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## HomeWell Care Services

### Contact Information - Who Gets Lead Referrals

Date Last Updated: August 30, 2023  
 Referral Agreement Date: N/A  
 Name: Samantha Seiber  
 Address: 812 Sheppard Rd, Burkburnett, TX 76354  
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 Main Email: franchising@homewellcares.com  
 Email to send leads to: franchising@homewellcares.com  
 Territory check email: franchising@homewellcares.com  
 Website: homewellfranchising.com  
 FranNet Referral Fee: 60% of total franchise fees collected  
 30% of all additional franchise fees collected within 12 months

### Business Basics

|                              |           |                          |   |
|------------------------------|-----------|--------------------------|---|
| Industry                     | Home Care | Year started franchising | 1996  |
| Year business started        | 1996      | Franchise units open     | 122   |
| Number of Company units open | 0         | Investment Range \$      | <p><b>Single:</b><br/>           \$52,400.00 - \$230,800.00</p> <p>\$150,000 is a typical investment. Upon signing the franchise agreement, new franchisees will pay a \$5,000 training fee. Then they can choose to pay the \$49,500 Initial Franchise Fee within 150 days or pay no initial franchise fee and have a 10% royalty rate until the business has reached a predetermined gross revenue.</p> |

|                                      |   |   |   |
|--------------------------------------|---|---|---|
| <b>Franchise fee \$</b>              | \$49,500 for initial territory, additional territories discounted by 20% to \$39,600. | <b>Required liquid capital \$</b>               | \$50,000                                    |
| <b>Required net worth \$</b>         | \$250,000   | <b>Royalty</b>                                  | 5% of gross revenue                         |
| <b>Industry size \$</b>              |   | <b>Available in Canada/ Internationally</b>     | No/No                                       |
| <b>SBA Registry?</b>                 | Yes   | <b>Discount Program Offers</b>                  | Veteran Fran                                |
| <b>Offer Group Health Insurance?</b> | No  | <b>Buyer Motives</b>                            | A/S   |
| <b>In House Financing?</b>           | No  | <b>Item 19</b>                                  | Yes   |
| <b>Semi Absentee/Absentee</b>        | Maybe   | <b>Semi Absentee/Absentee Ramp-up Timeframe</b> | 4-6 months is average state licensing time. |

## State Registrations

### Registration States

**Currently not approved and not available in:**  
CA, NY, WA

### Non-Registration States

**Currently not available in:**  
DE, LA

### US Territories

**Currently not available in:**  
GU, PR

### Canadian Provinces

**Currently not available in:**  
NB, NL, AB, NT, NS, PE, QC, SK, ON, YK, MB, BC, NU

Sold out: Delaware, Denver/Colorado Springs

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## Business Features

HomeWell Care Services is one of the nation's premiere in-home care providers franchised by HomeWell Franchising Inc. Our agencies serve seniors and others in need of home care throughout their local communities with personalized in-home care plans designed to suit each client's specific needs. Originally founded by a caregiver, our passion to help others drives us to make a difference in the lives of our clients, their families, our owners and employees, and our communities. Our primary goal is to bring more enjoyment to the lives of those who find it increasingly difficult to function well on their own.

HomeWell Franchising Inc. prides itself on helping entrepreneurs not only realize their dreams of business ownership, but also give them the means to make a positive impact in their communities. We seek franchise owners who are committed to bringing the mission of HomeWell Care Services to life in local markets across the U.S. HomeWell Care Services currently has over 50 open locations representing over 95 territories across the U.S. HomeWell is focused on strategic expansion across the U.S. through franchise-owned development. With many territories available, the company expects to have over 100 HomeWell Care Services franchises by 2023.

## Recession Resistant

Yes, our model and industry has proven to not only be recession resistant but pandemic proof as well.

## Issues and Ambushes

There's too much competition in the home care space.

Competition in business is not a bad thing; in many cases, this further validates an industry's stability. In home care, this is especially true. According to the Home Care Pulse 2020 Benchmarking study, a home care agency can achieve roughly \$1.3 M in revenue from only 30 clients. HomeWell offers territories that have between 30,000 and 40,000 total seniors within them. As you can see, you don't need a large market share to grow what can be a very large business.

