



ESTIMATED INITIAL INVESTMENT

The table below represents the estimated total investment required for the establishment of a Tijuana Flats Tex-Mex restaurant at a location leased by the franchisee. *

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be made
Initial Franchise Fee (1)	\$35,000	Installments if you sign Development Rights Agreement, lump sum if not	Upon signing Development Rights Agreement/Franchise Agreement	Tijuana Flats
Leasehold Improvements (3)	\$300,000 to \$400,000	Lumpsum or progress payments	As needed	Contractors and vendors
Operating Assets (4)	\$250,000 to \$325,000	As Incurred	Before opening	Contractors and vendor's
Sigange	\$10,000 to \$25,000	As Incurred	As suppliers require	Contractors and vendor's
Three (3) months' rent (5)	\$18,000 to \$34,000	As arranged	As landlord requires	Lessor
Security Deposit (5)	\$6,000 to \$11,500	As arranged	As landlord requires	Lessor
Opening Inventory and supplies (6)	\$5,000 to \$10,000	As arranged	As incurred	Suppliers
Grand Opening Marketing (7)	\$15,000 to \$20,000	As arranged	Before opening	Tijuana Flays and advertising suppliers
Training Expense (8)	\$1,500 to \$7000	As Incurred	Before opening	Transportation lines, hotels, restaurants
Miscellaneous opening costs (9)	\$10,000 to \$15,000	As incurred	As required	Contractors and vendor's
Utility deposits	\$250 to \$1,500	As Incurred	As utility provider requires	Utility providers
Business licenses, including liquor license (10)	\$200 to \$10,000	As arranged	As appropriate state/ local authority or 3rd party requires	State/local authorities or third party
Insurance	\$4,000 to \$10,000	As Incurred	As insurance provider requires	Insurance providers
Additional Funds (11)	\$25,000 to \$50,000	As Incurred	As incurred	Tijuana Flats and 3rd parties
Total Estimated Initial Investment (12)	\$679,000 to \$954,000			

* Costs represented do not take into account developing non-traditional restaurants or purchasing real property.