

Franchisee Establishment Costs

What are the establishment costs ?

The cost to establish a new (Greenfield's) Cobb & Co restaurant for fitout is currently estimated at approximately \$460,000 (plus GST). A detailed breakdown of these costs is included in the confidential information supplied in the steps outlined above. *(NB, the above costs represent a 400m2 development, and costs do vary significantly from development to development).*

The franchisee is solely responsible for their own financing including cost of construction, improvements, equipment and fixtures. Cobb & Co has formed a franchising relationship with a number of the major trading banks, who recognise the Cobb & Co business system, as an established and proven model. It is expected that the Franchisee will provide at least fifty percent of unencumbered equity.

In a typical new Establishment, total set up costs may be:

Restaurant Fitout Costs:	\$460,000
Royalty Payment:	\$50,000
Cash Flow:	\$30,000
Total:	\$540,000.

