a nominal party to any legal action. Except to the extent that such litigation is the result of your use of the Proprietary Marks in a manner inconsistent with the terms of this Agreement, We agree to reimburse You for your out-of-pocket costs in doing such acts; and

7.2.9 You shall not attempt to register or otherwise obtain any interest in any Internet domain name or URL containing any of the Proprietary Marks or any other word, name, symbol or device which is likely to cause confusion with any of the Proprietary Marks.

7.3 You expressly understand and acknowledge that:

7.3.1 As between You and us, We are the owner of all right, title, and interest in and to the Proprietary Marks and the goodwill associated with and symbolized by them;

7.3.2 The Proprietary Marks are valid and serve to identify the System and those who are authorized to operate under the System;

7.3.3 During the term of this Agreement and after its expiration or termination, You shall not directly or indirectly contest the validity of our ownership of, or our right to use and to license others to use, the Proprietary Marks;

7.3.4 Your use of the Proprietary Marks does not give You any ownership interest or other interest in or to the Proprietary Marks;

7.3.5 Any and all goodwill arising from your use of the Proprietary Marks shall inure solely and exclusively to our benefit, and upon expiration or termination of this Agreement and the license granted herein, no monetary amount shall be assigned to You or any of your principals, affiliates, subsidiaries, successors, licensees or assigns as attributable to any goodwill associated with your use of the System or the Proprietary Marks;

7.3.6 Except as specified in Section 1.3 above, the license of the Proprietary Marks granted hereunder to You is nonexclusive, and We thus have and retain the rights, among others: (a) to use the Proprietary Marks itself in connection with selling products and services; (b) to grant other licenses for the Proprietary Marks; and (c) to develop and establish other systems using the Proprietary Marks, similar proprietary marks, or any other proprietary marks, and to grant licenses thereto without providing any rights therein to You; and

7.3.7 We have applied for federal protection of the “Casa Latino Real Estate” Proprietary Mark, and You acknowledge that We have made no representations or warranties to You as to our ability to obtain such protection. We may be unable to obtain such protection; We shall incur no liability to You for any failure to obtain such protection, and shall have no obligation to You for any such failure. We reserve the right, in our sole discretion, to modify, add to, or discontinue use of the Proprietary Marks, or to substitute different proprietary marks, for use in identifying the System and the businesses operating thereunder. You agree promptly to comply with such changes, revisions and/or substitutions, and to bear all the costs of modifying your signs, advertising materials, interior graphics and any other items which bear the Proprietary Marks to conform therewith.

8. OPERATING MANUAL

8.1 In order to protect our reputation and goodwill and to maintain high standards of operation under the System, You shall operate the Casa Latino Real Estate Office in accordance with the standards, methods, policies, and procedures specified in the Manual, one copy of which You shall receive on loan from us for the term of this Agreement upon your completion of our initial training program to our satisfaction.

8.2 You shall treat the Manual, any other manuals created for or approved for use in the operation of the Casa Latino Real Estate Office, and the information contained therein, as confidential, and shall use all reasonable efforts to maintain such information as secret and confidential. You shall not copy, duplicate, record or otherwise reproduce the foregoing materials, in whole or in part, or otherwise make the same available to any unauthorized person.

8.3 The Manual shall remain our sole property and shall be kept in a secure place on the Casa Latino Real Estate Office premises.

8.4 We may from time to time revise the contents of the Manual, and You expressly agree to comply with each new or changed standard.

8.5 You shall ensure that the Manual is kept current at all times. In the event of any dispute as to the contents of the Manual, the terms of the master copy We maintain at our home office shall be controlling.

9. CONFIDENTIAL INFORMATION

9.1 You shall not, during the term of this Agreement or thereafter, communicate, divulge or use for the benefit of any other person, partnership, association, limited liability company or corporation any confidential information, knowledge or know-how concerning the methods of operation of the business franchised hereunder, including, without limitation, information, ideas, forms, marketing plans, customer lists, recruiting methods, and accounting procedures, which may be communicated to You or of which You may be apprised by virtue of your operation under the terms of this Agreement. You shall divulge such confidential information only to such of your employees as must have access to it in order to operate the Franchised Business. Any and all information, knowledge, know-how, techniques and other data which We designate as confidential shall be deemed confidential for purposes of this Agreement.

9.2 At our request, You shall require your manager and other such personnel having access to any of our confidential information as We require to execute non-competition covenants and covenants that they will maintain the confidentiality of information they receive in connection with their employment by You at the Casa Latino Real Estate Office. Such covenants shall be in the form attached hereto as Exhibit D.

