

FRANCHISE DISCLOSURE DOCUMENT



Spavia International, LLC a Colorado limited liability company 8200 S. Quebec St., Suite A3-802 Centennial, CO 80112 Phone: (720) 408-4048 Email: <u>franchise@spaviadayspa.com</u> <u>www.spaviadayspa.com</u>

We offer qualified individuals and entities a franchise for the right to independently own and operate a business that provides day spa services, with a focus on professional therapeutic massage and skin care services, to the general public and through a membership-based program, as well as related services and products we authorize in a relaxing, clean and friendly environment (each, a "Franchised Business" or "Day Spa"). We also offer qualified parties the right to own and operate multiple Day Spas within a development area that we designate.

The total investment necessary to begin operation of a single franchised Day Spa ranges from \$295,460 to \$595,900. This includes approximately \$55,410 that must be paid to us or our affiliates.

The total investment necessary to operate multiple franchised Day Spas (each, a "Franchised Business") under our form of area development agreement ("Development Agreement") depends on the number of franchises we grant you the right to develop within a given geographical development area (the "Development Area"). The total investment necessary to enter into our current form of Development Agreement for the right to develop three (3) Franchised Businesses is \$370,960 to \$671,400, which is comprised of (i) the \$125,000 development fee paid to us as consideration for right to develop three (3) Franchised Businesses, and (ii) your total investment to begin operation of your initial Franchised Business within the Development Area. Under the Development Agreement, the initial development fee is calculated as follows: (i) \$125,000 for the right to develop three (3) Franchised Businesses, plus as additional \$40,000 for the right to open each additional Franchised Business (up to a total of five); (ii) \$35,000 per Day Spa if you awarded the right to develop between six (6) and nine (9) Franchised Businesses; and (iii) \$30,000 per Franchised Business if you are awarded the right to develop 10 or more Franchised Businesses within a given Development Area.

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, c/o Spavia International, LLC, 8200 S. Quebec St., Suite A3-802, Centennial, CO 80112 or (720) 408-4048.

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-FTCHELP 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.

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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 | Item 21 or Exhibit F includes financial |
| ability to provide support to my | statements. Review these statements |
| business? | carefully. |
| Is the franchise system stable, growing, | Item 20 summarizes the recent history of |
| or shrinking? | the number of company-owned and |
| | franchised outlets. |
| Will my business be the only SPAVIA | Item 12 and the "territory" provisions in the |
| Day Spa in my area? | franchise agreement describe whether the |
| | franchisor and other franchisees can |
| Deer the free abirs have a tread lead | compete with you. |
| Does the franchise have a troubled legal | Items 3 and 4 tell you whether the |
| history? | franchisor or its management have been involved in material litigation or |
| | e |
| What's it like to be a Spavia franchisee? | bankruptcy proceedings. Item 20 or Exhibit F lists current and |
| what sit like to be a Spavia franchisee: | former franchisees. You can contact them |
| | to ask about their experience. |
| What else should I know? | These questions are only a few things you |
| vi nat cise snound i know i | 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