



**DG**  
**DEUTSCH**  
CONTRACTING GROUP

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## **1.0 Executive Summary**

Deutsch Contracting Group LLC (“the Company”) will provide a wide range of general contracting services for homeowners and commercial property owners within Redmond, Washington. The Company was founded this year by Matthew Deutsch, a licensed general contractor. Full scale revenue generating operations are expected to commence in the first quarter of next year. The Company is currently seeking a \$200,000 line of credit to commence operations.

### **Operations**

Through its comprehensive operations, the Company will be able to provide a wide range of services specific for the needs of any residential or commercial property owner in Redmond and King County. The Company will specialize in completing home repairs, bathroom renovations, kitchen renovations, new additions, finished basements, and all other services related to this discipline of contracting.

A substantial portion of the Company’s work will be completed directly by the business’ employees. In addition to directly employing construction professionals, the Company will work with numerous subcontractors on an as needed basis. Management expects to generate contribution margins of 60% on each engagement.

The third section of this general contractor business plan will further discuss the services offered by Deutsch Contracting Group.

### **The Financing**

The \$200,000 sought in this document will allow the business to acquire the necessary operating assets to provide exceptional general contracting service services to the King County public. The Company is currently seeking this funding as a line of credit so that it can be drawn down on an as needed basis. Matthew Deutsch will contribute \$100,000 towards the venture, which will be principle used for working capital purposes.

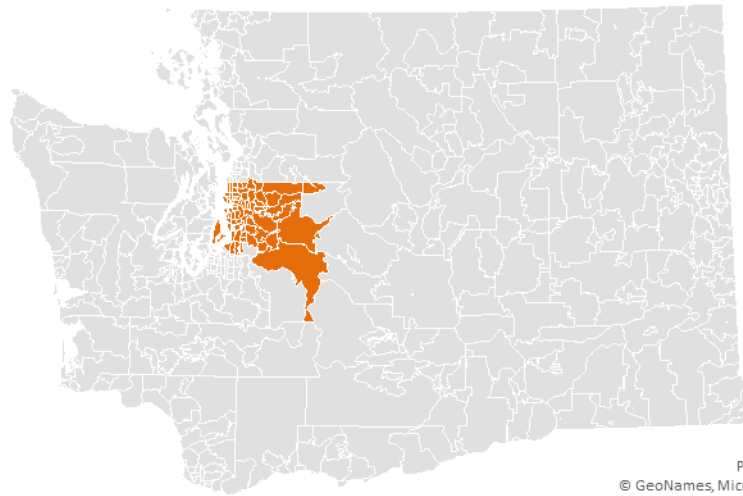
The Company would be a strong candidate for ongoing expansion capital given the economically secure nature of its operations. As will be one of the themes throughout this document, Redmond and the King County area is a wealthy market within the State of Washington. The demand for ongoing general contracting services will remain strong, even during challenging economic climates.

### **The Future**

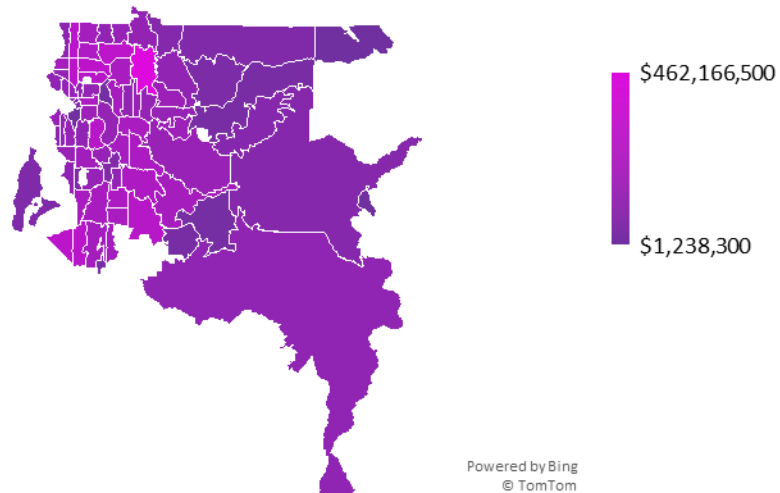
The Company will continue to hire additional construction professionals that will work on behalf of the business in order to engage in larger scale general contracting projects throughout King County. The business may also expand its operations to include work that would otherwise be completed by a subcontractor, including roofing and the installation of HVAC systems.

