## BEAUTY BEAUTY BUNGALOWS



The Premium Salon Suite Franchise Opportunity

## Why own a Bungalows franchise?

No salon experience necessary – You may think a potential franchisee needs to have experience or be familiar with the salon/beauty industry but they don't. While our tenants are beauty professionals, our business model is a property management/real estate model.

<u>Predictable, recurring revenue</u> – We will work with our franchisees to pre-lease suites during the construction phase, the goal is to be at 100% occupancy when construction is completed. Once suites are rented, the tenants are on a 1year lease agreement, a Beauty Bungalows owner knows exactly what their revenue is each week, week after week!

**Semi-absentee owner** – Once suites are rented there is very little that needs to be done. Rent is collected weekly via ACH, cleaning is done by a cleaning company, maintenance is performed by a handyman or contractor. We suggest stopping in a few times a week to build a rapport with your tenants and to check for cleanliness and maintenance needs.

<u>Minimal to no staff</u> - Each tenant runs their own business, they are responsible for booking their own clients, taking payments and all other aspects of their business and they have 24/7 access to the building. We have no front desk/reception attendant. There is no need for a daily staff person, most tasks/issues can be handled remotely.





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Minimal equipment maintenance – Aside from general maintenance there is little equipment that needs to be maintained. Each suite comes with either a shampoo backwash unit and stylist chair or facial bed, these typically need little maintenance if ever. Washer and dryer maintenance is performed under warranty by the company. There is no POS system, telephone or computer system onsite. Each tenant is responsible for their own tools & supplies.

High occupancy & retention rates – Unlike other business like restaurants and gyms that rely on a steady stream of hundreds of customers and members, we only need 25-35 tenants (depending on the size of the building and number of suites). There is a very large array of beauty professionals to find as tenants so filling a building to 100% occupancy is typically not an issue. We attract a more established beauty professional, they invest in their suite, adding paint, tile, cabinets, lighting and art. They establish their business in our building and usually renew their lease year after year.

**No inventory or receivables** – Aside from rent that is paid via ACH each week, there are no other receivables. We do not stock any inventory.

<u>Stable expenses</u> – As this is a property management business, expenses are stable throughout the year. There is no seasonality and expenses are typically reoccurring – rent, utilities, insurance, accounting & cleaning.







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Recession proof— The salon service market has surpassed \$65 billion and is growing rapidly. The salon suite industry is likely to see double-digit growth for the next 5 years. Globally, the number of traditional salons has decreased. Many of the previously "rent a chair" and salon employed hairdressers and beauty professionals have decided to venture into their own business by way of salon suites. These professionals want to build their own brand and enjoy the profitability of owning their own salon but do not want the cost of a large buildout or the hassle of hiring and training staff. The health and beauty industry are recession-resistant, the salon segment does not experience the large ups and downs that come along with an economic crisis or recession.

**Exclusive Territory** Beauty Bungalows franchisees will receive an exclusive territory. As we have seen in the salon suite industry, this business model is growing rapidly and territories sell out quickly, as we are an emerging brand we have available territory in all the hot markets so this is the best time to lock in an exclusive territory.







Beauty Bungalows are the premium salon suite franchise opportunity!

(310) 901-5611

www.americasgreatestfranchises.com morris@generalfranchise.com