10. ACCOUNTING AND RECORDS

10.1 You shall, at your expense, maintain the books, accounts, and records of the Franchised Business using the computer accounting software and system We require, in the form and manner prescribed by us from time to time in the Manual or otherwise in writing. You shall prepare, and shall preserve for at least eight (8) years from date of expiration or termination of the initial or any renewal term of this Agreement, complete and accurate books, records and accounts in accordance with generally accepted accounting principles.

10.2 You shall, at your expense, submit to us in the form prescribed by us, the following reports, financial statements, and other data:

10.2.1 No later than the Monday of each week, a report accurately reflecting the Real Estate Transactions, commissions, and other real estate service activity of all licensed agents during the preceding seven day period;

10.2.2 No later than the twentieth (20th) day of each month, unaudited financial statements showing the results of operations of the Casa Latino Real Estate Office during the preceding calendar month; and

10.2.3 Such other forms, reports, records, information, federal and state income tax returns, and data as We may reasonably designate from time to time.

10.3 We and our designated agents shall have the right at all reasonable times to examine and copy, at our expense, your books, records, accounts and tax returns. We shall also

have the right, at any time, to have an independent audit made of your books. If an inspection should reveal that any payments have been understated in any report to us, then You shall immediately pay us the amount understated upon demand, in addition to interest from the date such amount was due until paid, at the rate of eighteen percent (18%) per annum, or the maximum rate permitted by law, whichever is less, plus all of our costs and expenses in connection with the inspection, including, without limitation, travel costs, lodging and wages expenses, and reasonable accounting and legal costs. The foregoing remedies shall be in addition to any other remedies We may have.

11. ADVERTISING AND PROMOTION

Recognizing the value of advertising and promotion, and the importance of the standardization of advertising and promotion programs to the furtherance of the goodwill and public image of the System, the parties agree as follows:

11.1 Beginning two (2) weeks prior to the opening of your Casa Latino Real Estate Office and continuing until the opening of your Casa Latino Real Estate Office, You shall conduct an initial, grand opening local advertising and promotional program in the form and manner prescribed by us in writing. You shall expend no less than One Thousand Dollars (\$1,000) on such grand opening advertising and promotion.

11.2 We have the right to establish an advertising fund (the "Fund") for advertising and promotion for the System. If the Fund is established as described in Section 11.3 below, You shall contribute to the Fund, during the term of this Agreement, an amount equal to one percent (1%) of Gross Commission Income, which shall be paid to us by the Wednesday of each week in the manner provided in Section 4.5 above.

11.3 We shall have the right, in our sole discretion, but not the obligation, to establish the Fund. If established, the Fund shall be maintained and administered by us as follows:

11.3.1 We shall direct all advertising programs, with sole discretion over the concepts, materials, and media used in such programs and the placement and allocation thereof. You agree and acknowledge that the Fund is intended to maximize general public recognition, acceptance, and use of the System; and that We are not obligated, in administering the Fund, to make expenditures for You which are equivalent or proportionate to your contribution, or to ensure that any particular franchisee benefits directly or from expenditures by the Fund.

11.3.2 The Fund, all contributions thereto, and any earnings thereon, shall be used exclusively to meet any and all costs of maintaining, administering, directing, conducting and preparing advertising, marketing, public relations, and/or promotional programs and materials, and any other activities which We believe will enhance the image of the System, including, among other things, the costs of preparing and conducting radio, cable television and print advertising campaigns; developing, maintaining, and updating the Casa Latino Web site on the Internet; marketing on the Casa Latino Web site; direct mail advertising; marketing surveys; employing advertising and/or public relations agencies to assist therein; purchasing promotional

items; and providing promotional and other marketing materials and services to the businesses operating under the System.

11.3.3 All sums paid by You to the Fund shall be maintained in an account separate from our other monies and shall not be used to defray any of our expenses, except We have the right to charge Fund management fee of ten percent (10%) in our sole discretion as We deem appropriate in connection with our direction and implementation of the Fund and advertising programs for franchisees and the System, including, among other things, costs of personnel for creating and implementing advertising, promotional and marketing programs. The Fund and any earnings thereon shall not otherwise inure to our benefit. We shall maintain separate bookkeeping accounts for the Fund. You acknowledge that We are not a fiduciary to You of the monies in the Fund.

11.3.4 It is anticipated that all contributions to and earnings of the Fund will be expended for advertising and/or promotional purposes during the taxable year within which the contributions are made. If, however, excess amounts remain in the Fund at the end of such taxable year, all expenditures in the following taxable year(s) will be made first out of accumulated earnings from previous years, next out of earnings in the current year, and finally from contributions. We do not intend to use any monies contributed to the Fund for the solicitation of the sale of franchises.

11.4 All advertising and promotion by You shall be in such media and of such type and format as We may approve, shall be conducted in a dignified manner and shall conform to such standards and requirements as We may specify. You shall not use any advertising or promotional plans or materials unless and until You have received written approval from us, pursuant to the procedures and terms set forth in Sections 11.5 and 11.6 below.

