

Franchise Capital Requirements

Traditional Restaurants

GENERAL BREAKDOWN FOR :	LOWER COST	MODERATE COST	HIGHER COST	METHOD/ WHEN DUE	TO WHOM MADE
INITIAL FRANCHISE FEE (1)(10)	RS 600,000	RS 600,000	RS 600,000	LUMP SUM Upon signing Franchise Agreement	Us
REAL PROPERTY ** (2)	RS 200,000	RS 450,000	RS 600,000	LUMP SUM When you sign Intent to Lease and License Agreement	Landlord See note 2
LEASEHOLD IMPROVEMENTS	RS 500,000	RS 700,000	RS 1,200,000	AS INCURRED Pro rata during construction	Vendor
EQUIPMENT *** (4)	RS 3,500,000	RS 4,000,000	RS 4,200,000	LUMP SUM When you place order	DAI or vendor
SECURITY SYSTEM (Not including monitoring costs)	RS 40,000	RS 60,000	RS 60,000	LUMP SUM When you place order	Vendor
FREIGHT CHARGES (Varies by location & method)	RS 45,000	RS 50,000	RS 55,000	LUMP SUM When you place order or on delivery	Carrier or FWH
OUTSIDE SIGNS (10)	RS 60,000	RS 80,000	RS 80,000	LUMP SUM When you place order	Vendor or FWH
OPENING INVENTORY	RS 200,000	RS 300,000	RS 400,000	LUMP SUM Within one week of opening	Vendor
INSURANCE (5)	RS 34,000	RS 47,000	RS 52,000	AS INCURRED Before opening	Vendor
SUPPLIES	RS 40,000	RS 80,000	RS 130,000	AS INCURRED Before opening	Vendor
TRAINING EXPENSES (6) (Including travel and lodging)	RS 100,000	RS 100,000	RS 100,000	AS INCURRED During training	Hotel, etc.
LEGAL & ACCOUNTING	RS 50,000	RS 70,000	RS 100,000	LUMP SUM Before opening	Vendor
OPENING ADVERTISMENT (9) (10)	RS 80,000	RS 100,000	RS 250,000	LUMP SUM Around opening	Vendor
MISC. EXPENSES (7) (Business License, utility deposit, small equip. & surplus capital)	RS 100,000	RS 250,000	RS 400,000	AS INCURRED As required	Vendor
ADDITIONAL FUNDS - 3 MONTHS (8)	RS 380,000	RS 750,000	RS 1,000,000	LUMP SUM As required	Note 8
ESTIMATED TOTAL INVESTMENT *** (11)	RS 5,929,000	RS 7,637,000	RS 9,227,000		

*NON-TRADITIONAL

THESE FIGURES ARE ESTIMATES OF THE COMPLETE INVESTMENT IN SETTING UP A SUBWAY® RESTAURANT AND OPERATING IT FOR 3 MONTHS. IT IS POSSIBLE TO EXCEED COSTS IN ANY OF THE AREAS LISTED ABOVE.

Some costs will vary in relation to the physical size of the restaurant. A lower cost restaurant is one that would require fewer leasehold improvements, less seating and fewer equipment expenditures. Moderate and higher costs restaurants may require extensive interior renovations, extensive seating and additional equipment. If you are purchasing a franchise for another location opportunity, such as a non-traditional, satellite or school lunch program location, the above listed capital requirements may vary and could be substantially lower depending upon the necessary equipment you must acquire or changes in leasehold improvements you

