

FRANCHISE DISCLOSURE DOCUMENT



Live 2 B Healthy Senior Fitness, LLC
A Minnesota Limited Liability Company
3485 230th St. E.
Prior Lake, Minnesota 55372
651-661-9351
Franchise@Live2BHealthy.com
www.Live2BHealthy.com

We franchise the right to operate a Live 2 B Healthy® Senior Fitness business, which delivers a comprehensive range of senior fitness and wellness services. Each Live 2 B Healthy® franchise provides evidence-based group fitness classes, small group training, and private one-on-one training programs, all designed specifically to meet the unique needs of older adults. These services are offered to residents of senior living communities, senior centers, and other community-based organizations. Franchisees may also provide programs outside of senior communities, including at churches, parks, businesses and individual seniors' homes within your exclusive Protected Territory. Through our proprietary training systems and wellness-focused approach, franchisees promote healthier, more active lifestyles for seniors in a supportive and engaging environment.

If you purchase one Protected Territory, the total investment necessary to begin operation of a Live 2 B Healthy® Senior Fitness franchise is from \$77,185 to \$121,925. This includes from \$71,000 to \$88,500 that must be paid to us. The total investment necessary to begin operations if you buy multiple Protected Territories will ~~be higher~~ increase in the same amount as the increase in your Initial Franchise Fee. Therefore, the ranges of the total estimated initial investment if you purchase more than one Protected Territory will be as follows: if you purchase 2 Protected Territories, \$122,185 - \$166,925; if you purchase 3 Protected Territories, \$157,185 - \$201,925; if you purchase 4 Protected Territories, \$202,185 - \$246,925; and if you purchase 5 Protected Territories, \$222,185 - \$266,925.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact our franchise administration office at 3485 230th St. E., Prior Lake, Minnesota 55372, and telephone number 651-661-9351 .

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "*A Consumer's Guide to Buying a Franchise*," which can help you understand how to use this disclosure document is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

programs; (c) independent personal trainers; and (d) fitness training centers. The market for businesses offering fitness training programs is well developed, but the concept of offering fitness training programs specially designed to improve the well-being of seniors combined with joint marketing programs is not widely developed.

There are no industry specific national regulations applicable to the offering of fitness training services. Many states have laws and regulations applicable to the offering of fitness training services. There are state and federal laws and regulations that regulate the collection of fees. State laws and regulations change from state to state and may affect your operations. You must comply with all applicable laws and regulations.

ITEM 2 **BUSINESS EXPERIENCE**

Cory Czepa – Chief Manager and President

Mr. Cory Czepa is one of our founders and has been our Chief Manager and President and a Governor since our inception. Mr. Czepa created the Live 2 B Healthy® Senior Fitness programs and the Live 2 B Healthy® Senior Fitness business concept. Mr. Czepa has been a certified personal trainer for over 24 years. He has been an owner, officer and director of our affiliate Live 2 B Healthy, Inc. since its inception in December 2003. Mr. Czepa is based in Prior Lake, Minnesota.

Justin Brady – Vice President

Justin Brady has served as Vice President since February 2024. From April of 2020 to February of 2024 he was the President and founder of Brady Drake Consulting. Mr. Brady was the Director of Franchise Systems for SWEAT440 Franchise Systems, LLC from December 2019 to April 2020. He was the Director of Franchise Operations at Title Boxing Club Intl. from June 2018 to December of 2019. He was a Regional Sales and Operations Manager for Orangetheory Fitness from June 2015 to January 2017 and was also a franchise with Orangetheory Fitness from 2014 to 2017. Mr. Brady is based in Stuart, Florida.

Karen McKoy – Franchise Marketing Manager

Karen McKoy joined Live 2 B Healthy in September 2024, bringing over 10 years of marketing experience, specializing in branding, communications, and project management. Karen was Brand Marketing Manager at WOWorks from July 2022 until May 2024 and from December 2013 to June 2022 she was a self-employed Marketing Consultant. ~~She is dedicated to supporting Live 2 B Healthy communities, working diligently to foster meaningful connections and promoting audience growth and engagement.~~ Karen earned her Certified Personal Trainer credential from NASM in December 2024. She is based in Fort Lauderdale, FL.

ITEM 3 **LITIGATION**

No litigation is required to be disclosed in this Item.

ITEM 4 **BANKRUPTCY**

No bankruptcy is required to be disclosed in this Item.

