

Provision	Section in the Franchise Agreement	Section in the Multi-Unit Development Agreement	Summary
u. Dispute resolution by arbitration or mediation	18.7, 18.8 and 18.9	19.1 and 19.2	Except for certain claims for injunctive relief, all disputes must first be submitted to non-binding mediation and then arbitration under the Commercial Rules of Arbitration of the American Arbitration Association (AAA) in Hamilton, Ohio, and, if mediation is unsuccessful, then to binding arbitration in Hamilton, Ohio. This provision is subject to applicable state law.
v. Choice of forum	18.10	18.3	Hamilton, Ohio, subject to applicable state law
w. Choice of law	18.6	18.2	Except for claims governed by federal law, Ohio law will govern. However, this provision is subject to state law and as otherwise disclosed in <u>Exhibit H</u> to this Disclosure Document.

ITEM 18 PUBLIC FIGURES

We do not currently use any public figure to promote our franchise. No public figure is currently involved in our management.

ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets if there is a reasonable basis for the information and if the information is included in the Disclosure Document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

The financial performance representation appearing below is derived from the actual historic performance of four affiliate-owned Laundry Spot businesses in Ohio (the "**Reporting Businesses**"). Three of the Reporting Businesses are substantially similar to the franchise being offered through this Disclosure Document. The Reporting Business in Hamilton, Ohio, is 8,292 square feet and not the size of our typical franchised Laundry Spot units which are 4,000 to 5,000 square feet.

The Reporting Businesses do not pay any royalty fees or other fees, but those fees are included as imputed fees in Table I. Table I below represents the Total Income, Gross Profit, Operating Expenses, Franchise Expenses and Net Operating Income for the Reporting Businesses from January 1, 2025 through December 31, 2025 (the "**Reporting Period**"). Table II represents the percentage of revenue

generated from the services rendered by the Reporting Businesses both by store and in the aggregate during the Reporting Period. Table III below illustrates the quarterly ramp-up in revenue specifically derived from walk-in self-service laundry at the Hamilton Reporting Business during its initial three years of operation. The Hamilton Reporting Business opened in November 2022. Accordingly, Quarter 1 for Year 1 represents the period from opening in November 2022 through January 2023. Subsequent quarters follow standard three-month periods. As disclosed above, the Hamilton Reporting Business occupies 8,292 square feet, which is larger than the typical Laundry Spot franchise of 4,000 to 5,000 square feet; however, it represents our most recently opened outlet and demonstrates the potential ramp-up trajectory for self-service revenue.

Table I

Calendar Year 2025										
	Atco			Lewis			Fairfield			Hamilton
Year Open	2006			2008			2019			2022
Square Footage	4,374			3,836			4,400			8,292
Total Income	\$	483,907		\$	704,078		\$	832,681		\$ 1,025,109
Cost of Goods Sold	\$	20,285	4.2%	\$	20,601	2.9%	\$	42,490	5.1%	\$ 67,913 6.6%
Gross Profit	\$	463,622	95.8%	\$	683,477	97.1%	\$	790,191	94.9%	\$ 957,196 93.4%
Operating Expenses										
Labor	\$	70,802	14.6%	\$	127,801	18.2%	\$	181,485	21.8%	\$ 181,485 17.7%
Gas/Electric/Water	\$	50,275	10.4%	\$	68,514	9.7%	\$	79,446	9.5%	\$ 91,956 9.0%
Professional Services	\$	19,935	4.1%	\$	19,935	2.8%	\$	16,825	2.0%	\$ 17,289 1.7%
Insurance	\$	5,817	1.2%	\$	4,893	0.7%	\$	8,527	1.0%	\$ 8,527 0.8%
Equip./Maint./Repairs	\$	28,891	6.0%	\$	36,960	5.2%	\$	18,822	2.3%	\$ 32,680 3.2%
Rent	\$	53,144	11.0%	\$	46,607	6.6%	\$	54,000	6.5%	\$ 100,748 9.8%
Bank Service Charges	\$	11,337	2.3%	\$	11,337	1.6%	\$	13,344	1.6%	\$ 13,344 1.3%
Auto	\$	3,642	0.8%	\$	-	0.0%	\$	-	0.0%	\$ 3,883 0.4%
Admin/Office Supplies	\$	444	0.1%	\$	444	0.1%	\$	1,442	0.2%	\$ 1,645 0.2%
Marketing	\$	55	0.0%	\$	55	0.0%	\$	2,653	0.3%	\$ 2,603 0.3%
IT/Security System	\$	13,903	2.9%	\$	15,048	2.1%	\$	13,931	1.7%	\$ 14,985 1.5%
Trash Removal	\$	2,692	0.6%	\$	4,148	0.6%	\$	5,295	0.6%	\$ 3,524 0.3%
Other	\$	4,195	0.9%	\$	4,046	0.6%	\$	1,640	0.2%	\$ 1,783 0.2%
Total Operating Expenses	\$	265,132	54.8%	\$	339,788	48.3%	\$	397,410	47.7%	\$ 474,452 46.3%
Franchise Expenses										
Estimated Royalties (5%)	\$	24,195	5.0%	\$	35,204	5.0%	\$	41,634	5.0%	\$ 51,255 5.0%
Estimated Brand Fund (1%)	\$	4,839	1.0%	\$	7,041	1.0%	\$	8,327	1.0%	\$ 10,251 1.0%
Net Operating Income	\$	169,456	35.0%	\$	301,444	42.8%	\$	342,820	41.2%	\$ 421,237 41.1%