## Market Overview

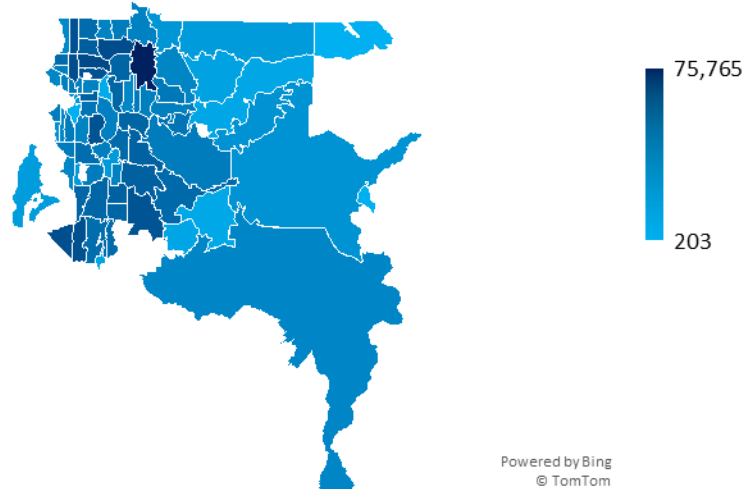
### Target Market Area



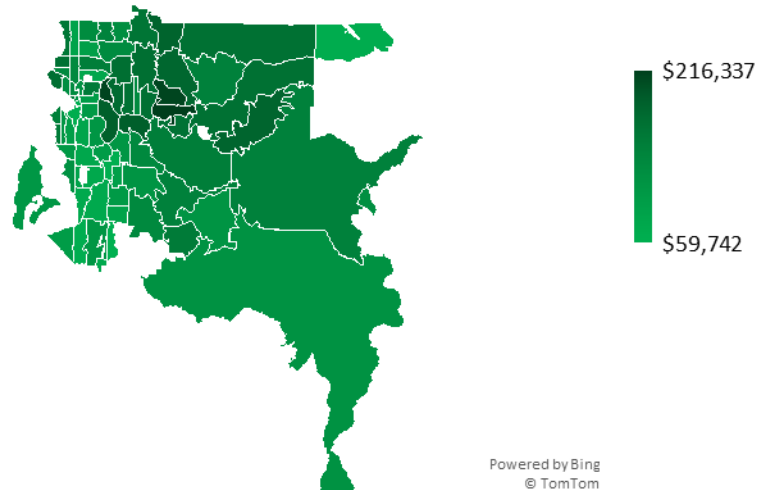
### Target Market Area Demand (by Zip Code)