11.5 We will make available to You from time to time, at your expense, such samples of promotional materials, including marketing slogans, marketing templates and designs in electronic format, and similar advertising and promotional materials, as We deem appropriate in our sole discretion.

11.6 You shall submit to us samples of all advertising and promotional plans and materials for any print, broadcast, cable, electronic, computer or other media (including, without limitation, the Internet) that You desire to use and that have not been prepared or previously approved by us within the preceding six (6) months (as provided in Section 20 below), for our prior approval (except with respect to minimum prices to be charged). You shall not use such plans or materials until We have approved them in writing. If You do not receive written notice of approval from us within fifteen (15) days of the date of receipt by us of such samples or materials, We shall be deemed to have disapproved them.

11.7 To the extent required to meet Your obligations under this Agreement, You shall utilize the World Wide Web site(s) ("Web site") that We have established or may later establish for conducting business with our franchisees. Except as approved in advance by us, You may not establish or maintain any other Web site, or otherwise maintain a presence or advertise on the Internet or any other public computer network, in connection with the Franchised Business. In

connection with any Web site You wish to establish, You shall comply with the following requirements, and all other applicable requirements We set forth in the Manual or otherwise in writing from time-to-time:

11.7.1 You may only use Web materials, Web pages, and Web site content which We have approved in advance in writing. You shall promptly incorporate on, and remove from, your Web site any information We require in the manner specified in the Manual or otherwise in writing;

11.7.2 You shall provide on your Web site all hyperlinks or other links We require. You shall not use any of the Proprietary Marks on your Web site, except as expressly permitted by us in writing. You may not post or include any confidential information (as described in Section 9.1 above) or any other copyrighted material or information on your Web site without our prior written approval. If You wish to modify your approved Web site, all proposed modifications must receive our prior written approval;

11.7.3 We may furnish You with materials for your Web site, which You shall adapt and utilize, but We shall be and at all times remain the sole owner of the copyrights for all material which appears on your Web site; and

11.7.4 You shall obtain our prior written approval for each Internet domain name and/or home page address You use in connection with your Web site. We shall be, and at all times remain, the sole owner of the domain name and/or home page address for the Web site You maintain in connection with the Franchised Business, You shall execute all documents We require in connection therewith, and You hereby appoint us as your attorney-in-fact to execute such documents on your behalf if You fail to do so.

11.8 You shall, at your expense, obtain listings in the white and yellow pages of local telephone directories. You shall comply with our specifications concerning the form and size of such listings, and the number of directories in which such listings shall be placed. Your expenditures for the advertising described in this Section 11.8 shall be in addition to any expenditures required under this Section 11.

12. INSURANCE

12.1 You shall procure, prior to the commencement of any operations under this Agreement, and shall maintain in full force and effect at all times during the term of this Agreement, at your expense, an insurance policy or policies protecting You, us, and our affiliates, successors and assigns, and their respective officers, directors, shareholders, partners, employees, servants, representatives and agents against any demand or claim with respect to realtors professional errors and omissions, comprehensive liability, automobile liability, personal injury, death or property damage, or any loss, liability or expense whatsoever arising or occurring upon or in connection with the Casa Latino Real Estate Office. Such policy or policies shall be written by a responsible carrier or carriers acceptable to us, shall name us as an additional insured as We specify, and shall provide at least the types and minimum amounts of coverage specified in the Manual.

12.2 Your obligation to obtain and maintain the policy or policies in the amounts specified in the Manual shall not be limited in any way by reason of any insurance which We may maintain, nor shall your performance of that obligation relieve You of liability under the indemnity provisions set forth in Section 19.3 below.

12.3 All public liability and property damage policies shall contain a provision that We, although named as an insured, shall nevertheless be entitled to recover under such policies on any loss occasioned to us or our affiliates and their respective officers, directors, shareholders, partners, employees, servants, representatives and agents, by reason of the negligence of You or your affiliates and their respective officers, directors, shareholders, partners, employees, servants, representatives and agents.

12.4 Prior to the commencement of any operations under this Agreement, and thereafter at least thirty (30) days prior to the expiration of any policy, You shall deliver to us Certificates of Insurance evidencing the proper types and minimum amounts of coverage. All Certificates shall expressly provide that no less than thirty (30) days' prior written notice shall be given to us in the event of material alteration to or cancellation of the coverages evidenced by such Certificates.

