



# Franchise Capital Requirements

## Traditional Restaurants

General Breakdown for:	Lower Cost	Moderate Cost	Higher Cost	Method/When Due
Initial Franchise Fee	\$15,000	\$15,000	\$15,000	When you sign Franchise Agreement
Real Property	2,000	5,000	12,000	When you sign Intent to Sublease or Sublicense
Leasehold Improvements	75,000	150,000	200,000	Pro rata during construction
Equipment	7,500	11,500	15,500	Before we will order equipment
Security System (Not including monitoring)	2,450	2,850	3,550	When you place order
Freight Charge (varies by location)	8,000	10,400	14,000	Prepaid when you order or on delivery
Outside Signage	2,000	4,000	8,000	When you place order
Opening Inventory	4,400	5,225	6,050	Within 1 week of opening
Insurance	1,200	1,500	5,000	Before we will order equipment
Supplies	500	900	1,300	Before opening
Training Expenses (including travel & lodging)	2,500	3,500	4,500	During Training
Legal & Accounting	1,000	2,000	3,500	Before opening
Grand Opening Advertisement	2,000	3,250	4,000	Around opening
Miscellaneous Expenses (business licenses, utility deposits & small equipment)	4,000	6,000	8,000	As required
Additional Funds 3 months	12,000	26,000	42,000	As required
Estimated Total Investment	\$139,550	\$247,125	\$342,400	

We have recently unveiled a new restaurant décor design, "Fresh Forward." The "Fresh Forward" décor will be the required décor and equipment package for all new restaurants and relocations. The cost of construction and all décor elements and the cost of its installation in the restaurant shall be at your sole expense. This estimate does not include costs to ship required décor elements, but as we are in the initial stages of this process, costs cannot be estimated at this time. We anticipate that costs to build-out a non-traditional location will be higher than those indicated in the chart above in this item 7 but lower than the additional costs incurred in connection with the build-out of a traditional location in accordance with the Fresh Forward décor. The costs to build-out a free-standing location with a drive-thru may be substantially higher than those indicated in the chart for a traditional location. In the future, you will be required to remodel all of your existing locations to the "Fresh Forward" décor and equipment package. We exclusively reserve the right to modify any element of the Subway® restaurant décor and equipment package.



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General Breakdown for:	Lower Cost	Moderate Cost	Higher Cost	Method/When Due
Initial Franchise Fee	\$15,000	\$15,000	\$15,000	When you sign Franchise Agreement
Real Property	2,000	5,000	12,000	When you sign Intent to Sublease or Sublicense
Leasehold Improvements	86,000	141,000	186,000	Pro rata during construction
Equipment	4,500	6,500	7,500	Before we will order equipment
Security System (Not including monitoring)	1,000	2,000	5,000	When you place order
Freight Charge (varies by location and method)	5,000	6,000	7,500	Prepaid when you order or on delivery
Outside Signage	2,000	4,500	8,500	When you place order
Opening Inventory	2,500	3,500	5,000	Within 1 week of opening
Insurance	1,000	1,200	1,500	Before we will order equipment
Supplies	600	900	1,500	Before opening
Training Expenses (including travel & lodging)	2,500	3,500	5,000	During Training
Legal & Accounting	1,000	3,000	5,000	Before opening
Grand Opening Advertisement	2,300	2,500	2,700	Around opening
Miscellaneous Expenses (business licenses, utility deposits & small equipment)	5,000	8,000	10,000	As required
Additional Funds 3 months	13,000	28,000	43,000	As required
Estimated Total Investment	\$143,400	\$230,600	\$314,900	

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