It's too hard to find caregivers, and there's high turnover.

While it's true that any business with minimum to mid-wage employees will have high turnover, HomeWell has a very solid plan in place to position you as the employer of choice within your local market. Caregivers are hourly employees, so they naturally "go where the work is," but ultimately, all it takes is a dedicated team member to correctly manage your caregiver bench and a commitment to build a community of caregivers that know you care about them.

I've heard this is a low-margin business: Can I make any money?

According to item 19 of our FDD, an average HomeWell office generates \$1,837,654 in gross revenue. The main expense in this business is caregiver wages which are typically 50% of whatever you are billing your clients. That results in a healthy gross margin to cover things like marketing and office overhead. To gain better insights on this topic, we strongly encourage you to speak with some of our current franchise owners.

It's hard (or takes a long time) to get a home care license.

Government oversight in this industry is not necessarily a bad thing. Home care agencies send caregivers into the homes of vulnerable individuals, so there should be a process in place to prevent just anyone from opening a home care business. These regulations help keep the business owner safe as well as their caregivers and clients. It also creates a barrier to entry and might deter some independents from being able to compete. We do find, though, that the confusion or fear of state or government regulation is often a bit overblown. There are also many benefits to an elongated opening process in a licensure state, including giving a new owner more time to better learn the business, industry, and what it takes to run a successful office.

There's a lot of liability involved with this sort of business

HomeWell Care Services is non-medical home care. Our agencies do not prescribe medicine, diagnose anything, or provide therapies that would open them up to malpractice or any other high-end liability. Each agency also carries a \$2MM general liability policy to protect itself, just in case something unusual happens.

## Failures

When HomeWell was purchased in 2018, we went through a process of "weeding out" the system of owners who saw this business as more of a hobby than an enterprise. As a company we felt having the territory available to target owners with a different mindset was the way to go. This approach has proven to be extremely successful thus far, as we have been able to see newer owners come through our revamped onboarding and training processes, and launch under the new HomeWell Care Services (previously HomeWell Senior Care) branding, with extreme success. Our new owners are ramping up stronger than ever before. We believe this is in part due to our extensive market research and repositioning of the HomeWell brand in the industry, part to a more focused approach on bringing in the "right fit" as a HomeWell franchise owner, and partially due to the rising demand for in-home care services.

## Hooks and Hangers

At HomeWell, we understand the true measure of our success—our owners. We grow as a brand by assisting with establishing, operating, and scaling their agencies. By going above and beyond to equip them, we have built a trusted reputation for delivering peace of mind for both entrepreneurs considering our industry and our current owners. We are deeply committed to furthering our value by continuously innovating new tools and enhancing support to help them build impactful home care agencies in their local markets.

Our corporate team—comprised of franchising and marketing experts—provide valuable support to our local agencies and practical solutions for each franchisee to help them capture their market, build brand awareness, and enhance their reputation in the community and online. They know that they can count on us to help them establish credibility and drive business growth.

By joining our owner network, franchisees can leverage our wide range of comprehensive care services and specialized support offerings strategically designed to improve the quality of life and independence for each client, including programs to help reduce rehospitalizations and fall risk while safeguarding their health and increasing socialization. These proprietary programs not only positively impact those entrusted to our care but ensure confidence in our brand, distinguish our care from competitors, and, most importantly, attract new referral sources.

By staying true to our brand's commitment to providing trusted care with true compassion, HomeWell built a reliable reputation for delivering peace of mind and home care that extends beyond the call of duty. We've been recognized nationally as an Inc. 5000 company, one of the nation's top franchises in Entrepreneur's Franchise 500®, and Franchise Business Review Top 100 Low-Investment Franchise, amongst numerous other accolades and achievements.

## Discovery Day Process

HomeWell takes a more fluid approach to due diligence and has implemented a 24/7 discovery process, instead of a dedicated Discovery Day. Our goal is to assist and educate candidates by providing valuable resources and insights to help them make an informed decision on joining our franchise network. Each step in our process is designed to connect candidates with the right individuals and the information they need at each stage in the decision making process. After our Introductory Call, we will utilize a Zorakle Personality Assessment. Typically, during the second call, we dive into our Unit Economics and disclose candidates. Between meetings with Development Directors, candidates are encouraged to attend weekly discovery webinars that are designed to touch on FAQs of the industry and conduct validation calls. Lastly, candidates have an opportunity to speak with HomeWell executives for final approval before their signing call!

