

ITEM 7 - ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is to Be Made
Initial Franchise Fee	\$27,500	Lump Sum	When you sign the Franchise	JDog Franchises, LLC
H2 Hummer, Jeep Wrangler or Approved Pickup or SUV ¹	\$0.00-\$30,000	Lump Sum or financed	As Incurred	Car owner/dealer
Trailer 6'x12' high side utility trailer with 6' walls ²	\$2,000 -\$6,000	Lump Sum	As Incurred	Trailer owner/dealer
Equipment carts/dollies, misc. ³	\$500 - \$750	Lump Sum	As Incurred	Supplier
Permits & Licenses ⁴	\$200 – \$750	As Incurred	As Incurred	Governmental Authorities
Signage-vehicle wrap	\$3,000 - \$6,000	As Agreed	As Incurred	Supplier
Prepaid Insurance Premium ⁵	\$1,200 - \$3,000	As required by Vendor	As required by Vendor	Insurance Carrier/Broker
Cell phone/computer/software ⁶	\$500 - \$1,500	As Incurred	As Incurred	Supplier
Professional Fees	\$500 - \$2,000	As Incurred	As Incurred	Various
Travel, accommodations and meals during Initial Training ⁷	\$300 - \$3,000	As Incurred	As Incurred	Various
Office Furnishings ⁸	\$0 - \$2,500	As incurred	As Incurred	Suppliers

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is to Be Made
Rent/Security Deposit ⁸	\$0 - \$5,000	As required by landlord	As required by landlord	Landlord (if any)
Initial Marketing Fee ⁹	\$3,000 - \$6,000	As Incurred	Used within 30 days before and/or after your opening date.	Kept in account and verification of expenditures as requested
Additional Funds 3 months ¹⁰	\$3,000 - \$10,400	As Incurred	As Incurred	Various
Total¹¹	\$41,700 - \$104,400			

¹ H2 Hummer or Jeep Wrangler are recommended but other pickups or SUVs with appropriate hauling capacity are acceptable. Vehicle may be purchased or financed. If you choose to finance, you may have deposits and/or down payments but you would reduce your upfront cash requirements. All vehicles must be pre-approved and must contain same standard graphics

² Estimate, subject to changes and regional variations in the market for such items. Prospective Franchisee is strongly encouraged to research the current cost of such items in the intended market area. Low estimate assumes a used double axle trailer. High estimate assumes a new dump trailer. Any trailer must meet our minimum standards as outlined in our operations manual.

³ Estimate, subject to changes and regional variations in the market for such items. Prospective Franchisee is strongly encouraged to research the current cost of such items in the intended market area.

⁴ The cost of permits and licenses are specific to the Franchisee's selected state and local government. The cost provided is strictly an estimate and a prospective Franchisee is strongly encouraged to research governmental requirements for their specific area

⁵ This three month estimate is based on monthly fees ranging from \$400 to \$1,000. Insurance premiums may vary based on the Franchisee previous claim history and/or their selected area of operations for their Franchised Business.

⁶ You must have a dedicated laptop computer with internet access and must license or purchase the scheduling software we designate and Quickbooks financial management software. You must also have a cell phone with a separate phone number for accepting business calls.

⁷ This estimate includes travel to and from the training location, food and hotel accommodations for you and up to one (1) employee for six (6) days and six (6) nights.

⁸ You may choose to, but are not required to lease a designated office space from which to run your junk removal Business. We estimate that you will require a minimum of 350 square feet of dedicated space to operate computer and telephone equipment and maintain records. We do not have any specific requirements for the quality and condition of this space, but it must have reliable telecommunications and/or internet access, and should be such that you will be able to properly organize and maintain your customer and business records. If you do choose to secure separate office space, you will need to furnish the office, pay rent and in some cases make a security deposit with the landlord. These costs vary according to area and the quality of the space and furnishings.

⁹ You must expend the Initial Marketing Fee in the 30 days prior to through the first 30 days of operation of the Franchised Business on marketing and promoting your Franchised Business in the Territory. \$3,000 is the minimum requirement; however we may recommend a higher amount in certain markets, based on costs and conditions in your area.

¹⁰ The estimate of additional funds for the initial period of your junk removal business is based on estimated operating expenses for the first three months of operation. The Franchisor relied upon his experience operating a J Dog Junk Removal location for approximately 3 years. Factors such as cost of living, cost of rental space, and cost of hiring additional help can all play a role in calculating this figure. The additional funds required will vary by the area and depending on whether you choose to hire a helper, the relative effectiveness of you and your helper, whether you choose to rent office space, and the monthly rent and expenses associated with such space.

¹¹ We do not provide direct financing for any part of your initial investment. For information on assistance we may provide in your effort to secure third party financing, please refer to Item 10 of this Disclosure Document.