

## FRANCHISE DISCLOSURE DOCUMENT



## SARAYAN BUILDING SOLUTIONS, INC. d/b/a

## **Stratus Building Solutions of Los Angeles**

10530 Victory Blvd. North Hollywood, California 91606

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Sarayan Building Solutions, Inc., ("Sarayan") d/b/a Stratus Building Solutions of Los Angeles ("SBSLA") grants franchises ("Unit Franchises") to independent businesses, giving these businesses the right to provide commercial cleaning and maintenance services to interior and exterior environments of business and residential locations within a designated territory under the Stratus ("Stratus") name and marks.

The total estimated initial investment necessary to begin operation of a Stratus Unit Franchise ranges from \$5,450 to more than \$74,350. This includes the Initial Franchise Fee, which must be paid to SBSLA, and which is \$3,600 to \$62,100, depending on the type of Franchise Plan you choose. You will also be required to purchase certain supplies and equipment prior to servicing your first client account. The cost of the basic initial supplies and equipment is estimated at \$1,000 to \$3,500.

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 fourteen (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.

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You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosure in different formats, contact Jim Smith at: Stratus Building Solutions, 10530 Victory Blvd., North Hollywood, California, 91606, or at: (818) 981-1700.

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 an attorney 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 (FTC). 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.

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## How to Use This Franchise Disclosure Document

Here are some questions that 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 or Exhibits D-1, D-2, E-1, E-2.
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 Exhibits F-1 and F-2 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 Stratus 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 Stratus unit franchisee?	Item 20 or Exhibits D-1, D-2, E-1, E-2 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.

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