## Consultant Payment Terms

Commissions paid out within 10 days of franchisor receiving funds

**Single Unit:** \$25,000

**Multi-Unit:** \$15,000 additional on top of base commission

**Area/Master Developer:** N/A

**ReSales:** 10% of price paid by franchise seller

**Expansion Territories:** 30% of fees collected within 12 months of original placement date  
**Bonus if the franchisee pays the full franchise fee \$5000**

## VetFran/Minority Discounts

20% off initial franchise fee for all Veterans  
Commissions will not be affected by discounts on franchise fees collected.

## E2 Visa/EB-5 Program Status

Yes

## State Deferments

HomeWell is approved in Hawaii, Illinois, Maryland, North Dakota, and Virginia and have deferred franchise fees.

## Candidate Sales Process

Even prior to the outbreak of the pandemic, HomeWell's senior leadership was moving to a fully virtual discovery process. By utilizing tools like zoom and YouTube, we have been able to create a flexible process that can move at any pace, designed to allow those fast moving decision makers to be able to devour content as fast as they like, and also cultivate and keep those that like to be a bit more methodical, engaged for a long period of time. We host "Discovery Meetings" via zoom every week, to give candidates access to our executive team and key franchise support staff, which creates a "24/7 Discovery Day" feel to our recruitment process. A "typical" candidates process would look like this:

- Initial Interview with a Franchise Development Director. Zorakle assessment provided, access to Discovery Portal provided.
- Business and Financial Review with their Franchise Development Director
- Invitation to weekly discovery webinars (every Friday) including exclusive franchisee interviews, as well as presentations from franchise executive leadership team
- FDD review with Franchise Development Director
- Validation Calls - Franchise Application is requested at this time
- Validation wrap up and Contract Review with VP of Franchise Development, Mike Condon.
- Awarding of Franchise - Contracts are uploaded and signed via docuSign with Welcome Call to follow.

We have had this process go as fast as 15 days, and take up to 6 months for others.

## Owner Roles

### **What will be the role of the owner?**

The role of a home care agency owner involves a wide range of responsibilities related to the management, operation, and growth of the agency. Home care agencies provide essential services to individuals who need assistance with daily activities and healthcare in the comfort of their own homes. As an agency owner, you would be responsible for various aspects of the business to ensure the well-being of both clients and staff, as well as the agency's overall success. As you are launching your HomeWell agency, your organizational chart may have 3-4 key members: the Active Owner, HR Coordinator/Scheduler, Care Manager, and Sales Rep. Many of our franchisees fill one of those roles as they launch and scale their business.

### **What will be the role of the multi-unit operators?**

We are looking for empire builders who want to make an impact by building an organization. Our best owners are true CEOs who drive strategy, and focus on their organizational chart, KPIs, and financials.

## What will be the role of the single unit operators?

As you are starting your HomeWell agency, your organizational chart may have 3-4 key members: the active owner, HR Coordinator/Scheduler, Care Manager, and Sales Rep. Many of our franchisees fill one of those roles as they launch and scale their business.

## FranNet Comments/Validation Summary

HomeWell Care Services

### How long have you owned and operated your franchise?

|                  |        |
|------------------|--------|
| Less than 1 year | 16.67% |
| 1-3 years        | 33.33% |
| 4-6 years        | 33.33% |
| 7-10 years       | 0.00%  |
| 10 or more years | 16.67% |

### How many units/territories do you currently own?

|          |        |
|----------|--------|
| Single   | 0      |
| 2 Units  | 0      |
| 3 Units  | 50.00% |
| 4 Units  | 16.57% |
| 5+ Units | 33.33% |

### What was your career before purchasing this franchise? (If you were employed by a company please list the name of the company and your role there)

Safeway - Regional Manager Operations

Agency Director - Home Care

I owned a medical Staffing Business for 12 years which I sold in 2019. Also I was a business broker and franchise broker until I noticed this business for sale and then I moved forward on it.