(1) Type of Expenditure	(2) Amount	(3) Method of Payment	(4) When Due	(5) To Whom Payment Is To Be Made
Grand Opening Marketing Package	\$5,000 - \$15,000	Lump Sum	As Incurred	Us or Third Party Vendors
Home Office (Computer) System (Note 6)	\$500 - \$3,000	As Arranged with Suppliers	As Arranged with Suppliers	Approved Suppliers
QuickBooks (Note 7)	\$45 - 200	As Arranged with Suppliers	As Arranged with Suppliers	Third Party Vendors
Insurance (Note 8)	\$100 - \$1,000	As Arranged with Provider	As Arranged with Provider	Insurance Company
Business Licenses and Other Permits Needed for Opening (Note 9)	\$500 - \$3,000	Lump Sum	As Incurred	State/Local Authorities and Third Parties
Rent – Real Estate	(Note 10)	Lump Sum	Typically upon Signing Lease	Landlord
Utility Deposits and Fees	(Note 10)	Lump Sum	Upon Application for Service	Utility Companies
Background Checks on Potential Trainers (Note 11)	\$40 - \$225	Lump Sum	As Incurred	Third Party Vendors
Payments to Contractors, Including Trainers (Note 12)	\$0 - \$5,000	As Agreed with Contractors	As Incurred	Contractors
Additional Funds - first 3 months of operations (Note 13)	\$5,000 - \$15,000	As Agreed with Suppliers	As Incurred In First Three Months	Contractors, Suppliers
TOTAL (Note 14)	\$77,185 - \$121,925 (Note 15)			

We do not offer direct or indirect financing to franchisees for any items. All amounts that you pay to us or our affiliates are nonrefundable. Third party suppliers will decide if payments to them are refundable. None of the amounts above include state or local sales taxes, which you may need to pay. You will be required to pay all taxes, including personal property taxes on your purchases. Unless expressly noted, the amounts stated in this Item 7 refer to your estimated initial investment for the first Protected Territory. If you purchase multiple Protected Territories your initial investment will be higher. See Note 1 below and Items 5 and 6.

Notes:

(1) If you are a veteran, the Initial Franchise Fee for your first Protected Territory will be discounted by \$2,500. If you purchase more than one Protected Territory the Initial Franchise Fee will be as follows: if you purchase 2 Protected Territories, \$100,000; ~~(iii)~~ if you purchase 3 Protected Territories, \$135,000; ~~(iv)~~ if you purchase 4 Protected Territories, \$180,000; and ~~(v)~~ if you purchase 5 Protected Territories, \$200,000. See Items 5 and 12.

(2) You must start paying Royalties for your first Protected Territory 120 days after you execute the Franchise Agreement. The estimate includes 1 to 3 Royalty payments that you may have to make before you start operating your business. If you do not start operations within 7 months from the date of the Franchise Agreement, the actual payments for Royalties before you start operations will be higher.

(14) Most of the figures used in Item 7 are estimates only; we cannot guarantee you will not have additional expenses starting your business. You should review these figures carefully with a business advisor before deciding to purchase the franchise. Your actual costs will depend on factors such as: your management skill, experience and business acumen, local economic conditions, local market for the service provided by the business, competition, prevailing wage rates, and the sales level reached during the initial period. We recommend that you have additional funds available to you in order to fund your business.

(15) These total estimates are if you purchase only one Protected Territory. If you purchase more than one Protected Territory, these estimates will increase in the same amount as the increase in your Initial Franchise Fee (see note (1)). The ranges of the total estimated initial investment if you purchase more than one Protected Territory will be as follows: if you purchase 2 Protected Territories, \$122,185 - \$166,925; if you purchase 3 Protected Territories, \$157,185 - \$201,925; if you purchase 4 Protected Territories, \$202,185 - \$246,925; and if you purchase 5 Protected Territories, \$222,185 - \$266,925.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must maintain and comply with our quality standards. You must use equipment, signage, products, and marketing materials that meet our specifications and standards. We reserve the right to appoint designated suppliers, including ourselves and our affiliates, for certain items and you will have to buy those items from those designated suppliers. You must buy from us or our designated vendors all the operating equipment and supplies and training equipment you will need. Also, you will have to buy all your apparel from a designated supplier. We reserve the right to receive compensation from the designated supplier. We may appoint additional designated suppliers in the future or modify the products or services you must purchase from designated suppliers.

