

Area Development Franchise Contract

This Area Development Franchise Agreement ("Agreement") is entered into on this ____ day of _____, 20__, by and between:

FRANCHISOR: _____

Address: _____

DEVELOPER (FRANCHISEE): _____

Address: _____

1. Grant of Area Development Rights

The Franchisor hereby grants to the Developer the exclusive right to develop and operate [Number] franchise units of the [Franchise Brand Name] within the following area (the "Territory"):

_____.

2. Development Schedule

The Developer agrees to open and operate [Number] franchise units according to the following schedule:

1. Unit 1 by _____

2. Unit 2 by _____

3. Unit 3 by _____

3. Franchise Agreement

For each unit to be opened, a separate Franchise Agreement will be executed under the then-current standard terms of the Franchisor.

4. Development Fees and Royalties

- Development Fee: \$_____ (Non-refundable)
- Franchise Fee (per unit): \$_____
- Ongoing Royalties: _____% of gross sales, payable monthly

5. Obligations of the Developer

- To secure and maintain suitable premises within the Territory
- To follow the Franchisor's system standards and operational procedures
- To operate all units in compliance with Franchise Agreements

6. Term and Termination

This Agreement shall be valid for a period of ____ years from the Effective Date unless terminated earlier in accordance with the terms herein.

7. Miscellaneous

- This Agreement constitutes the entire understanding between the parties.
- No amendment shall be valid unless in writing and signed by both parties.
- This Agreement is governed by the laws of _____.

Franchisor

Date: _____

Developer (Franchisee)

Date: _____