

For Immediate Release



## **SearchCore Announces Third Quarter 2014 Financial Results; Wisdom Homes Achieves Significant Revenue Growth**

Tyler, Texas – November 17, 2014 – SearchCore, Inc. (OTCQB: SRER) a manufactured housing retail center owner and operator that operates its retail centers through its wholly-owned subsidiary, Wisdom Homes Of America, Inc. (“Wisdom Homes”), today announces its financial results for the quarter ended September 30, 2014.

### **Third Quarter 2014 Highlights**

**Increasing Sales:** Wisdom Homes generated \$352,000 in revenue from the sale of manufactured homes in the 3rd quarter, an increase of more than 600%, as compared to \$50,000 in the 2<sup>nd</sup> quarter.

**Increasing Pending Transactions:** Wisdom Homes had 22 pending transactions at the end of the 3<sup>rd</sup> quarter as compared to 8 pending transactions at the end of the 2<sup>nd</sup> quarter; a 175% increase in pending transactions.

**Increasing Credit Facility and Inventory:** The Company borrowing capacity increased to approximately \$1.2 million in the 3<sup>rd</sup> quarter, up from \$300,000 at the end of the 2<sup>nd</sup> quarter. We also increased the number of model homes in our inventory to 25.

**Signed Lease For 4<sup>th</sup> Retail Center:** Wisdom Homes continues to expand its footprint in Texas. We signed a lease in Mount Pleasant, TX in anticipation of opening our largest retail center to date. We expect to be operating from this new location before year end. Wisdom Homes currently operates 3 existing retail centers located in Tyler, Jacksboro and Rhome, TX.

### **Management Commentary**

“Our third quarter sales revenues and pending transactions are up significantly from the end of the second quarter,” stated Mr. Jim Pakulis, CEO of SearchCore, Inc. “As a result of our expanded marketing campaign, we are enjoying an increase in foot traffic. By the end of the third quarter we started seeing referral business come through the door, which is the best business anyone can ask for. Additionally, we recently expanded our sales team in an effort to provide exceptional service to the Hispanic and Latino markets that we service, especially in the Northeast area of Texas.”

“As we’ve reported since the end of the quarter, Wisdom Homes has acquired 15 residential lots. This helps to eliminate one of the biggest challenges facing buyers of manufactured homes; locating a lot in which to place their home. Our inventory of available lots is expected to decrease the length of time to close a transaction and increase our revenue. Predicated on that business model, our expanded credit facility will provide Wisdom Homes with the flexibility to seize current and future growth opportunities. Therefore, we anticipate expanding our portfolio of residential lots in the near future,” continued Mr. Pakulis.

### **Third Quarter 2014 Financial Results**

SearchCore's revenues for the third quarter ended September 30, 2014 totaled \$351,543, as compared with \$0 for the third quarter ended September 30, 2013. Sales for the third quarter ended September 30, 2014, consisted of sales of manufactured homes at our three model home retail centers in Texas. Our operating expenses increased during the three months ended September 30, 2014, as compared to the three months ended September 30, 2013, in general because of our efforts to expand our operations into the manufactured home retail center industry.

For the nine months ended September 30, 2014, we had an operating loss of \$ 1,134,000. The operating loss we experienced was a result of our efforts to expand our operations in the manufactured home retail center business.

### **Balance Sheet Overview**

At September 30, 2014, SearchCore had cash and cash equivalents of \$116,575, total assets of \$4,505,733 and had total debt of \$4,236,192, as compared with cash and cash equivalents of \$41,617, total assets of \$3,734,751 and total liabilities of \$4,095,822 as of September 30, 2013.

**SEARCHCORE, INC.**  
**Condensed Consolidated Balance Sheets**

	<u>September 30,</u> <u>2014</u>	<u>December 31,</u> <u>2013</u>
	Unaudited	Audited
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 116,575	\$ 93,152
Accounts receivable	18,200	81,497
Inventory	1,363,665	-
Note receivables	882,304	1,200,000
Other current assets	331,289	37,365
<b>TOTAL CURRENT ASSETS</b>	<b>\$ 2,712,033</b>	<b>\$ 1,412,014</b>
Property and equipment, net	29,293	26,155
Intangible assets:		
Domain names	84,363	420,862
Advertising rights	60,101	-
Note receivables noncurrent	970,000	473,000
Other assets	207,500	94,554
Other assets - discontinued operations	442,443	956,436
<b>TOTAL ASSETS</b>	<b>\$ 4,505,733</b>	<b>\$ 3,383,021</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 159,685	\$ 201,472
Accrued liabilities	1,398,606	2,030,680
Notes payable	716,998	196,087
Notes payable - related party	122,040	-
Flooring Credit Line	1,393,198	-
Current liabilities - discontinued operations	246,208	161,226
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 4,036,735</b>	<b>\$ 2,589,465</b>
<b>LONG TERM LIABILITIES</b>		
Other accrued liabilities	118,750	118,750
Notes payable	-	95,519
Notes payable - related party	80,707	161,250
Noncurrent liabilities - discontinued operations	-	400,000
<b>TOTAL LONG TERM LIABILITIES</b>	<b>199,457</b>	<b>775,519</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 4,236,192</b>	<b>\$ 3,364,984</b>
<b>STOCKHOLDERS' EQUITY</b>		
Preferred stock, \$0.001 par value: 20,000,000 shares authorized; zero shares issued and outstanding at September 30, 2014; zero shares issued and outstanding at December 31, 2013;	-	-
Common stock, \$0.001 par value: 200,000,000 shares authorized; 50,102,105 shares issued and outstanding at September 30, 2014, 39,368,772 shares issued and outstanding at December 31, 2013,	50,102	39,369
Paid-in capital	(9,951,869)	(10,717,336)
Retained earnings	10,171,308	10,696,004
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>269,541</b>	<b>18,037</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 4,505,733</b>	<b>\$ 3,383,021</b>