12.5 You may not engage or utilize any individual in the operation of a vehicle in connection with your operations and activities under this Agreement who (a) is under the age of eighteen years (or the minimum age, if any, required by your insurer to obtain the automobile liability insurance required in our Manual), or (b) who does not possess a valid driver's license of the type required under the laws of the state in which your Franchised Business operates. You agree to require each such individual to comply with all laws, regulations and rules of the road and to use due care and caution in the operation and maintenance of vehicles. Except as set forth above, We do not set forth any standards or exercise control over any vehicle You utilize.

12.6 Should You, for any reason, fail to procure or maintain the insurance required by this Agreement, as such requirements may be revised from time to time by us in the Manual or otherwise in writing, We shall have the right and authority (but not the obligation) to procure

such insurance and to charge same to You, which charges, together with a reasonable fee for our expenses in so acting, shall be payable by You immediately upon notice. The foregoing remedies shall be in addition to any other remedies We may have.

13. TRANSFER OF INTEREST

13.1 We shall have the right to transfer or assign this Agreement and all or any part of our rights or obligations herein to any person or legal entity, and any designated assignee of us shall become solely responsible for all of our obligations under this Agreement from the date of assignment. You shall execute such documents of attornment or otherwise as We shall request.

13.2 You understand and acknowledge that the rights and duties set forth in this Agreement are personal to You, and that We have granted this franchise in reliance on your (or, if You are a corporation, partnership, or limited liability company, its principals') business skill, financial capacity and personal character. Accordingly, neither You nor any immediate or remote successor to any part of your interest in this Agreement, nor any individual, partnership, limited liability company, corporation or other legal entity which directly or indirectly owns any interest in You or in the Franchised Business shall sell, assign, transfer, convey, pledge, encumber, merge or give away (collectively, "transfer") any direct or indirect interest in this Agreement, in You, or in all or substantially all of the assets of the Franchised Business without our prior written consent. Any purported assignment or transfer not having our written consent required by this Section 13.2 shall be null and void and shall constitute a material breach of this Agreement, for which We may immediately terminate without opportunity to cure pursuant to Section 14.2.6 below.

13.3 You shall notify us in writing of any proposed transfer of any interest in this Agreement, any direct or indirect interest in You, or in all or substantially all of the assets of the Franchised Business at least thirty (30) days before such transfer is proposed to take place. We shall not unreasonably withhold our consent to any transfer. We may, in our sole discretion, require any or all of the following as conditions of our approval:

13.3.1 That all of your accrued monetary obligations and all other outstanding obligations to our affiliates and us have been satisfied;

13.3.2 That You are not in default of any provision of this Agreement, any amendment of this Agreement or successor to this Agreement, or any other agreement between You and us or our affiliates;

13.3.3 That the transferor shall have executed a general release, in a form satisfactory to us, of any and all claims against us and our affiliates, and our respective officers, directors, shareholders, partners, employees, servants, representatives and agents;

13.3.4 That the transferee (and, if the transferee is other than an individual, such owners of a beneficial interest in the transferee as We may request) enter into a written assignment, in a form satisfactory to us, assuming and agreeing to discharge all of your

obligations under this Agreement; and that the transferee guarantee the performance of all such obligations in writing in a form satisfactory to us;

13.3.5 That the transferee (and, if the transferee is other than an individual, such owners of a beneficial interest in the transferee as We may request) demonstrate to our satisfaction that it meets our educational, managerial and business standards; possesses a good moral character, business reputation and credit rating; has the aptitude and ability to operate the Franchised Business (as may be evidenced by prior related business experience or otherwise), and has adequate financial resources and capital to operate the Franchised Business;

13.3.6 That the transferee execute, for a term ending on the expiration date of this Agreement and with such renewal term(s) as may be provided by this Agreement, our then-current form of franchise agreement and other ancillary agreements as We may require for the Franchised Business, which agreements shall supersede this Agreement in all respects, and the terms of which may differ from the terms of this Agreement including, without limitation, our then-current fees and advertising contributions, except that the transferee shall not be required to pay any initial franchise fee and the protected territory shall remain the same;

13.3.7 That, if We deem necessary, the transferee, at the transferee's expense, refurbish the Casa Latino Real Estate Office premises to conform to our standards and specifications within the time We specify;

13.3.8 That You remain liable for all of the obligations to us in connection with the Franchised Business which arose prior to the effective date of the transfer and execute any and all instruments We reasonably request to evidence such liability;

13.3.9 That, at the transferee's expense, the transferee (or, if the transferee is a corporation, partnership or limited liability company, a principal of the transferee acceptable to us) and another person designated by the transferee and approved by us complete any training programs then in effect for franchisees upon such terms and conditions as We may reasonably require; and

13.3.10 That You pay us a transfer fee in the amount Five Thousand Dollars (\$5,000).

13.4 You shall not grant a security interest in the Casa Latino Real Estate Office or in any of the assets of the Casa Latino Real Estate Office unless the secured party agrees that in the event of any default by You under any documents related to the security interest, We shall have the right and option (but not the obligation) to be substituted as obligor to the secured party and to cure any default of You, and, in the event We exercise such option, any acceleration of indebtedness due to your default shall be void.

