



Franchise Structure and Initial Investment

Thank you for your interest in opening an Aroma espresso bar.

Aroma provides a compelling business opportunity by offering an attractive package which includes a great product and a strong brand. We are seeking franchise candidates who will demonstrate a commitment to the Aroma espresso bar brand values, help maintain and improve the quality of our products, provide excellent customer service, and preserve our brand name and company standards. You can take advantage of this opportunity to join a successful venture taking its first steps in the US market and benefit from a well organized system and concept that was developed through many years of experience in the restaurant business.

Financial Terms

- Initial franchise fee: \$55,000
- Royalties: typically 7% of sales (paid monthly)



Estimated start-up costs:

The estimated initial investment required to build and open an Aroma espresso bar restaurant varies by size and location of the facility, pre-opening expenses, and construction costs.

Type of expenditure	Amount (Low-High)	Method of payment	When due	To whom payment is to be made
Initial Franchise Fee	\$55,000	Lump Sum	As Required by Franchise Agreement	Aroma
Security Deposit and Rent (first 3 months)	\$0 to \$180,000	As Provided in Lease or Sublease	As Required by Lease or Sublease	If a Lease, the Landlord. If a Sublease, Aroma or Affiliate
Design, Architect and Engineers	\$32,000 to \$60,000	As Arranged	As Arranged	Suppliers
General Contractor	\$20,000	As Arranged	As Arranged	Contractor
Leasehold Improvements	\$250,000 to \$775,000	As Arranged	As Arranged	Contractor
Furniture, Fixtures, and Equipment	\$100,000 to \$250,000	As Arranged	As Arranged	Suppliers
Signage	\$10,000 to \$15,000	As Arranged	As Arranged	Suppliers
Computer Hardware and Software	\$15,000 to \$25,000	As Arranged	As Arranged	Suppliers
Initial Training	\$10,000 to \$25,000	Lump Sum	When Incurred	Suppliers
Grand Opening Expenses	\$500 to \$5000	As Arranged	As Arranged	Suppliers
Initial Inventory of Aroma Products	\$10,000 to \$15,000	As Arranged	As Arranged	Aroma Trade Company
Other Products and Supplies	\$5,000 to \$15,000	As Arranged	As Arranged	Suppliers
Professional Services	\$5,000 to \$15,000	As Arranged	As Arranged	Lawyers; Accountants
Liquor License, Other Business Licenses and Permits	Varies	As Arranged	As Arranged	Government Agencies; Your Attorneys or Other third party
Insurance and Other Prepaid Expenses	\$5,000 to \$10,000	As Arranged	As Arranged	Suppliers
Additional Funds for the Initial Phase (approximately 3 months)	\$10,000 to \$30,000			
TOTAL	\$527,500 to \$1,495,000			

Site Requirements

When choosing a site for your Aroma espresso bar, key factors are:

- Traffic - foot traffic in urban areas (the more, the better), car traffic in suburban areas.
- High household income (median about \$65K).
- Size – ideally, 1600-2500 square feet. In dense urban centers (such as Midtown Manhattan) 1200 square feet is acceptable.
- Visibility - corner locations or locations with high visibility are preferred.
- Frontage - 25 feet minimum in a city environment. In malls, preferably with adequate space for tables and chairs outside storefront.

Trade areas:

- Downtown – dense urban areas with very strong office presence and foot traffic.
- Neighborhood – hip and trendy spots on busy neighborhood streets, preferably with a patio.
- Mall and Shopping Centers – busy, high-end, well maintained malls, strip malls, and shopping centers.
- Campus – on or near large college and university campuses.
- Main Street – on a clean, high-end main street of a small city or suburb.
- Tourist Area – in the vicinity of major tourist attractions.
- Nightlife – in an area with a strong nighttime atmosphere and presence.

Franchise Support

Training

Comprehensive six-month initial training program
Employee training program
Continuing education classes

Location

Market analysis
Site selection
Lease review

Building

Plan review and comments
Consultant assistance
General contractor support and construction site visits
Construction bid review and comments
Design services

Opening

Corporate opening team
Profit and Loss benchmarking and information
Sharing
Field support
Purchasing updates and supplier coordination
Continual operations training and inspection

Marketing

Access to company's developed marketing
and advertising programs
Neighborhood marketing assistance

This information is not intended as an offer to sell, or the solicitation of an offer to buy, a franchise. It is for information purposes only. Offers are made only after delivery of an effective Franchise Disclosure Document in compliance with applicable federal and state laws.