**SEARCHCORE, INC.**  
**Condensed Consolidated Statements of Operations (Unaudited)**

	<u>Three Months Ended</u>		<u>Nine Months Ended</u>	
	<u>September 30,</u> <u>2014</u>	<u>September 30,</u> <u>2013</u>	<u>September 30,</u> <u>2014</u>	<u>September 30,</u> <u>2013</u>
<b>REVENUE</b>				
Sales	\$ 351,543	\$ -	\$ 401,916	\$ -
<b>Total revenue</b>	351,543	-	401,916	-
<b>OPERATING EXPENSES</b>				
Cost of sales	276,523	-	301,770	-
Selling, general and administrative expenses	664,248	683,454	1,234,192	1,860,747
<b>Total operating expenses</b>	940,771	683,454	1,535,962	1,860,747
<b>Operating Loss</b>	(589,228)	(683,454)	(1,134,046)	(1,860,747)
<b>Other Income (Expense)</b>				
Gain on sale of ManufacturedHomes.com	-	-	847,351	-
Interest income	5,173	5,508	13,522	18,273
Interest expense	(76,268)	(2,515)	(164,837)	(3,279)
<b>Total other income (expense)</b>	(71,095)	2,993	696,036	14,994
<b>LOSS FROM CONTINUING OPERATIONS BEFORE INCOME TAXES</b>	(660,323)	(680,461)	(438,010)	(1,845,753)
Provision for Income Taxes	(97,000)	-	(257,000)	-
<b>LOSS FROM CONTINUING OPERATIONS</b>	(563,323)	(680,461)	(181,010)	(1,845,753)
Loss from discontinued operations, net of \$1,000 and zero tax benefit for the nine months ended September 30, 2014 and 2013, respectively, and net of \$1,000 and zero tax benefit for the three months ended September 30, 2014 and 2013, respectively.	(45,083)	(95,061)	(343,686)	(163,889)
<b>NET LOSS</b>	\$ (608,406)	\$ (775,522)	\$ (524,696)	\$ (2,009,642)
<b>Loss per share, Basic and Diluted</b>				
Loss from continuing operations	\$ (0.01)	\$ (0.02)	\$ (0.00)	\$ (0.04)
Loss from discontinued operations	(0.00)	(0.00)	(0.01)	(0.00)
Total loss per share	\$ (0.01)	\$ (0.02)	\$ (0.01)	\$ (0.05)
<b>WEIGHTED AVERAGE COMMON SHARES OUTSTANDING</b>	<u>45,897,576</u>	<u>38,808,619</u>	<u>44,041,849</u>	<u>43,731,102</u>

## SEARCHCORE, INC.

## Condensed Consolidated Statements of Cash Flows (Unaudited)

	<u>Nine Months Ended</u>	
	<u>September 30,</u> <u>2014</u>	<u>September 30,</u> <u>2013</u>
Cash flows from operating activities:		
Net loss	\$ (524,696)	\$ (2,009,642)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	3,889	6,714
Amortization	1,541	107,376
Stock-based compensation	717,200	230,175
Gain on sale of ManufacturedHomes.com	(847,351)	-
Changes in operating assets and liabilities:		
Accounts receivable	(21,666)	(22,843)
Inventories	29,533	-
Prepaid expenses and deposits	(293,924)	273,857
Other assets & note receivables	904,676	879,227
Accounts payable and accrued liabilities	(397,760)	27,521
<b>Net cash used in operating activities</b>	<b>(428,558)</b>	<b>(507,615)</b>
<b>Cash flows used in investing activities:</b>		
Purchases of property and equipment	(21,136)	(30,910)
Purchases of intangible assets	-	(85,260)
<b>Net cash used in investing activities</b>	<b>(21,136)</b>	<b>(116,170)</b>
<b>Cash flows provided by financing activities:</b>		
Payments on note payable	(390,880)	(137,480)
Proceeds from note payable	822,500	288,500
Proceeds from note payable - related party	41,497	-
<b>Net cash provided by financing activities</b>	<b>473,117</b>	<b>151,020</b>
Net increase (decrease) in cash and cash equivalents	23,423	(472,765)
Cash and cash equivalents at beginning of period	93,152	514,382
Cash and cash equivalents at end of period	\$ 116,575	\$ 41,617
Non-cash investing and financing activity:		
Shares issued pursuant to stock based compensation	\$ 695,000	\$ -
Shares issued pursuant to conversion of accounts payable	\$ 59,000	\$ -
Shares issued as additional interest expense	\$ 22,200	\$ -

### **About SearchCore, Inc.**

SearchCore, Inc., founded in 2010, is a manufactured housing retail center owner and operator. The company is headquartered in Tyler, Texas. The Company's common stock trades on the OTCQB, under the ticker symbol "SRER."

### **Safe Harbor Notice**

Certain statements contained herein are "forward-looking statements" (as defined in the Private Securities Litigation Reform Act of 1995). SearchCore, Inc. cautions that statements made in this news release constitute forward-looking statements and makes no guarantee of future performance. Forward-looking statements are based on estimates and opinions of management at the time statements are made. These statements may address issues that involve significant risks, uncertainties, estimates and assumptions made by management. Actual results could differ materially from current projections or implied results. SearchCore, Inc. undertakes no obligation to revise these statements following the date of this news release.

### **Company Contact**

SearchCore, Inc.  
(800) 727-1024  
[info@searchcore.com](mailto:info@searchcore.com)

### **Investor Relations Contact**

Surety Financial Group, LLC  
410-833-0078  
[info@suretyfingroup.com](mailto:info@suretyfingroup.com)