13.5 If any party holding any direct or indirect interest in this Agreement, in You, or in all or substantially all of the assets of the Franchised Business desires to accept any bona fide offer from a third party to purchase such interest, You shall notify us as provided in Section 13.3 above, and shall provide such information and documentation relating to the offer as We may

require. We shall have the right and option, exercisable within thirty (30) days after receipt of such written notification, to send written notice to the seller that We intend to purchase the seller's interest on the same terms and conditions offered by the third party. If We elect to purchase the seller's interest, closing on such purchase shall occur within thirty (30) days from the date of notice to the seller of our election to purchase. If We elect not to purchase the seller's interest, any material change thereafter in the terms of the offer from a third party shall constitute a new offer subject to the same rights of first refusal by us as in the case of the third party's initial offer. Our failure to exercise the option afforded by this Section 13.5 shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of this Section 13, with respect to a proposed transfer. In the event the consideration, terms and/or conditions offered by a third party are such that We may not reasonably be required to furnish the same consideration, terms and/or conditions, then We may purchase the interest proposed to be sold for the reasonable equivalent in cash. If the parties cannot agree within thirty (30) days on the reasonable equivalent in cash of the consideration, terms and/or conditions offered by the third party, We shall designate an independent appraiser at our expense, and the appraiser's determination shall be binding.

13.6 Upon the death or mental incapacity of any person with an interest in this Agreement, in You, or in all or substantially all of the assets of the Franchised Business, the executor, administrator, or personal representative of such person shall transfer such interest to a third party approved by us within six (6) months after such death or mental incapacity. Such transfers, including, without limitation, transfers by devise or inheritance, shall be subject to the same conditions as any inter vivos transfer. In the case of transfer by devise or inheritance, if the heirs or beneficiaries of any such person are unable to meet the conditions in this Section 13, the executor, administrator, or personal representative of the decedent shall transfer the decedent's interest to another party approved by us within a reasonable time, which disposition shall be subject to all the terms and conditions for transfers contained in this Agreement. If the interest is not disposed of within a reasonable time, We may terminate this Agreement, pursuant to Section 14.2.7 below.

13.7 Securities, membership interests, or partnership interests in You may be offered to the public, by private offering (if applicable) or otherwise, only with the prior written approval of us (whether or not our approval is required under this Agreement). All materials required for such offering by federal, state or other applicable law shall be submitted to us for a limited review as discussed below prior to being filed with any government agency, official or authority; and any materials to be used in any offering for which offering materials are not prescribed by applicable law shall be submitted to us for such review prior to their use. No offering of You shall imply (by use of the Marks or otherwise) that We are participating in an underwriting, issuance or offering of your securities; and our review of any offering shall be limited solely to the subject of the relationship between You and us. We may, at our option, require your offering materials to contain a written statement prescribed by us concerning these limitations.

13.8 Our consent to a transfer of any interest in this Agreement, in You, or in all or substantially all of the assets of the Franchised Business shall not constitute a waiver of any claims it may have against the transferring party, nor shall it be deemed a waiver of our right to demand exact compliance with any of the terms of this Agreement by the transferor or transferee.

14. DEFAULT AND TERMINATION

14.1 You shall be deemed to be in default under this Agreement, and all rights granted to You herein shall automatically terminate without notice to You, if You shall become insolvent or make a general assignment for the benefit of creditors; if a petition in bankruptcy is filed by You or such a petition is filed against and not opposed by You; if You are adjudicated a bankrupt or insolvent; if a bill in equity or other proceeding for the appointment of a receiver of You or other custodian for your business or assets is filed and consented to by You; if a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction; if proceedings for a composition with creditors under any state or federal law should be instituted by or against You; if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless supersedeas bond is filed); if You are dissolved; if execution is levied against your business or property; if suit to foreclose any lien or mortgage against the premises of the Franchised Business or equipment is instituted against You and not dismissed within thirty (30) days; or if the real or personal property of the Franchised Business shall be sold after levy thereupon by any sheriff, marshal, or constable.

