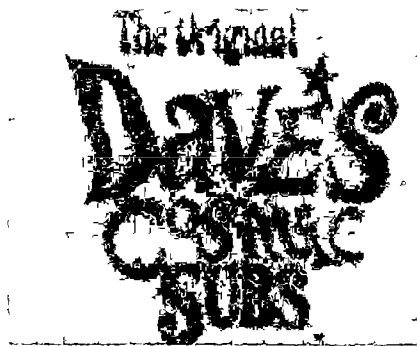


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DEPARTMENT OF
BUSINESS OVERSIGHT
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**FRANCHISE DISCLOSURE DOCUMENT
FOR PROSPECTIVE FRANCHISEES**

DaveMar Corporation
An Ohio corporation
P.O. Box 626
Chagrin Falls, Ohio 44022
(440) 223-2218
www.davescosmicsubs.com

The franchisee will own and operate a unique rock 'n' roll subs restaurant with a limited menu

The total investment necessary to begin operation of a single Original Dave's Cosmic Subs location is \$212,500 to \$455,000 This includes \$25,000 that must be paid to franchisor These sums do not include rent and charges for the business location

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English Read this disclosure document and all accompanying agreements carefully You must receive this disclosure at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale Note, however, that no governmental agency has verified the information contained in this document

The terms of your contract will govern your franchise relationship Don't rely on the disclosure document alone to understand your contract Read all of your contract carefully Show your contract and this disclosure document to an advisor, like a lawyer or an accountant

Buying a franchise is a complex investment The information in this disclosure document can help you make up your mind More information on franchising, such as "[A Consumer's Guide to Buying a Franchise](#)," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 20580 You can also use the FTC's home page at www.ftc.gov for additional information Call your state agency or visit your public library for other sources of information on franchising

There may also be laws on franchising in your state Ask your state agencies about them

Issuance Date January 2015

{K04919472}

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DaveMar California FDD 2015

ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

CATEGORY OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS PAID
Initial Franchise Fee ⁽¹⁾	\$25,000	Lump Sum	Upon opening of Franchise Outlet	Us
Real Property ⁽²⁾	\$5,000 - \$10,000	Lease	As Arranged	Lessor
Architectural Fees ⁽³⁾	\$6,000 - \$15,000	As Arranged	As Arranged	Architect
Leasehold Improvements ⁽⁴⁾	\$65,000 - \$250,000	As Arranged	As Arranged	Contractor
Equipment/Furniture & Fixtures/ Signage/ POS / Security / Sound System ⁽⁵⁾	\$82,000 - \$85,000	As Arranged	As Arranged	Vendors
Grand Opening Assistance ⁽⁶⁾	\$2,500	Lump Sum	30 Days before opening	Us
Supplies, Travel and Living Expenses Associated With Initial Training ⁽⁷⁾	\$10,000 - \$20,000	As Arranged	As Arranged	Suppliers of Food, Lodging, Transportation
Start-up Inventory/ Supplies ⁽⁸⁾	\$8,000 - \$15,000	As Arranged	As Arranged	Suppliers
Misc Deposits ⁽⁹⁾	\$1,000 - 3,500	As Arranged	As Needed	Suppliers
Additional Funds - 3 Months ⁽¹⁰⁾	\$5,000 - 25,000	As Arranged	As Needed	Suppliers/ Employees
Insurance	\$3,000 - \$4,000	Lump Sum	Annual Premium	Insurance Company

TOTAL \$212,500.00 TO \$455,000.00 (Does not include real estate costs)⁽¹¹⁾

NOTES

- 1 The initial franchise fee, which is nonrefundable, is discussed in detail in Item 5
- 2 You will need approximately 1000-2000 square feet Space with seating is preferred but carry-out only is possible The cost per square foot of commercial space varies considerably depending upon the location and market conditions affecting commercial property We estimate the rental cost per square foot per year to be anywhere from \$10 00 to \$30 00 but would like to keep total annual rent to less than \$20,000 00 These costs may not be refundable
- 3 Architectural fees may vary from state to state
- 4 You will need to comply with all architectural, mechanical and structural systems and specifications required by us These estimates should be used only as a guide Your actual costs may vary considerably depending on the size of the Restaurant, the cost of local financing and other local conditions, including labor, material costs, and architectural fees
- 5 You must purchase or lease certain items of equipment, including signs, POS System, display cases, ovens, air conditioning and exhaust units, sinks, coolers, freezer, office equipment, shelving, signs, counters, banners, awnings, and pictures These costs may not be refundable
- 6 This includes training, assistance and counseling from us regarding your opening of the Restaurant, and arranging for certain grand opening advertising, which may include print, direct mail pieces, signs, electronic media, and billboards This includes seven (7) days at Chagrin Falls location and five (5) days of Assistance which consists of two (2) days before opening and three (3) days after opening Paid by Franchisee
- 7 We provide an instructor(s) and instructional materials for the initial training, but you will need to arrange for transportation, lodging, and food (or, if you are a corporation or partnership, one of your principals) and any employees and any wages for employees The cost will depend on the distance the attendees must travel and the type of accommodations the attendees choose The Franchisee is responsible for its transportation, lodging and food expenses including any wages that are required to be paid to its employees
- 8 We estimate that the range given will be sufficient to cover initial supplies of products for one week
- 9 We estimate that you will have to pay deposits on such items as utilities, insurance, phones, first month rent and cost of all legal and/or accounting fees
- 10 This estimates your initial start up expenses These expenses include payroll costs These figures are estimates We cannot guarantee that you will not have additional expenses You will need to have on hand sufficient capital to cover salaries for approximately 2-4 employees, some of which will be part-time employees You must be prepared to reorder supplies as necessary and to cover the cost of utility bills
- 11 These ranges and estimates were prepared based on our experience, and that of our principals
- 12 The majority of fees are likely non-refundable with the exception of pre-payments, return items, and deposits in which the conditions have been fulfilled

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