

FRANCHISE DISCLOSURE DOCUMENT



SPAVIA International, LLC
a Colorado limited liability company
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SWAY

We offer franchises for “Spavia Businesses” and “Sway Businesses.” Spavia Businesses provide day spa services, including professional therapeutic massage, skin care services and beauty treatments, as well as related products and services in a relaxing, clean and friendly environment. Sway Businesses provide professional therapeutic massage and skin care services, as well as related products and services in an urban millennial environment. Both Spavia Businesses and Sway Businesses (each a “Franchised Business”) provide such services through a membership-based program. We also offer qualified parties the right to own and operate multiple Franchised Businesses within a development area that we designate.

The total investment necessary to begin operation of a single Spavia Business is between \$351,886 to \$694,455. This includes \$55,410 that must be paid to the franchisor or its affiliate(s). Spavia area developers receive the right to develop three or more Spavia Businesses in a designated development area. Under the area development agreement, the development fee is calculated as follows: (i) \$125,000 for the right to open three Spavia Businesses, plus an additional \$40,000 for the right to open each additional Spavia Business (up to a total of five); (ii) \$35,000 per Spavia Business if you agree to open and operate between six and nine franchised businesses; and (iii) \$30,000 per Spavia Business if you agree to open and operate ten or more Spavia Businesses. The total investment necessary to begin operation as an area developer with three Spavia Businesses is between \$1,021,158 to \$2,047,865. This includes \$132,730 that must be paid to the franchisor or its affiliates. The total investment necessary to begin operation as an area developer with ten Spavia Businesses is between \$3,274,360 to \$6,695,550. This includes \$314,100 that must be paid to the franchisor or its affiliates.

The total investment necessary to begin operation of a single Sway is between \$289,015 and \$495,333. This includes \$55,410 that must be paid to the franchisor or its affiliate(s). Sway area developers receive the right to develop three or more Sway Businesses in a designated development area. Under the area development agreement, the development fee is calculated as follows: (i) \$125,000 for the right to open three Sway Businesses, plus an additional \$40,000 for the right to open each additional Sway Business (up to a total of five); (ii) \$35,000 per Sway Business if you agree to open and operate between six and nine franchised businesses; and (iii) \$30,000 per Sway Business if you agree to open and operate ten or more Sway Businesses. The total investment necessary to begin operation as an area developer with three Sway Businesses is between \$832,545 and \$1,450,499. This includes \$132,730 that must be paid to the franchisor or its affiliates. The total investment necessary to begin operation as an area developer with ten Sway Businesses is between \$2,645,650 and \$4,704,330. This includes \$314,100 that must be paid to the franchisor or its affiliates.

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 our CEO, Marty Langenderfer, at 385 Inverness Parkway, Suite 400, Englewood, Colorado 80112 or (303) 888-0925.

The terms of your contract will govern your franchise relationship. Do not rely on the disclosure document alone to understand your contract. Read your entire 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, DC 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.

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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 or Exhibit F.
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 D 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 Spavia business/Sway 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 Spavia franchisee/Sway franchisee?	Item 20 or Exhibit F 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/spavia>