

ITEM 7

INITIAL INVESTMENT

The following chart describes other payments required by the SHS Franchise Agreement and a summary of estimated costs associated with opening and operating the Restaurant during the first 3 months. All fees and payments are non-refundable, unless otherwise stated or permitted by the payee.

Description of Fee Expense	Estimated Costs	Method of Payment	When Due	To Whom Made
Initial Franchise Fee ¹	\$25,000	Lump Sum	When you sign the Franchise Agreement	SHS
Lease Deposit ²	\$4,000 – \$15,000	Lump Sum	Monthly	Landlord
Leasehold Improvements ³	\$26,500 – \$99,800	As Agreed	As Incurred	SHS or Supplier
Equipment, Fixtures and Furnishing ⁴	\$65,000 – \$125,000	Lump Sum	As Incurred	SHS or Supplier
Permits & Licenses ⁵	\$500 – \$2,000	As Incurred	As Incurred	Governmental Authorities
Signs ⁶	\$3,000 – \$7,500	As Agreed	As Incurred	SHS or Supplier
Prepaid Insurance Premium ⁷	\$2,000	Lump Sum	As Incurred	Insurance Carrier/Broker
Initial Inventory and Miscellaneous Supplies ⁸	\$6,000 – \$9,000	Cash on Delivery	As Incurred	SHS or Supplier
Grand Opening Advertising ⁹	\$5,000 – \$8,000	Lump Sum	30 Days Prior to Opening	SHS or Supplier
Training ¹⁰	\$0 – \$2,000	As Incurred	As Incurred	Suppliers
Utility Costs and Deposits ¹¹	\$500 – \$1,500	As Agreed	As Agreed	Utility and Telephone Companies
Additional Funds - 3 months ¹²	\$10,000 – \$25,000	As Incurred	As Incurred	Your Employees, Suppliers and Creditors
Total	\$155,200 – \$321,800			