14.2 Upon the occurrence of any of the following events of default, We may, at our option, terminate this Agreement and all rights granted hereunder, without affording You any opportunity to cure the default, effective immediately upon the provision of notice to You (in the manner provided under Section 22 below):

14.2.1 If You fail to locate a site as described in Section 1.2 hereof or to construct and open the Casa Latino Real Estate Office within the time limits provided in the Site Selection Addendum or Section 6.3 above;

14.2.2 If You or your designated trainee fails to complete the initial training program described in Section 5.1 above to our satisfaction;

14.2.3 If You at any time cease to operate or otherwise abandon the Franchised Business, or lose the real estate license required by Section 6.10 above, lose the right to possession of the premises of the Franchised Business, or otherwise forfeit the right to do or transact business in the jurisdiction where the Franchised Business is located. However, if, through no fault of You, the premises of the Franchised Business are damaged or destroyed by an event such that repairs or reconstruction cannot be completed within sixty (60) days thereafter, then You shall have thirty (30) days after such event in which to apply for our approval to relocate and/or reconstruct the premises of the Franchised Business, which approval shall not be unreasonably withheld;

14.2.4 If You are convicted of a felony, a crime involving moral turpitude, or any other crime or offense that We believe is reasonably likely to have an adverse effect on the System, the Proprietary Marks, the goodwill associated therewith or our interest therein;

14.2.5 If a threat or danger to public health or safety results from the construction, maintenance, or operation of the Franchised Business;

14.2.6 If any purported assignment or transfer of any direct or indirect interest in this Agreement, in You, or in all or substantially all of the assets of the Franchised Business is made to any third party without our prior written consent, contrary to the terms of Section 14 above;

14.2.7 If an approved transfer is not effected within the time provided following death or mental incapacity, as required by Section 13.6 above;

14.2.8 If You fail to comply with the covenants in Section 16.2 below or fail to obtain execution of the covenants required under Section 9.2 of this Agreement;

14.2.9 If, contrary to the terms of Sections 8 or 9 above, You disclose or divulge the contents of the Manual or other confidential information We provide to You;

14.2.10 If You knowingly maintain false books or records, or submit any false reports to us;

14.2.11 If You misuse or make any unauthorized use of the Proprietary Marks or any other identifying characteristics of the System, or otherwise materially impair the goodwill associated therewith or our rights therein;

14.2.12 If You refuse to permit us to inspect the Casa Latino Real Estate Office premises, or your books, records or accounts upon demand;

14.2.13 If You, upon receiving a notice of default under Section 14.3 below, fail to initiate immediately a remedy to cure such default; or

14.2.14 If You, after curing any default pursuant to Section 14.3 below, commit the same default again, whether or not cured after notice.

14.3 Except as otherwise provided in Sections 14.1 and 14.2 above, upon any other default by You, We may terminate this Agreement by giving written notice of termination (in the manner set forth under Section 22 below) stating the nature of the default to You at least thirty (30) days prior to the effective date of termination; provided, however, that You may avoid termination by immediately initiating a remedy to cure such default, curing it to our satisfaction, and by promptly providing proof thereof to us within the thirty (30) day period. If any such default is not cured within the specified time, or such longer period as applicable law may require, this Agreement shall terminate without further notice to You, effective immediately upon the expiration of the thirty (30) day period or such longer period as applicable law may require. Defaults that are susceptible of cure hereunder include the following illustrative events:

14.3.1 If You fail to substantially comply with any of the requirements imposed by this Agreement, as it may from time to time reasonably be supplemented by the Manual, or fail to carry out the terms of this Agreement in good faith;

14.3.2 If You fail, refuse or neglect promptly to pay any monies owing to us or our affiliates when due, or to submit the financial or other information We require under this Agreement;

14.3.3 If You fail to maintain or observe any of the standards or procedures prescribed by us in this Agreement, the Manual or otherwise in writing;

14.3.4 Except as provided in Section 14.2.6 above, if You fail, refuse or neglect to obtain our prior written approval or consent as required by this Agreement;

14.3.5 If You act, or fail to act, in any manner which is inconsistent with or contrary to your lease or sublease for the premises, or in any way jeopardizes your right to renewal of such lease or sublease; or

14.3.6 If You engage in any business or market any service or product under a name or mark which, in our opinion, is confusingly similar to the Proprietary Marks.

15. OBLIGATIONS UPON TERMINATION OR EXPIRATION

Upon termination or expiration of this Agreement, all rights granted hereunder to You shall forthwith terminate, and:

15.1 You shall immediately cease to operate the Franchised Business, and shall not thereafter, directly or indirectly, represent to the public or hold yourself out as a present or former franchisee of us.

15.2 You shall immediately and permanently cease to use, in any manner whatsoever, any confidential methods, procedures and techniques associated with the System; the Proprietary Mark "Casa Latino Real Estate" and all other Proprietary Marks and distinctive forms, slogans, signs, symbols, trade dress and devices associated with the System. In particular, You shall cease to use, without limitation, our Intranet computer network, all signs, advertising materials, displays, stationery, forms, products and any other articles which display the Proprietary Marks.