Operations at Kaplan Test Prep spouse: Ethics and Compliance Director at HCA

Multiple consumer fortune 1000 and a finance professional, CFO and CEO. Procter & Gamble, Armstrong World Industries, Starwood Hotels & Resorts

Proactive healthcare communications. Account Manager

### Why did you decide to purchase this franchise?

Growth in the industry and the other known brands were already purchased. Homewell was available and I liked the team I interacted with.

I liked the brand, the franchise was good size (not too big, but growing). Once I met the team I was hooked, great group of people.

I loved the margins. I liked the support staff at HomeWell. I liked that it's a recurring revenue business.

We want the financial freedom. We want control of our lives and our futures. We want to be able to take care of our family members.

### Did you feel you were well prepared to launch your operation after attending training?

Yes 83.33%

No 16.67%

I was not prepared for the state regulations.

**Is the technology provided well supported and current?**

**Yes 100%**

Most is 3rd party provided like WellSky. The training and brand portals that Homewell provides are strong.

**How do you feel about the support and leadership you are getting from your franchisor?**

I am well supported and receive quick, direct responses when I reach out. The network of owners is invaluable and leadership shares good stories, practices, vendors, and knowledge to help others.

Great

Thrilled. We couldn't ask for more support. The responses are fast and thought out. Everyone truly cares about our success, both in business and in our personal lives.

They need more resources to support brand development and digital marketing.

**Does your franchisor encourage a strong team culture and involve franchisees in important company decisions?**

They have gotten much better with this over the past few years. we regularly meet with other owners and brainstorm about problem-solving and best practices.

One of my favorite things about HomeWell is how much they get the franchises together and make us talk to each other. Once we know each other, we form bonds and help each other out. When we all share, nobody has to go through the same struggle somebody else already went through.

They strive to connect and listen. Resources are their limitation.

**Based on your experience with your operation, how long should it take a new franchisee to reach breakeven?(Enough revenue to cover expenses.)**

1 year max. We did it in 6 months.

6 months- 1 year

I'm not totally sure exactly on that. I purchased an existing established franchise.

There is no answer to that. It depends on if they are starting with one person and planning to grow slowly or opening with a team and trying to build something big or doing something in between. It could be 10 months to 3 years. It depends on how much you put into it up front.

Depends how much the owner does personally vs hires for. 18 months.

**Are you earning the net income you planned on?**

**Yes 83.33%**

**No 16.67%**

Not as of yet. We are growing our office sales. I expect to earn the net income I planned on within the next 2 years.

I have invested all in growth into new territories.

**Based on your experience, how much can a franchisee make in:(This is based on your experience only ) (Please put the net figures , if you choose to put gross please put gross beside the amount)**

| Year 1 | Year 2  | Year 3  |
|--------|---------|---------|
| 0-50k  | 50-150k | 75-200k |
| \$50k  | 250k    | 500k    |
| \$30k  | 60-75k  | 110k+   |



0—20k

20-60k

60-150k

\$500k

1mil

2mil

### **What does it take to be successful with this concept?**

Increase referral sources as well as delivering on the promised care.

A genuine love for the business and people (clientele & staff) Treat them like you want them to treat your family.

Marketing to your referral sources so that you continue to grow your client base. Also continuing to hire caregivers to maintain growth with new clients.

A willingness to jump in and do whatever it takes. Willingness to stop whatever you are doing and take care of whatever has to be done.

Hiring the right talent that can manage business and care for seniors. Not all can balance.

110% dedication to this business 7 days a week until you put a team in place that is willing to do the same thing.

### **Knowing what you know now, would you purchase this franchise again?**

Yes 100%

#### **Comments/ things you wish you knew:**

I should have waited to lease the office until I received my license. Control cost prior to opening.

I wish we had worked with a financial advisor from the beginning. We figured since we didn't have income, there was nothing to advise. We were wrong. We could have done things differently. But we are doing them now and it's making a huge difference.

The wage inflation driven by the pandemic has put pressure on pricing and margins. Average wages have gone from \$15-\$20 in my market in 3 years and pricing from \$26 to 38. That puts pressure on demand

State regulations.