

# Hospitality Specialty Services Franchise Opportunity

**Independent research brief | Prepared October 8, 2026**

A structured review of the Renue Systems franchise concept, investment economics, operating considerations, disclosed historical performance, and principal diligence questions.

| INVESTMENT SNAPSHOT                                       | DISCLOSED FIGURE                                                |
|-----------------------------------------------------------|-----------------------------------------------------------------|
| Initial franchise fee                                     | \$74,500 (Item 5)                                               |
| Initial equipment, chemicals, supplies & training package | \$54,500 (Item 5)                                               |
| Total estimated initial investment                        | \$182,350–\$226,200 (Item 7)                                    |
| Veteran / active military fee reduction                   | 10% off initial franchise fee for eligible individuals (Item 5) |
| FDD issuance date                                         | March 13, 2026                                                  |

Primary source: Renue Systems Development Corp., Inc., 2026 Franchise Disclosure Document (FDD), issued March 13, 2026. Supplementary contextual sources: company Franchise Overview and January 2025 Two Minute Drill supplied for this review. When these sources differ, this report prioritizes the 2026 FDD.

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## 1. Executive summary

The opportunity centers on business-to-business restorative and deep-cleaning services sold primarily to hotels and other commercial properties. Unlike broad-based janitorial services, the offering is specialized work such as carpets, upholstery, draperies, tile and grout, natural stone and related property maintenance. The operating thesis is built around recurring property-maintenance needs, relationships with hospitality decision-makers and a relatively compact field workforce. [FDD Item 1]

The business is positioned as an owner-operated commercial services franchise. The FDD expressly requires full-time participation by the owner and allows manager involvement subject to approval; it should not be presented as inherently passive or absentee. The typical office is home-based, with off-site storage space and vehicle requirements. [FDD Items 7, 8, 15]

## 2. Why the niche may appeal

Industry-specific customer problem. Hotels operate around guests, tight room-turn schedules, cleanliness expectations and sensitive surfaces. Specialized vendors can offer services outside the normal capabilities of housekeeping teams. The company overview cites relationships with hospitality chains and purchasing organizations. The existence, scope, availability and commercial benefit of those relationships for any proposed territory must be checked directly. [FDD Item 1; Franchise Overview pp. 5-12]

Relationship-led commercial sales. Business development involves hotel management relationships, quoting, service scheduling, quality assurance and supervising technicians. This is not simply a purchase of equipment or a passive license; revenue depends on building and retaining accounts in the selected market. [FDD Items 8, 11, 15]

Expansion concept. The company overview identifies targeted U.S. territories. Listed expansion cities should be treated as candidates for availability review, not as confirmed unassigned territories, exclusive metropolitan rights, or promises of a specific customer base. [FDD Item 12; Franchise Overview p. 15]

## 3. Services and operating model

The FDD describes comprehensive deep cleaning, restoration and maintenance services for carpets, drapes, upholstery, mattresses, air conditioners, tile and grout, marble, stone, vinyl composite tile and other surfaces. Franchisees must use approved systems, suppliers and methods. Approved additional products and services may change during the franchise term. [FDD Items 1, 8, 16]

The franchise requires a suitable vehicle, approved equipment and chemicals, a home or other office, storage and trained staff. An initial training program is described as a minimum of 69 hours over seven days, with additional location training typically following. Training travel and living expenses are borne by the franchisee. [FDD Items 7, 11]

## 4. Start-up investment: what the FDD actually says

| ITEM 7 COMPONENT                   | LOW       | HIGH      |
|------------------------------------|-----------|-----------|
| Initial franchise fee              | \$74,500  | \$74,500  |
| Initial equipment/training package | \$54,500  | \$54,500  |
| Vehicle                            | \$30,000  | \$50,000  |
| Additional funds / first 3 months  | \$15,000  | \$25,000  |
| Other start-up categories combined | \$8,350   | \$22,200  |
| TOTAL                              | \$182,350 | \$226,200 |

The “other” row above groups shipping, storage, training wages/travel, computer, insurance, professional fees and licensing; consult the full Item 7 table for each amount. The Item 7 projection is limited primarily to the initial three months and does not include an owner salary or repayment of debt. Expenses can exceed estimates. [FDD Item 7 and notes]