15.3 You shall take such action as may be necessary to cancel any assumed name registration or equivalent registration obtained by You which contains the mark "Casa Latino Real Estate" or any other Proprietary Marks, and You shall furnish us with evidence satisfactory to us of compliance with this obligation within thirty (30) days after termination or expiration of this Agreement.

15.4 You shall, at our option, assign to us any interest that You have in any lease or sublease for the Casa Latino Real Estate Office premises. In the event We do not elect to exercise our option to acquire the lease or sublease for the Casa Latino Real Estate Office premises, You shall make such modifications or alterations to the premises (including, without limitation, the changing of, and the assigning to us of, the telephone number) immediately upon termination or expiration of this Agreement as may be necessary to distinguish the appearance of

the premises from that of the Casa Latino Real Estate Office under the System, and shall make such specific additional changes thereto as We may reasonably request for that purpose. In the event You fail or refuse to comply with the requirements of this Section 15.4, We shall have the right to enter upon the premises, without being guilty of trespass or any other tort, for the purpose of making or causing to be made such changes as may be required, at your expense, which expense You agree to pay upon demand.

15.5 You agree, in the event You continue to operate or subsequently begin to operate any other business, not to use any reproduction, counterfeit, copy or colorable imitation of the Proprietary Marks, either in connection with such other business or the promotion thereof, which, in our sole discretion, is likely to cause confusion, mistake or deception, or which, in our sole discretion, is likely to dilute our rights in and to the Proprietary Marks. You further agree not to utilize any designation of origin, description or representation (including but not limited to reference to us, the System or the Proprietary Marks), which, in our sole discretion, suggests or represents a present or former association or connection with us, the System or the Proprietary Marks.

15.6 You shall promptly pay all sums owing to our affiliates and us. In the event of termination for any default of You, such sums shall include all damages, costs, and expenses, including reasonable attorneys' fees, incurred by us as a result of the default, which obligation shall give rise to and remain, until paid-in-full, a lien in favor of us against any and all of the personal property, furnishings, equipment, signs, fixtures, and inventory owned by You and on the premises operated hereunder at the time of default.

15.7 You shall immediately deliver to us the Manual and all other records, correspondence and instructions containing confidential information relating to the operation of the Casa Latino Real Estate Office (and any copies thereof, even if such copies were made in violation of this Agreement), all of which are acknowledged to be our property, and shall retain no copy or record of any of the foregoing, with the exception of your copy of this Agreement, any correspondence between the parties and any other documents which You reasonably need for compliance with any provision of law.

15.8 You shall immediately irrevocably assign and transfer to us or our designee any and all interests You may have in the Web site maintained by You in connection with the Franchised Business and in the domain name and home page address related to such Web site. You shall immediately execute any documents and perform any other actions required by us to effectuate such assignment and transfer and otherwise ensure that all rights in such Web site revert to our designee, or us and hereby appoint us as your attorney-in-fact to execute such documents on your behalf if You fail to do so. You may not establish any Web site using any similar or confusing domain name and/or home page address.

15.9 We shall have the option, to be exercised within thirty (30) days after termination, to purchase from You any or all of the equipment and signs related to the operation of the Casa Latino Real Estate Office at fair market value or at your depreciated book value, whichever is less, and to purchase any or all supplies and inventory of the Franchised Business at your cost or depreciated book value, whichever is less. If the parties cannot agree on the price of any such

items within a reasonable time, an independent appraisal shall be conducted at our expense, and the appraiser's determination shall be binding. If We elect to exercise any option to purchase herein provided, We shall have the right to set off all amounts due from You, and the cost of the appraisal, if any, against any payment therefor.

16. COVENANTS

16.1 You covenant that, during the term of this Agreement, except as otherwise approved in writing by us, You (or, if You are a corporation, partnership or limited liability company, a principal, general partner or member of You) or such individual described in Section 6.10 above shall devote full time and best efforts to the management and operation of the Casa Latino Real Estate Office.

16.2 You specifically acknowledge that, pursuant to this Agreement, You will receive valuable, specialized training and confidential information, including, without limitation, information regarding the operational, sales, promotional, and marketing methods and techniques of us and the System. You covenant that during the term of this Agreement, except as otherwise approved in writing by us, You shall not, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or legal entity:

16.2.1 Divert or attempt to divert any present or prospective business or customer of any Casa Latino Real Estate Office to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks and the System;

16.2.2 Employ or seek to employ any person who is at that time employed by us or by any other franchisee of us, or otherwise directly or indirectly induce such person to leave his or her employment; or

16.2.3 Own, maintain, operate, engage in, be employed by, provide any assistance or advice to, or have any interest in (as owner or otherwise) any business that offers or sells services or products which are the same as or similar to the services and products being offered by the Casa Latino Real Estate Office under the System, including, without limitation, any real estate services business.

