

t. Integration/ merger clause	14.2	Only the terms of this franchise disclosure document, the franchise agreement and Manual are binding (subject to state law). Any representations or promises made outside the disclosure document and franchise agreement may not be enforceable. Notwithstanding the foregoing, nothing in the franchise agreement or any related agreement is intended to disclaim the express representations made in the Franchise Disclosure Document, its exhibits and amendments.
PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
u. Dispute resolution by arbitration or mediation	11.1 - 11.4	Except for certain claims, and subject to state law, all disputes must be arbitrated or mediated in Orange County, California or Dallas County, Texas.
v. Choice of forum	11.4, 11.6	Subject to applicable state law, claims for equitable or injunctive relief must be conducted in California or Texas.
w. Choice of law	14.1	Federal law applies to arbitration and trademark issues. The law of your state applies to amendment of your franchise agreement, the maximum rate of interest that can be charged, and post-termination non-competition issues. Except as required by applicable law, Texas law applies to all other issues.

ITEM 18. PUBLIC FIGURES

We do not currently use any public figure to promote our System.

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) a 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.

Background

The following is historical financial data and other information submitted by our franchisees. The franchisees included in this Item 19 operate franchised businesses substantially similar to the business being offered in this Disclosure Document.

Franchisees operate either single territories or multiple territories collectively as one

Lightspeed Restoration Business. Franchisees who operate multiple territories do not operate, account for or report each territory individually and the historical data reflected in this Item 19 is based on the totals for all territories owned in conjunction with their Lightspeed Restoration Business. The following is historical financial information concerning the reported annual sales of a subset of our existing outlets, namely, those franchisees who were open for business for all of calendar year 2025 (4 single territory franchisees and 9 multiple territory franchisees, representing a total of 28 territories).

A. Annual Sales Levels

Measure	2025	2024	Number Outlets Represented	Explanation
Average Sales – One Territory	\$517,606	\$ 349,180	4 single territory franchisees in 2025; 1 single territory franchisee in 2024.	Equals total sales by all franchisees owning one or multiple territories, divided by the number of franchisees with that number of territories.
Average Sales – Multiple Territories	\$805,211	\$881,032	9 multiple territory franchisees/24 territories in 2025; 5 multiple territory franchisees/15 territories in 2024.	2 or 50% of the single territory franchisees and 4 or 44% of the multiple territory franchisees attained or surpassed the stated average results for 2025.
Median Sales – One Territory	\$457,231	\$349,180		Shows mid-point of annual sales by franchisees with indicated number of territories.
Median Sales – Multiple Territories	\$582,303	\$791,856		2 or 50% of the single territory franchisees and 5 or 56% of the multiple territory franchisees attained or surpassed the stated median results for 2025.

B. Cost of Goods Sold

The average cost of goods sold (that is, the cost to franchisees of Lightspeed Restoration to perform services) as a percentage of the price at which the franchisees sold those services to their customers was 21% of the gross (retail) sales price for franchisees open a full 12 months in 2025. The lowest cost of goods sold was 4% and the highest was 42%. 3 or 43% of franchisees had a cost of goods that met or was less than the average cost of goods. The median cost of goods was 21%. 4 or 57% of franchisees had a cost of goods that met or was less than the median cost of goods.

C. Gross Profit

The average gross profit (that is, the revenue less direct expenses to perform the services) as a percentage of the price at which the franchisees sold those services to their customers was 79% of the gross (retail) sales price for franchisees open a full 12 months in 2025. The lowest gross profit was 58% and the highest was 96%. 3 or 43% of franchisees had a gross profit that met or exceeded the average gross profit. The median gross profit was 79%. 4 or 57% of franchisees had a median gross profit that met or exceeded the median cost of goods.

D. Labor Cost

The average labor cost as a percentage of the price at which the franchisee sold those services to their customers was 23% of the gross (retail) sales price for franchisees open a full 12 months in 2025. The lowest percentage was 16% and the highest was 45%. 4 or 57% of franchisees had labor costs that met or were lower than the average labor cost. The median labor cost was 22% of gross sales 4 or 57% of franchisees had a median labor cost that met or was less than the median labor cost.

Some franchisees have sold this amount. Your individual results may differ. There is no assurance that you will sell as much.

We will make written substantiation for these Financial Performance Representations available to you on your reasonable request.

Other than the preceding financial performance representation, we do not make any financial performance representations. 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 our management by contacting Paul Ebert at Lightspeed Restoration, LLC, 777 International Parkway, Suite 300, Flower Mound, Texas 75022, telephone (949) 404-1100, the Federal Trade Commission, and the appropriate state regulatory agencies.

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ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

ITEM 20. TABLE NO. 1
SYSTEMWIDE OUTLET SUMMARY FOR YEARS ENDING
DECEMBER 31, 2023, 2024 AND 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	0	18	+18
	2024	18	27	+9
	2025	27	40	+13
Company-Owned	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Total Outlets	2023	0	18	+18
	2024	18	27	+9
	2025	27	40	+13

ITEM 20. TABLE NO. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
OTHER THAN LIGHTSPEED RESTORATION FOR YEARS ENDING
DECEMBER 31, 2023, 2024 AND 2025

State	Year	Number of Transfers
All States	2023	0
	2024	1
	2025	0