## 5. Continuing financial obligations

| OBLIGATION           | 2026 FDD DETAIL                                                                                                                                               |
|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Royalty              | Year 1: 10% of gross sales; Year 2: greater of 10% or \$1,000/month; Year 3: greater of 10% or \$2,000/month; Year 4 onward: greater of 10% or \$2,500/month. |
| Marketing fund       | Currently 0.5% of gross sales; may increase to 1%.                                                                                                            |
| CRM service          | FDD states currently \$600 per quarter; terms and updates may apply.                                                                                          |
| Other potential fees | Additional training, conventions, transfer, renewal, noncompliance, late payment, approved sourcing and other amounts described in Item 6.                    |

Minimum royalties can remain payable even when sales are weak. Gross sales are not cash received or net profit. The company is not required to guarantee leads or revenue. Review Items 6, 8, 11 and the full franchise agreement. [FDD Items 6, 11]

## 6. Historical system performance — Item 19 only

The historical figures below are transcribed from the 2026 FDD Item 19 disclosures for specified groups of outlets. They are not forecasts, promises, or estimates of what a new franchisee will earn. Figures are based on self-reported outlet data. The reported “gross profit” excludes several costs necessary to operate a business. [FDD Item 19, Tables 1-3]

| 2025 ITEM 19 MEASURE                             | REPORTED                                                       |
|--------------------------------------------------|----------------------------------------------------------------|
| Franchised outlets in 2025 sales tables          | 20 businesses operating through both 2024 and 2025             |
| 2025 mean / median gross sales                   | \$657,806 / \$399,829                                          |
| 2025 low / high gross sales                      | \$145,307 / \$1,871,057                                        |
| 2025 mean / median gross margin                  | 45.1% / 44.5%                                                  |
| 2025 mean / median disclosed gross profit        | \$293,890 / \$186,764                                          |
| Company-owned 2025 gross sales                   | \$1,794,221 (one outlet)                                       |
| Months to first \$100,000 cumulative gross sales | Mean 12 / median 10; 22 eligible franchises, range 4-39 months |

Comparability cautions: The Item 19 2025 sales cohort excludes recently launched or otherwise excluded businesses as defined in the FDD; it is not a representative prediction of a new territory. The reported mean gross sales exceed the median, suggesting material dispersion. Disclosed gross profit deducts labor, equipment/chemical/supply costs and royalties, but does not establish owner earnings, EBITDA, distributable cash or net income. Other overhead, marketing, owner compensation, financing and taxes can materially reduce results. [FDD Item 19 and footnotes]

The FDD also presents 2024-2025 percentage change data; prospective purchasers should review the original tables, sampling criteria, outlet definitions and source substantiation rather than relying on this summary. Ask franchisees about revenue mix, seasonality, accounts receivable, sales pipeline and their actual owner-level cash generation. [FDD Item 19]

## 7. Territory, sales milestones and expansion

The FDD provides a defined “Protected Area,” generally chosen based partly on hotel room supply. However, Item 12 expressly says the franchisee will not receive an exclusive territory and reserves several franchisor and alternative-channel rights. A franchisee may be subject to competition from different brands and channels. Specific boundaries and protections must be read in the signed agreement. [FDD Item 12]

| OPERATING PERIOD | MINIMUM ANNUAL GROSS SALES REQUIREMENT |
|------------------|----------------------------------------|
| Year 1           | \$0                                    |
| Year 2           | \$120,000                              |

| OPERATING PERIOD | MINIMUM ANNUAL GROSS SALES REQUIREMENT |
|------------------|----------------------------------------|
| Year 3           | \$240,000                              |
| Year 4 and later | \$300,000                              |

Failure to satisfy minimum performance requirements can lead to reduced territory, additional training, termination or other contractual remedies, subject to the agreement and law. These thresholds are obligations, not revenue projections. [FDD Item 12]

## 8. Financing: distinguish the different claims

Item 10 states that the franchisor and its agents or affiliates do not offer or guarantee direct or indirect financing for this franchise. The broader information pack mentions possible financing, and notes to the audited financial statements reference historical notes receivable; these statements should not be treated as a current franchise-purchase financing commitment. A separate third-party lender may consider an applicant, but availability, down payment, pricing, collateral, credit review and approval are not assured. [FDD Item 10; Exhibit C notes]

Prospects should separately request written financing terms from an independent lender and build a conservative liquidity plan that allows for lower-than-expected sales, delayed collections, operating expenses, owner living costs and debt service.

