

Franchise resale: brand costs outside the price

Use the proposed agreements and written transfer conditions. This worksheet does not calculate the whole acquisition budget or determine whether a contractual fee is enforceable. Do not include a seller-only cost unless the buyer actually bears or reimburses it.

Purchase price: _____. Seller credit actually agreed: _____. Agreement transferred or new agreement: _____. Confirmed franchise expiry: _____. Confirmed lease expiry: _____. Conditional extensions, separately: _____.

Transfer-triggered item	Party invoiced / party ultimately paying	Total buyer cash payable	Included in an existing budget line? Exact overlap only	Payment deadline	Refund / release conditions
Transfer payment					
Required training					
Travel / accommodation / coverage for training					
Location-specific brand refresh					
Other required transfer work					
Refundable security					

Record the quote and condition behind each amount. Use cash payable including applicable taxes/charges, or add them in explicit separate rows. Do not assume a tax recovery. Unknown amounts remain unknown; do not total them as zero. Keep recurring royalty/advertising/software costs in the operating forecast.

Worked hypothetical, dollars

Price 480,000; transfer 8,000; training 4,000; travel 2,000; refresh 60,000; refundable security 5,000. Assume all are buyer-funded, no seller credit initially, no receipt offsets, no financing and security not released during the illustrated spending period. These are not any brand's fees.

Non-refundable transfer/refresh subtotal = $8,000 + 4,000 + 2,000 + 60,000 = 74,000$.

Price plus that subtotal = 554,000. Security adds 5,000 of tied-up cash: total paid before release 559,000.

Illustrated payment sequence: by completion $480,000 + 8,000 + 4,000 + 2,000 + 5,000 = 499,000$; afterward refresh 60,000 brings cumulative paid to 559,000. Actual deadlines may require different instalments. This is not a claim that every purchase cost waits until completion.

Overlap test: earlier budget had price 480,000 plus 10,000 flooring = 490,000. If that exact flooring is included in the 60,000 refresh, revised comparable non-refundable subtotal 554,000 increases by 64,000, not 74,000. Do not add flooring again. If it is outside the refresh, add it separately and remove the overlap deduction.

Seller credit test: an agreed 20,000 completion credit reduces by-completion cash to 479,000 and cumulative cash including security to 539,000. The full 60,000 refresh still needs to be performed and paid. Release of the 5,000 security later would reduce net cash outflow but must not be assumed before its conditions are satisfied.

Specify the actual upgrade

Work and location: _____. Standard/version required: _____. Included/excluded items: _____. Quote/supplier restrictions: _____. Who accepts completion: _____. Due before transfer or afterward: _____. Required licensing/building/landlord permissions: _____. Effect on operating rooms/hours: _____.

If only 24 months of operating term are confirmed, $60,000 / 24 = 2,500$ per month as a simple capital-recovery comparison. At 60 months it is 1,000. This is not depreciation, a loan payment or profit; it excludes financing cost and residual value. A conditional renewal is not confirmed term.

Current legal starting points: [BC Franchises Act, section 5](#), including conditional resale disclosure exemptions; [Franchises Regulation disclosure requirements](#). Use the exact transaction to establish the disclosure and consent paths before signing or paying.