

FRANCHISE DISCLOSURE DOCUMENT

FIVE STAR BATH, LLC

A Utah limited liability company

761 W. 1200 N.

Springville, UT 84663

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We are **FIVE STAR BATH, LLC** a Utah limited liability company. We offer franchises to qualified individuals and entities to own and operate a Five Star Bath Solutions™ franchise under our service marks, trade names, programs, and systems under the name “**FIVE STAR BATH SOLUTIONS.**” Our franchisees offer quality bathroom renovation services to the public under the Service Marks and the Five Star Bath Solutions programs and systems (the "Method of Operation").

We offer our most qualified franchisee candidates the exclusive opportunity to join our Executive Program, based on their experience and financing. Executive Program Franchisees must have at least 2 years of sales or business management experience managing the profitability of a business, department, or unit and at least 2 years of experience managing individuals. Executive Program Franchisees must also have a net worth over \$350,000, with liquid assets of at least \$125,000.

Executive Program Franchisees must purchase two franchises simultaneously when they join the Five Star Bath Solutions system. They must also be involved in the business at least 20 hours per week and hire a sales or operations manager. As a benefit of the Executive Program, we offer Executive Program Franchisees an option, after completion of their initial 12 months, to purchase up to two additional territories for \$25,000.00 each from our inventory of available territories at the time of the Executive Program Franchisee’s election to exercise the option. The Executive Program Franchisee may purchase these two additional franchise territories at a discounted Initial Franchise Fee if the Franchisee meets certain gross revenue requirements in the 12-month period.

The total investment necessary to begin operation of a **FIVE STAR BATH SOLUTIONS** franchise is **\$109,530 to \$206,100**, plus \$200 per 1,000 additional households of territory. This includes the initial investment of **\$54,900** that must be paid to us or our affiliate. Your initial

investment and initial fees are more fully described in Items 5, 6, and 7 of this Disclosure Document.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Chad Jones at 761 W. 1200 N., Springville UT 84663 and (801) 804-1026.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

ISSUANCE DATE: April 19, 2021

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor’s direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit A includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Five Star Bath Solutions business in my area?	Item 12 and the “territory” provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What’s it like to be a Five Star Bath Solutions franchisee?	Item 20 lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: <https://franchisepanda.com/franchises/five-star-bath-solutions>