

## FRANCHISE DISCLOSURE DOCUMENT

**Yummy-town USA LLC**  
a Delaware limited liability company  
18246-A Gale Avenue  
City of Industry, California 91748  
(609) 954-3335  
stephanie\_lin@yummy-town.com  
[www.happy-lemon.com](http://www.happy-lemon.com)



We offer area development rights and single unit franchises awarding the right to operate a store under the Happy Lemon trademarks and business systems featuring tea beverages with fresh fruits, milk, salted cheese, boba and other specialty items, as well as other complementary menu items.

The total investment necessary to begin operation of a single Happy Lemon store is \$316,000 to \$520,500. This includes \$79,500 to \$89,500 that must be paid to us or our affiliate.

The total investment necessary to begin operation as an area developer depends on the number of stores you commit to open. You pay us an Area Development Fee of \$20,000 for each store in your Development Schedule when you sign the Area Development Agreement. We will then give you a credit of \$20,000 against the total Initial Franchise Fee due each time you sign the Franchise Agreement applicable to each Happy Lemon store you commit to open. Accordingly, if you execute an Area Development Agreement for 3 stores, you will pay an Area Development Fee of \$60,000, \$20,000 of which will be applied to the Initial Franchise Fee for your first store. As a result, your total initial investment is \$356,000 to \$560,500, which includes the initial investment for the first store and the Area Development Fee for the second and third stores. This includes \$119,500 to \$129,500 that must be paid to us or our affiliate.

This Disclosure Document summarizes certain provisions of your Franchise Agreement, Area Development 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 government 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 Stephanie Lin, Vice President of Franchising, Yummy-town USA LLC, 18246-A Gale Avenue, City of Industry, California 91748, (609) 954-3335, [stephanie\\_lin@yummy-town.com](mailto:stephanie_lin@yummy-town.com).

**Happy Lemon**  
*Franchise Disclosure Document*

The terms of your contract will govern your franchise relationship. Don't rely on this Disclosure Document alone to understand your contracts. Read all of your contracts carefully. Show your contracts 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](http://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:** March 31, 2021 (and amended on May 14, 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:

<b>QUESTION</b>	<b>WHERE TO FIND INFORMATION</b>
<b>How much can I earn?</b>	Item 19 may give you information about outlet sales, costs, profits and 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 or Exhibit D.
<b>How much will I need to invest?</b>	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.
<b>Does the franchisor have the financial ability to provide support to my business?</b>	Item 21 or Exhibit A includes financial statements. Review these statements carefully.
<b>Is the franchise system stable, growing, or shrinking?</b>	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
<b>Will my business be the only Happy Lemon business in my area?</b>	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
<b>Does the franchisor have a troubled legal history?</b>	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
<b>What's it like to be a Happy Lemon franchisee?</b>	Item 20 or Exhibit D lists current and former franchisees. You can contact them to ask about their experiences.
<b>What else should I know?</b>	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.

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