In addition to the items you must purchase from us or from designated suppliers, you must use equipment, fixtures, products, marketing materials and other goods and services that meet our specifications and standards. We will provide you lists of designated and approved suppliers and approved inventory equipment, products, signs, stationery, supplies and other items or services necessary to operate your Live 2 B Healthy® Senior Fitness business. The lists also may include other specific products without reference to a particular manufacturer, or they may set forth the specifications and/or standards for other approved products. We may revise these lists periodically. An affiliate or a third party vendor may be the designated supplier or the only approved supplier for certain products. The only designated or approved supplier in which our officers own an interest is us. Some of the officers listed in Item 2 are part owners of us. Except as disclosed above, as of April 30, 2024, there are no other designated or approved suppliers in which we or our affiliates or any of our officers own an interest.

Except for the items that you must purchase from us or other designated suppliers, you must notify us in writing if you want to use any brand of product, item or supply that is not then approved by us, or to purchase any product from a supplier that is not an approved supplier. You must obtain our written consent prior to proceed to use such product or supplier. Along with a number of other approval criteria, to be an approved supplier, the supplier must have the ability to provide the product and/or service, on a national basis, to at least 75% of the then existing Live 2 B Healthy® Senior Fitness businesses. We maintain written approval criteria. We will make these criteria available to you upon your request. The criteria are also available on our website. We may modify our standards at any time. If requested by us, you must submit samples and other information we require for testing or to otherwise determine whether the product, material or supply, or the proposed supplier meets our specifications and quality standards. We generally will notify you of supplier approval or disapproval within 15-30 days of our receipt of all the information and samples we request. We do not charge any fees to approve a supplier but you must

ITEM 18
PUBLIC FIGURES

We currently do not use any public figure to promote this franchise. No public figure is an owner of us or is involved in our management or control.

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 circumstances.

As of the end of 2024, we had granted 21 Protected Territories that were in operation for at least 12 months. The following tables include revenue data on those Protected Territories:

2024 Gross Sales Performance

Metric	Amount
Total Combined Gross Sales from All 21 Protected Territories	\$2,877,750.63
Average Gross Sales Per Protected Territory	\$137,035.47
<u>Median Gross Sales Per Protected Territory</u>	<u>\$209,732.00</u>
Protected Territory with the Highest Gross Sales	\$712,138.31
Protected Territory with the Lowest Gross Sales	\$28,665.50
Number of Protected Territories Meeting or Exceeding Average Gross Sales	8
<u>Number of Protected Territories Meeting or Exceeding Median Gross Sales</u>	<u>6</u>
Percentage of Protected Territories Meeting or Exceeding the Average	38%
<u>Percentage of Protected Territories Meeting or Exceeding the Median</u>	<u>28.6%</u>

Top 3 Franchisees by Revenue

Market	Total Revenue	Revenue Paid by Insurance	Contract Labor	Revenue Less Contract Labor
Franchise Location 1	\$712,138.31	\$620,945.25	\$259,821.00	\$452,317.31
Franchise Location 2	\$525,147.82	\$338,415.50	\$103,365.30	\$421,782.52
Franchise Location 3	\$347,776.08	\$0.00	\$237,048.13	\$110,727.95
Averages	\$528,354.07	\$319,786.92	\$200,078.14	\$328,275.93
<u>Median</u>	<u>\$525,147.82</u>	<u>\$329,101.21</u>	<u>\$218,563.13</u>	<u>\$375,029.22</u>
Totals	\$1,585,062.21	\$959,360.75	\$600,234.43	38%

Mid 3rd Franchisees by Revenue

Market	Total Revenue	Revenue Paid by Insurance	Contract Labor	Revenue Less Contract Labor
Franchise Location 4	\$339,134.33	\$66,506.00	\$116,234.00	\$222,900.33
Franchise Location 5	\$272,903.75	\$111,960.75	\$145,596.00	\$127,307.75
Franchise Location 6	\$256,393.61	\$90,537.74	\$257,204.68	\$(811.07)
Averages	\$289,477.23	\$89,668.16	\$173,011.56	\$116,465.67

<u>Median</u>	<u>\$281,190.49</u>	<u>\$90,102.95</u>	<u>\$159,303.78</u>	<u>\$121,886.71</u>
Totals	\$868,431.69	\$269,004.49	\$519,034.68	60%