16.3 You covenant that, except as otherwise approved in writing by us, You shall not, for a continuous uninterrupted period of two (2) years commencing upon the date of: (a) a transfer permitted under Section 13 of this Agreement; (b) expiration of this Agreement; (c) termination of this Agreement (regardless of the cause for termination); (d) a final order of a duly authorized arbitrator, panel of arbitrators, or a court of competent jurisdiction (after all appeals have been taken) with respect to any of the foregoing or with respect to enforcement of this Section 16.3; or (e) any or all of the foregoing; either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or legal entity, own, maintain, operate, engage in, be employed by, provide any assistance or advice to, or have any interest in (as owner or otherwise) any business that (i) offers or sells services or products which are the same as or similar to the services and products being offered by the Casa Latino Real Estate Office under

the System, including, without limitation, any real estate services business (“Competitive Business”) and (ii) is, or is intended to be, located:

16.3.1 at your Accepted Location; or

16.3.2 within the county or municipality in which the Accepted Location is located; or

16.3.3 within ten (10) miles of the Accepted Location; or

16.3.4 within ten (10) miles of any business operating under the Proprietary Marks; provided, however, that Section 16.2.3 and this Section 16.3 shall not apply to the operation by You of any business under the System which may be franchised by us to You under a written Franchise Agreement.

16.4 Nothing in this Section 16 will prevent You from owning for investment purposes up to an aggregate of 5% of the capital stock of any Competitive Business, so long as the Competitive Business is a publicly held corporation whose stock is listed and traded on a national or regional stock exchange, or through the Association of Securities Dealers Automated Quotation System (NASDAQ), and so long as You do not control the company in question. Furthermore, nothing in this Section 16 will prevent You from participating in real estate industry groups or organizations; provided, however, that You agree not to disclose any of the Confidential Information in the course of such participation.

16.5 Further, during the term or any renewal term of this Agreement, and for two years after the termination or expiration of this Agreement for any reason, You agree not to hire our sales associates or other personnel or the sales associates or other personnel of our affiliates or of any other Casa Latino franchisee, without first obtaining written permission from us, our affiliate and the other Casa Latino franchisee, as applicable.

16.6 It is the intention of these provisions that any person or entity with any legal or beneficial interest in or traceable to, down or through You be bound by the provisions of this covenant.

16.7 You understand and acknowledge that We shall have the right, in our sole discretion, to reduce the scope of any covenant set forth in this Section 16 or any portion thereof, without your consent, effective immediately upon receipt by You of written notice thereof; and You agree that You shall comply forthwith with any covenant as so modified, which shall be fully enforceable, notwithstanding the provisions of Section 23 below.

16.8 You expressly agree that the existence of any claims You may have against us, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by us of the covenants in this Section 16. You agree to pay all costs and expenses (including reasonable attorneys’ fees) incurred by us in connection with the enforcement of this Section 16.

17. CORPORATE, PARTNERSHIP OR LIMITED LIABILITY COMPANY FRANCHISEE

17.1 If You are a corporation, You shall comply with the following requirements:

17.1.1 Your charter shall at all times provide that your activities are confined exclusively to operating the Franchised Business.

17.1.2 Copies of your Articles of Incorporation, Bylaws and other governing documents, and any amendments thereto, including the resolution of the Board of Directors authorizing entry into this Agreement, shall be promptly furnished to us.

17.1.3 You shall maintain stop-transfer instructions against the transfer on your records of any equity securities; and each stock certificate of You shall have conspicuously endorsed upon its face a statement in a form satisfactory to us that it is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon assignments by this Agreement; provided, however, that the requirements of this Section 17.1.3 shall not apply to a publicly-held corporation.

17.1.4 You shall maintain a current list of all owners of record and all beneficial owners of any class of voting securities or securities convertible into voting securities of You and shall furnish the list to us upon request.

17.2 If You or any successor to or assignee of You are a partnership, You shall comply with the following requirements:

17.2.1 You shall furnish us with a copy of your partnership agreement as well as such other documents as We may reasonably request, and any amendments thereto.

17.2.2 The partnership agreement shall at all times note conspicuously that partnership rights are held subject to, and that further assignment or transfer thereof are subject to, all restrictions imposed upon assignments by the Franchise Agreement.

17.2.3 You shall prepare and furnish to us, upon request, a list of all general and limited partners in You.

17.3 If You or any successor to or assignee of You are a limited liability company, You shall comply with the following requirements:

17.3.1 Your written operating agreement shall at all times provide that your activities are confined exclusively to operating the Franchised Business.

17.3.2 You shall furnish us with a copy of your articles of organization, written operating agreement, and any other governing documents, as well as such other documents as We may reasonably request, and any amendments thereto.