### Target Market Area Population (by Zip Code)



### Target Market Area Household Income

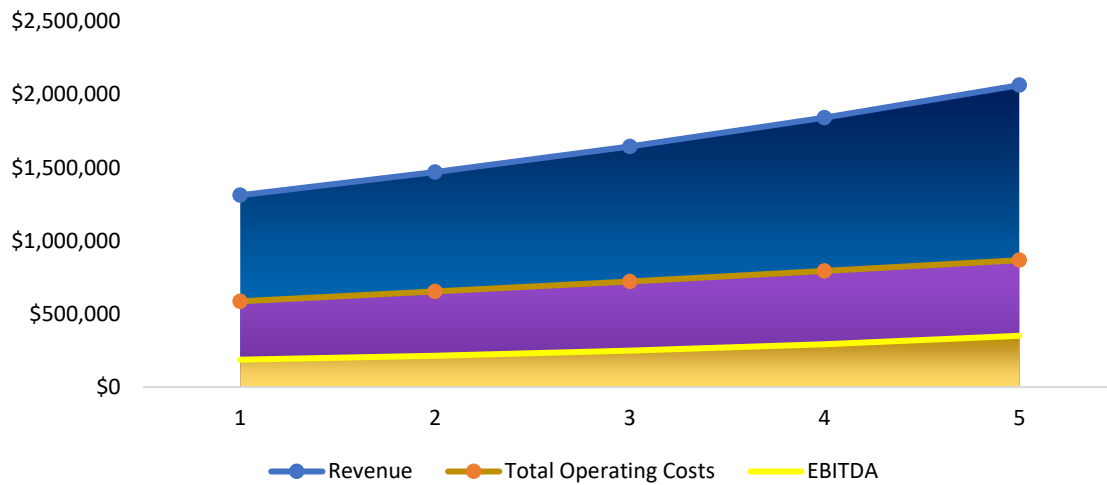


As of 2026, the estimated population of Redmond is 82,000 residents. The median household income is \$162,000. It is part of King County, which has a population base of 2.3 million people. Countywide, the median household income is \$122,000. The total demand for general contracting and construction services in this market is \$13.4 billion on a per annum basis.

## Revenue Forecasts

Proforma Profit and Loss					
Year	1	2	3	4	5
<b>Revenue</b>	\$1,311,300	\$1,468,656	\$1,644,895	\$1,842,282	\$2,063,356
Cost of Revenue	\$537,210	\$601,675	\$673,876	\$754,741	\$845,310
<b>Gross Profit</b>	\$774,090	\$866,981	\$971,018	\$1,087,541	\$1,218,046
Total Operating Costs	\$586,505	\$653,197	\$722,133	\$793,465	\$867,362
<b>EBITDA</b>	<b>\$187,585</b>	<b>\$213,783</b>	<b>\$248,885</b>	<b>\$294,076</b>	<b>\$350,684</b>

### Revenue, Operating Costs, EBITDA



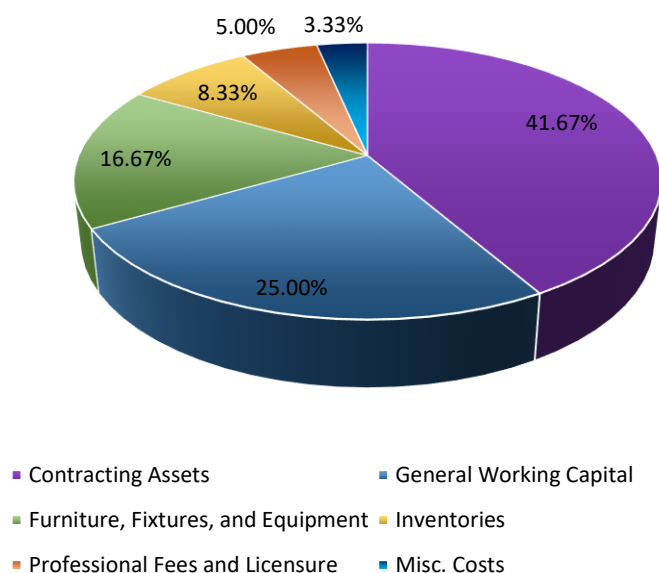
## 2.0 The Financing

### 2.1 Funds Required

The \$200,000 of debt and \$100,000 of equity will be allocated towards the following:

Use of Funds	
Contracting Assets	\$125,000
General Working Capital	\$75,000
Furniture, Fixtures, and Equipment	\$50,000
Inventories	\$25,000
Professional Fees and Licensure	\$15,000
Misc. Costs	\$10,000
<b>Total</b>	<b>\$300,000</b>

Use of Funds Overview



### 2.2 Management and Investor Equity

Matthew Deutsch pertains a 100% ownership interest in Deutsch Contracting Group LLC.

### 2.3 Exit Strategies

Given the economically secure nature of the King County market, there would be an immense demand among other contracting businesses to absorb the operations of Deutsch Contracting Group. Matthew Deutsch intends to operate this business for a significant period of time. In the event that he wishes to retire or relocate, the Company will retain a business valuation expert in order to determine the fair market value of Deutsch Contracting Group. From there, the Company will undertake the necessary steps to market the business to an appropriate buyer.



### 3.0 Operations

The Company will generate significant amount of revenue from the ongoing major projects that will be undertaken by the business. As noted earlier, this will include bathroom renovations, kitchen renovations, interior painting, exterior painting, home additions, and the finishing of basements. Each project is expected to generate \$5,000 to \$50,000 depending on the scope and scale of the project.