Bottom 3rd Franchisees by Revenue

Market	Total Revenue	Revenue Paid by Insurance	Contract Labor	Revenue Less Contract Labor
Franchise Location 7	\$231,502.03	\$18,525.25	\$113,126.38	\$118,375.65
Franchise Location 8	\$49,703.15	\$2,584.75	\$14,785.00	\$34,918.15
Franchise Location 9	\$28,665.50	\$3,185.50	\$10,468.26	\$18,197.24
Averages	\$103,290.23	\$8,098.50	\$46,126.55	\$57,163.68
<u>Median</u>	<u>\$76,496.69</u>	<u>\$5,642.00</u>	<u>\$30,455.77</u>	<u>\$46,040.91</u>
Totals	\$309,870.68	\$24,295.50	\$138,379.64	45%

Notes:

1. The data includes both franchised and affiliate-owned Protected Territories.
2. "Gross Sales" for purposes of these tables is defined as all revenue received for services provided in the Protected Territory before deductions for any expenses (such as payroll, contract labor, or insurance).
3. Some Protected Territories may have unique operating conditions or pricing strategies that influenced their performance. For instance, the highest performing territory reported \$712,138.31 in gross sales, while the lowest was \$28,665.50.
4. The figures above do not include information on expenses or profits. Profitability can vary significantly depending on how each Protected Territory is operated.

Caution to Prospective Franchisees:

We do not represent that you will achieve these sales figures. Your individual results may differ. There is no assurance you will earn as much. Written substantiation for the financial performance representation will be made available upon reasonable request.

The information on the tables above was prepared by us using information provided by our existing franchisees. We did not audit or otherwise verify the information. The information above is not a forecast of your potential financial performance. You cannot rely just on sales figures in calculating prospective profitability. The profitability of individual businesses depends on several factors including your management skill, experience and business acumen; local economic conditions; the local market for our product; and competition. These factors vary due to individual characteristics of the franchised business.

Other than the preceding financial performance representation, Live 2 B Healthy Senior Fitness, LLC does 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 the franchisor's management by contacting Cory Czepa, our President, 3485 230th St. E., Prior Lake, Minnesota 55372, 651-661-9351, the Federal Trade Commission, and the appropriate state regulatory agencies.

You are responsible for developing your own business plan for your business, including capital budgets, financial statements, projections and other elements appropriate to your circumstances. We encourage you to consult with your own accounting, business, and legal advisors to assist you to identify the

	2024	0	0	0	0	0	0
--	------	---	---	---	---	---	---

Table No. 5

Projected Openings as of April 30, 2025

Column 1	Column 2	Column 3	Column 4
State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Arizona	0	2	0
Florida	0	2	0
Texas	0	2	0
Totals	0	6	0

Exhibit D lists the names of all current franchisees and their address and telephone number, and the name, city and state, and current business telephone number, or if unknown, the last known home telephone number of every franchisee terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or who has not communicated with the franchisor within 10 weeks of the disclosure document issuance date. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last 3 fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise system. There is no franchisee organization associated with the franchise system created, sponsored or endorsed by us. No franchisee organization associated with the franchise system has requested to be included in this disclosure document.

ITEM 21
FINANCIAL STATEMENTS

Exhibit B is a copy of our audited financial statements as of December 31, 2024, containing information for each of the fiscal years ended December 31, 2022, 2023, and 2024, [as well as copies of our unaudited financials for the period from January to April 2025](#). Our audited financial statements have been prepared in accordance with generally accepted accounting principles and audited by Knave CPA, LLP.

ITEM 22
CONTRACTS

A copy of the Franchise Agreement (and all exhibits to it) is attached as Exhibit C. A copy of our Confidential Disclosure Agreement is attached as Exhibit F.

ITEM 23
RECEIPTS

You will find copies of a detachable receipt at the very end of this disclosure document.

STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

This Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

California	
Minnesota	
New York	
Illinois	
Virginia	
Indiana	
Michigan	

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

Summary report:	
Litera Compare for Word 11.3.1.3 Document comparison done on 6/27/2025 11:28:46 AM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original DMS: iw://ecdbb-mobility.imatege.work/FB1/86238705/7	
Modified DMS: iw://ecdbb-mobility.imatege.work/FB1/86238705/8	
Changes:	
<u>Add</u>	29
Delete	31
Move From	0
<u>Move To</u>	0
<u>Table Insert</u>	11
Table Delete	0
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	71