

business acumen; local economic conditions; the local market for our services; the prevailing wage rate; competition; and the occupancy level reached during the initial period.

21. Estimated Initial Investment. ~~Your estimated initial investment will vary widely in each individual situation based on the size and the physical condition of the property, fixtures, equipment, furnishings, furniture, signage, and similar items already present on the property.~~ You should review these figures carefully with a business advisor before making any decision to purchase the franchise. Except as otherwise described above, all payments are non-refundable. We do not offer financing for any part of your initial investment. We do not estimate the cost of real estate due to wide variations among geographic areas and different sites. The typical HomeTowne Studios requires approximately two acres of land. The typical Dual Brand Hotel requires approximately two to two and a half acres of land depending on set backs and building codes.

TYPE OF EXPENDITURE	AMOUNT (LOW)	AMOUNT (HIGH)	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Application Fee/Initial Franchise Fee (Note 1)	\$35,000	\$35,000	Lump Sum	\$5,000 Application Fee due upon submission of Application and \$30,000 due upon execution of the Franchise Agreement	HTS
Opening Package (Note 2)	\$2,500	\$2,500	Lump Sum	Prior to Opening	HTS
Landscaping (Note 3)	\$0	\$44,000	As arranged	Prior to Opening	Contractors & Vendors
Facility Renovation (Note 4)	\$117,000	\$475,000	As arranged	Prior to Opening	Contractors, Subcontractors, Construction Managers, Vendors
Furniture, Fixtures, Soft Goods and Equipment (Note 5)	\$120,000	\$417,000	As Ordered	Prior to Opening	Vendors
Guest Wi-Fi System (Note 6)	\$0	\$25,000	Lump Sum	Prior to Opening	Vendors
Signage (Note 7)	\$6,500	\$56,000	Lump Sum	Prior to Opening	Installers & Vendors