One the key focuses of the Company's operations will be to provide exceptional workmanship so that the business is able to receive ongoing referrals from prior clients in the King County market. Over the next five years, the Company will continue expand the number of employees at the business has, especially as it relates to individuals that have a unique specialty within the field of construction.

A major potential growth avenue for the Company will be the integration of HVAC system services, roofing services, and other types of specialty subcontracting that can be directly rendered by the staff.

## **4.0 Overview of the Organization**

### **4.1 Registered Name**

Deutsch Contracting Group LLC. The business is registered as a limited liability company in the State of Washington.

### **4.2 Commencement of Operations**

The Company will commence operations in the first quarter of next year.

### **4.3 Mission Statement**

To provide cost-effective general contracting solutions to the King County public.

### **4.4 Vision Statement**

To become a widely recognized and respected contracting and construction firm in this market.

### **4.5 Organizational Objectives**

- Properly retain construction professionals that will render services to the Company's clients.
- Established ongoing referral relationships with real estate brokers that will recommend that their clients use the Company's services when general contracting services are needed.
- Adhere to all laws and regulations regarding general contracting services within the State of Washington.
- Continue to expand the types of construction services that can be sourced through Deutsch Contracting Group.
- Provide gainful employment opportunities that are upwardly mobile to the Company's staff.

## 5.0 Market and Industry Analysis

### 5.1 External Environmental Analysis

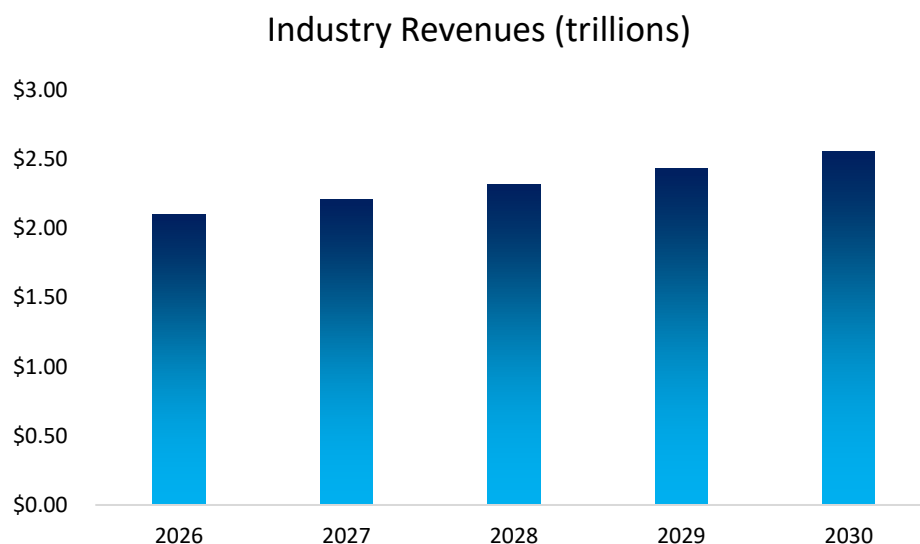
This section of the general contractor business plan will discuss the current economic climate, the competition that the business will face in King County, the demographic profile, and the industry.

At this time, the economic climate with the United States is evolving. Over the past twelve months, as a result of changing trade policies, inflation has increased at a rate that is higher than anticipated. Numerous government agencies, including the US Federal Reserve and the US Department of Treasury, are implementing proper fiscal policy in order to address the issues with inflation.

The business will be able to maintain this profitability given the enormous wealth of the King County market. This area is home to numerous corporations, and there is a significant number of individuals who earn an excess of \$100,000 per year. As these individual individuals are less swayed by challenging economic climates, the Company's services will remain in demand.

### 5.2 Industry Analysis

There are three million companies that are actively involved in providing general contracting and construction service services to the general public. These businesses produced \$2.1 trillion of revenue per year and the industry employs four million people as a whole.



The growth of this industry will remain similar to that of the growth of the economy as a whole. This is a highly stable industry that is the backbone of the US economy. One of the major trends within this industry is the integration of the latest in home technology while

also focusing on energy efficient construction services. Deutsch Contracting Group will integrate these trends into its operations throughout the life of the business.