Table II

Item 19 Other Data

% of Revenue by Store

	<u>Atco</u>	<u>Lewis</u>	<u>Fairfield</u>	<u>Hamilton</u>
Self Serve	76.2%	80.6%	87.9%	67.1%
Drop Off	11.6%	13.0%	8.4%	8.9%
Commercial Pickup/Delivery	8.6%	3.4%	0.0%	21.4%
Vending/Other	3.6%	3.0%	3.7%	2.6%

% of Revenue by Type

	<u>Coin</u>	<u>Loyalty Card</u>	<u>Credit/Debit</u>
4 Store Aggregate	28.1%	66.6%	5.3%

Table III

**HAMILTON 3 YEAR REVENUE RAMP
(WALK IN SELF SERVE ONLY)**

<u>Quarterly Revenue*</u>	<u>Year 1</u>		<u>Year 2</u>		<u>Year 3</u>	
1st Quarter	\$	104,478	\$	154,407	\$	168,701
2nd Quarter	\$	130,737	\$	162,025	\$	173,194
3rd Quarter	\$	134,891	\$	152,499	\$	160,052
4th Quarter	\$	155,428	\$	166,367	\$	165,487

Explanatory Notes:

1. Some businesses have earned this amount. Your individual results may differ. There is no assurance that you'll earn as much.
2. "Total Income" represents the actual gross revenue from the sale of Approved Products and Services at the Reporting Businesses during the reporting period indicated.
3. "Adjusted Net Income" means the omission of expenses that were specific to the Reporting Business that we do not expect will be incurred at the Franchised Business unless the Franchisee chooses to do so including but not limited to travel, meals and entertainment, and equipment purchases. Labor excludes the costs associated with a store level General Manager should you choose to hire one. Further, the financial information used to prepare this Item 19 financial performance representation was based upon unaudited profit and loss information.
4. Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

Other than the above, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Dan Reese, Chief Executive Officer, The Laundry Spot Franchise LLC, 1875 S. Erie Blvd., Hamilton, Ohio 45011, danreese@laundryspot.com, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE NO. 1
SYSTEMWIDE OUTLET SUMMARY
FOR YEARS 2023 to 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Company Owned	2023	4	4	0
	2024	4	4	0
	2025	4	4	0
Total Outlets	2023	4	4	0
	2024	4	4	0
	2025	4	4	0

TABLE NO. 2
TRANSFER OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(OTHER THAN THE FRANCHISOR)
FOR YEARS 2023 to 2025

State	Year	Number of Transfers
All States	2023	0
	2024	0
	2025	0
Total	2023	0
	2024	0
	2025	0