



FRANCHISE INVESTMENT

Papa Murphy's Estimated Store Opening Cost*

Investment	Low	High
Franchise Fee**	\$15,000	\$25,000
Deposit for Utilities/Lease	\$2,500	\$6,000
Leasehold improvements	\$46,200	\$115,500
Architectural drawings	\$2,500	\$4,200
Signage	\$5,000	\$10,000
Franchise Premises Rent – 3 months	\$3,975	\$14,985
Opening Package (including Equipment & Supplies), décor, cabinets, point-of-sale system and small wares	\$85,000	\$135,000
Inventory	\$5,000	\$7,000
Initial Advertising	\$30,000	\$35,000
Materials & Supplies	\$500	\$2,000
Travel & Living Expenses While Training	\$1,280	\$17,750
Employee Training	\$500	\$1,500
Insurance-3 months	\$375	\$1,175
Bookkeeping/Payroll Services	\$1,500	\$1,600
Additional Funds (working capital & living expenses)	\$10,000	\$20,000
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	\$209,330	\$396,710
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*Please refer to Papa Murphy's June 2011 Franchise Disclosure Document in Item 7 for more detail.

** Franchise Fee is reduced to \$15,000 on subsequent stores as disclosed in Item 7 of Papa Murphy's Franchise Disclosure Document.

Variations in investment cost are typically a result of choices made by the franchise owner and the location and size of the store. Some franchise owners participate in the actual construction of the store, resulting in lower leasehold improvement costs.