



## ESTIMATED INITIAL FRANCHISE INVESTMENT

Item	Estimated Amount	Paid To	Due Date	Refundable
Initial Franchise Fee	\$25,000	J's	Upon signing Franchise Agreement	No
Initial Training Expenses <sup>1</sup>	\$2,000	J's and your suppliers	As required by your suppliers	No
Initial Inventory of Food, Paper Products and Misc. Supplies	\$5,000	Your suppliers	As required by suppliers	Usually not refundable
Construction and Leasehold Improvements <sup>2</sup>	\$45,000 - \$65,000	Your suppliers	As required by suppliers	Usually not refundable
Equipment, POS and Exhaust Package <sup>3</sup>	\$44,000	Your suppliers	As required by suppliers	Usually not refundable
Lease Negotiation and other Legal Expenses	\$2,000	Your attorney	As required by attorney	No
Space Lease Security Deposit	Varies <sup>5</sup>	Your lessor	As required by Lease	As established by Lease
Insurance	\$2,500	Your insurance broker	Normally payable in installments	Usually not refundable
Uniforms	\$700	Your suppliers	As required by suppliers	Usually not refundable

<sup>1</sup> The expenses include the travel and living costs of you or your personnel participating in J's training. Travel expenses will by necessity vary depending upon where you or your participating personnel are located.

<sup>2</sup> The estimate given is for a 1,500 square foot leased retail strip center location and may not be relevant to other types of locations. Factors that may significantly affect the costs of leasehold improvements include (a) the condition of the existing space, (b) the nature of the previous tenant, (c) the configuration of the space, and (d) the geographic location of the restaurant.

<sup>3</sup> This estimate covers the cost of standard kitchen equipment, exhaust package, and the point of sale and inventory control system. The estimate may not cover all equipment required by law, local regulations or your lease. Additional equipment may be required resulting in substantial additional cost to you.

<sup>5</sup> A typical J's restaurant is between 1,000 and 1,500 square feet and located in a retail strip center or other high traffic and visibility location. Your rent will vary depending on such factors as the actual square footage, condition and desirability of the location and overall condition and requirements of the center.

<b>Item</b>	<b>Estimated Amount</b>	<b>Paid To</b>	<b>Due Date</b>	<b>Refundable</b>
Advertising <sup>6</sup>	\$1,800	Your suppliers	As required by suppliers	Usually not refundable
Utility Deposits, Business Licenses, and Prepaid Expenses	\$2,000	Your suppliers	As required by suppliers	Usually not refundable
Additional Funds -- Three Months <sup>7</sup>	\$15,000	Your suppliers	As required by suppliers	Usually not refundable
<b>TOTAL<sup>8</sup></b>	<b>\$145,000 - \$165,000</b>			

### **Franchise Team**

Founder and CEO  
 President and COO  
 Chief Financial Officer  
 General Counsel  
 Franchise Development

Jonathan Kelley  
 Kenneth Pross  
 David Kelley  
 G.P. "Butch" Velie  
 Executive Team

Please contact our Franchise Team to learn more about this opportunity

J's Pizza Market  
 8812 Tyler Blvd.  
 Mentor, OH 44060  
 Phone: 440-255-5827  
 Email: [FDD@jspizzamarket.com](mailto:FDD@jspizzamarket.com)

<sup>6</sup> You are required to spend at least 2% of your gross revenues on advertising. See Item 11.

<sup>7</sup> These expenses include payroll costs but do not include rent, which varies too greatly to be estimated with any accuracy, nor royalty fees or marketing fund fees payable to J's since those are dependent upon gross revenues which J's cannot predict. J's has based its estimate of necessary additional funds on the experience of its officers.

<sup>8</sup> These figures are estimates and J's cannot guarantee that you will not have additional expenses. Your costs will depend on factors beyond J's control including your management skill, your experience and business acumen, local economic conditions, local demand for our products; the prevailing wage rate; competition and your sales levels. While J's relied on its experience in compiling these estimates, you should review these figures carefully with a business advisor before making any decision to purchase. J's does not offer direct or indirect financing for any items and these figures do not include any interest or other payments required as a result of your financing any of these expenses with a bank or other lender. The availability and terms of financing will depend on factors such as the availability of financing generally, your credit worthiness, collateral you may have and lending policies of financial institutions from which you may request a loan.