

RESTAURANT STARTUP COSTS

Restaurant startup costs can vary widely depending on your location, restaurant size and type, whether you lease or own, build from scratch or renovate an existing space, and buy a franchise or operate independently, among many other factors—including who you hire to do the work. Use this checklist as a general starting point, and fill it in as you research and negotiate actual costs for your specific project.

EXPENSE	COST RANGE	ESTIMATED COST
FEES		
<input type="checkbox"/> Articles of incorporation	\$1,000 - \$5,000 total	
<input type="checkbox"/> Federal Employer Identification Number (FEIN) application		
<input type="checkbox"/> Sales tax number application		
<input type="checkbox"/> Domain name registration		
<input type="checkbox"/> Trademark/patent registration		
<input type="checkbox"/> Market research		
<input type="checkbox"/> Franchise fees	\$0 - \$50,000	
PROFESSIONAL SERVICES		
<input type="checkbox"/> Legal services	\$2,500 - \$20,000	
<input type="checkbox"/> Architect/engineer	\$5,000 - \$25,000	
<input type="checkbox"/> Foodservice consultant	\$0 - \$15,000	
<input type="checkbox"/> Interior designer	\$0 - \$15,000	
<input type="checkbox"/> Accountant/bookkeeping	\$500 - \$30,000	
<input type="checkbox"/> Graphic designer (logo, branding)	\$500 - \$5,000	
<input type="checkbox"/> Menu development/food costing	\$0 - \$5,000	
LICENSES		
<input type="checkbox"/> Business license	\$30 - \$500	
<input type="checkbox"/> Liquor license and server cards	\$500 - \$14,000	
<input type="checkbox"/> Foodservice license and food handler cards	\$100 - \$1,000	
<input type="checkbox"/> Outdoor patio permit	\$0 - \$5,000	
LOCATION EXPENSES		
<input type="checkbox"/> Purchase down payment/lease security deposit/rent deposits	\$5,000 - \$150,000	
<input type="checkbox"/> Monthly rent*/purchase loan payment	\$2,000 - \$10,000	
<input type="checkbox"/> Utility deposits (gas, electric, water/sewer, waste collection)	\$2,000 - \$10,000	
BUILD-OUT COSTS		
<input type="checkbox"/> Permits	\$500 - \$100,000	
<input type="checkbox"/> Construction	\$50 - \$300 per sq. ft.	
<input type="checkbox"/> Kitchen equipment	\$75,000 - \$150,000	
<input type="checkbox"/> Lighting/fixtures	\$5,000 - \$50,000	
<input type="checkbox"/> Furniture/decor	up to \$100,000	
EXTERIOR FINISHES		
<input type="checkbox"/> Landscaping	\$0 - \$20,000	
<input type="checkbox"/> Parking lot paving/stripping	\$0 - \$10,000	
<input type="checkbox"/> Outdoor lighting	\$1,000 - \$10,000	
<input type="checkbox"/> Signage	\$500 - \$15,000	
<input type="checkbox"/> Patio furniture/fixtures	\$0 - \$5,000	

*Base rent; some landlords may also charge a percent of sales.

**Small restaurant staff: general manager, assistant manager, bar manager, chef. Large restaurant: general manager, restaurant manager, assistant general manager, bar manager, chef, sous-chef, kitchen manager.

***Includes bonus pay, paid leave and health insurance.

EXPENSE	COST RANGE	ESTIMATED COST
INITIAL OPERATING COSTS		
<input type="checkbox"/> Food/liquor inventory	\$5,000 - \$25,000	
<input type="checkbox"/> Cleaning supplies	\$500 - \$1,500	
<input type="checkbox"/> Smallwares	up to \$10,000	
<input type="checkbox"/> Uniforms	\$0 - \$10,000	
<input type="checkbox"/> Menus	\$50 - \$1,500	
PRE-OPENING EXPENSES		
<input type="checkbox"/> Staff training	\$0 - \$20,000	
<input type="checkbox"/> Food inventory	\$2,000 - \$5,000	
<input type="checkbox"/> Advertising	\$0 - \$5,000	
<input type="checkbox"/> Soft Opening	\$5,000 - \$25,000	
<input type="checkbox"/> Grand Opening	\$2,000 - \$25,000	
LABOR		
<input type="checkbox"/> Managers**	\$126,000 - \$565,000	
<input type="checkbox"/> Hourly employees	\$2 - \$15 per hr.	
<input type="checkbox"/> Benefits	\$0 - 17.5% of wages per employee***	
<input type="checkbox"/> Taxes on wages and benefits	7.65%	
ADMINISTRATIVE		
<input type="checkbox"/> Insurance Deposits	\$2,000 - \$6,000	
<input type="checkbox"/> Bookkeeping	\$0 - \$2,000	
MONTHLY EXPENSES		
<input type="checkbox"/> Utilities	\$1,500 - \$2,500	
<input type="checkbox"/> Phone	\$100 - \$500	
<input type="checkbox"/> Internet/website hosting	\$50 - \$500	
<input type="checkbox"/> Television/media	\$0 - \$150	
<input type="checkbox"/> Credit card processing	2.87% - 4.35% per transaction	
<input type="checkbox"/> Linens/laundry	\$0 - \$2,000	
<input type="checkbox"/> Office supplies/postage/printing	\$0 - \$500	
TECHNOLOGY		
<input type="checkbox"/> BOH management/inventory system and software	\$0 - \$2,500	
<input type="checkbox"/> POS system	\$0 - \$30,000	
<input type="checkbox"/> Website design/development	\$0 - \$5,000	
<input type="checkbox"/> Mobile app development	\$0 - \$5,000	
MARKETING		
<input type="checkbox"/> Graphic design	\$0 - \$5,000	
<input type="checkbox"/> Advertising	\$0 - \$2,000 per month	
<input type="checkbox"/> Public relations	\$0 - \$10,000	
<input type="checkbox"/> Other marketing (such as events, other promotion)	N/A	
OTHER COSTS		
<input type="checkbox"/> Employment advertisements	\$0 - \$1,000	
<input type="checkbox"/> Office supplies and printing expenses	\$2,000 - \$10,000	
<input type="checkbox"/> Sound/AV system	\$0 - \$20,000	
<input type="checkbox"/> Music license fees	\$0 - \$4,000	
<input type="checkbox"/> Security system	\$0 - \$3,000	
<input type="checkbox"/> Phone system	\$250 - \$2,500	
<input type="checkbox"/> Ongoing professional fees (legal, accounting)	\$0 - \$500 per month	
<input type="checkbox"/> Janitorial service (general cleaning)	\$.05 - \$.20 per sq. ft.	
CAPITAL AND CONTINGENCY		
<input type="checkbox"/> Working capital	3 - 6 months operating exp.	
<input type="checkbox"/> Contingency fund (for cost overruns)	10% - 15% of construction budg.	

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