## 9. Key risks to evaluate

Financial: capital at risk, ramp-up uncertainty, obligatory recurring fees, cost inflation, labor hiring/retention, collections, required future purchases, potential debt service and the absence of any performance guarantee. [FDD Items 6-8, 19]

Contractual: territory limits; minimum sales performance; approved vendor restrictions; full-time operating requirement; five-year initial term with conditional renewal; restrictions after expiration or termination; arbitration/forum clauses and state-specific addenda. [FDD Items 8, 12, 15, 17]

Commercial: concentration in hotel property budgets, changes in travel patterns, competitive providers and internal hotel labor, customer relationships that may not transfer or result in awarded work, customer pricing and service quality requirements. These are analytical risk factors, not confirmed future events. [FDD Item 1; independent analysis]

## 10. Franchisor system and disclosed operating history

The 2026 FDD reports 25 U.S. franchised outlets and one company-owned outlet at December 31, 2025. The three-year systemwide table reports 26 total outlets at year-end 2023, 25 at year-end 2024, and 26 at year-end 2025. This pattern should be evaluated separately from presentation materials describing broader geography, international locations or serviced hotels. [FDD Item 20]

The FDD includes audited franchisor financial statements for fiscal years 2023–2025 in Exhibit C. The 2025 franchisor statements show \$2,161,773 in operating revenue and \$346,351 in net income. These are franchisor company financial results, not franchisee revenue, earnings or cash flow. A purchaser and advisers should review the entire financial statements including notes, affiliates, management fees and liquidity. [FDD Item 21 / Exhibit C]

## 11. Questions for the discovery call

- Which specific territory boundaries are currently available, and how many hotels/rooms, management companies and target accounts are inside each?
- What services and equipment will be required immediately versus later, and what incremental equipment investment is expected after launch?
- Can the franchisor provide its current state-effective FDD, Item 19 substantiation, standard agreement and relevant state addenda?
- What are realistic staffing, owner time commitments, sales cycle, customer acquisition costs and cash collection times?
- What are the exact economics of preferred-account relationships (access, pricing, contract assignment, fees and renewal)?
- How do the royalty floors, marketing fund, CRM fee, training expenses and additional approved-supplier purchases affect a low-sales case?
- Can the candidate speak with a representative sample of current and former franchisees, including those that ceased operations?
- What terms, if any, could an independent financing source offer, and what cash reserves are advisable beyond Item 7?
- What is the franchisor's current approval process for independent franchise advertising and website material?

## 12. Suggested diligence sequence

Step 1: Obtain the current, applicable state FDD and all contracts directly from the franchisor. Step 2: Validate territory and customer concentration with independent local hospitality research. Step 3: Interview current and former franchisees. Step 4: Build cash-flow and downside scenarios that include owner pay, recurring fees and debt service. Step 5: Review licensing, insurance, tax, employment and legal issues with qualified advisers. Step 6: Only then decide whether to proceed.

## Sources and citation key

Primary controlling document: Renue Systems Development Corp., Inc., 2026 Franchise Disclosure Document, issuance date March 13, 2026, especially Items 1, 5-8, 10-12, 15, 17, 19-21 and Exhibits C-E. All Item numbers within this report refer to that FDD. Supplementary: Renue Systems Franchise Overview (2026), and Two Minute Drill (January 2025), supplied by the requester. No independent market size research, external diligence calls, current state registration check, or third-party performance audit was completed for this report.

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## Seek independent guidance

Prospective franchisees should obtain and read the complete FDD, Item 19 tables and footnotes, all contract exhibits and state-specific addenda; speak with existing and former operators; and obtain advice from their own franchise attorney, accountant and independent lending adviser before committing capital.

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