### **5.3 Customer Profile**

Among clients, the following profile is noted:

- Annual household income of \$100,000 to \$400,000+
- Will spend \$5,000 to \$50,000 per general contracting engagement
- Lives within 50 miles of the Deutsch Contracting Group location

### **5.4 Competitive Analysis**

Given the substantial population density of King County, there will be a significant amount of competition that Deutsch Contracting Group will face as it establishes its operations. Foremost, the Company intends to operate as a full spectrum provider of general contracting services. This will allow both residential property owners and commercial property owners to source all of their contracting needs through one entity. The business will also be able to maintain its pricing competitiveness via streamlined business operations.



## **6.0 Key Strategic Issues**

### **6.1 Sustainable Operations**

Deutsch Contracting Group will have sustainable operations as a result of the following:

- The Company is providing end to end construction solutions that are offered on a cost-effective basis.
- A highly experienced CEO, Matthew Deutsch, that is a properly licensed contractor with years of experience.
- The business will have numerous subcontractors available to rent render specialized services were needed.
- The Company can scale operations easily into other markets in the State of Washington given the population density of the state.

### **6.2 Basis of Growth**

The Company will expand via the following methods:

- Continued hiring of construction professionals that have a diverse range of expertise in a number of different contracting disciplines.
- Expansion of operations with a focus on larger scale commercial engagements.
- Expansion of operations to include other population dense markets in Washington State.

## 7.0 Marketing Plan

### 7.1 Marketing Objectives

- Maintain extensive referral relationships with real estate brokerages in the King County market.
- Use multiple forms of online advertising, including search engine optimization to create brand awareness in King County.
- Operate as a community minded enterprise that provides gainful employment opportunities to the Company's staff, which will elevate the profile of the Company.

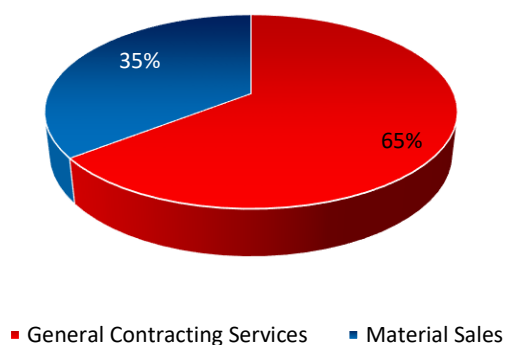
### 7.2 Revenue Forecasts

Yearly Sales Forecast					
Year	1	2	3	4	5
General Contracting Services	\$846,000	\$947,520	\$1,061,222	\$1,188,569	\$1,331,197
Material Sales	\$465,300	\$521,136	\$583,672	\$653,713	\$732,159
<b>Totals</b>	<b>\$1,311,300</b>	<b>\$1,468,656</b>	<b>\$1,644,895</b>	<b>\$1,842,282</b>	<b>\$2,063,356</b>

Gross Profit					
Year	1	2	3	4	5
<b>Total</b>	<b>\$774,090</b>	<b>\$866,981</b>	<b>\$971,018</b>	<b>\$1,087,541</b>	<b>\$1,218,046</b>

### Revenue Generation



### 7.3 Revenue Assumptions

#### Year 1

- Deutsch Contracting Group will commence operations in the beginning of next year.
- Revenue will reach \$1.3 million.

## Year 2

- The Company will expand its contracting capabilities.
- Revenue will reach \$1.4 million.

## Years 3-5

- By Year 5, the Company will have become a widely respected general contractor in King County.
- Revenue will reach \$2 million.

## 7.4 Marketing Strategies

Foremost, Matthew Deutsch will leverage his existing relationships with real estate brokerages as well as construction firms within the target market. As he has been involved in the contracting industry in this market for over a decade, there is a substantial opportunity to generate initial revenues through direct outreach campaigns. This will be complemented by the continued relationship development operations among real estate brokers. As many real estate brokers and agents often recommend that properties undergo repairs prior to their sale, Management sees a significant opportunity to develop these types of relationships in the coming years.

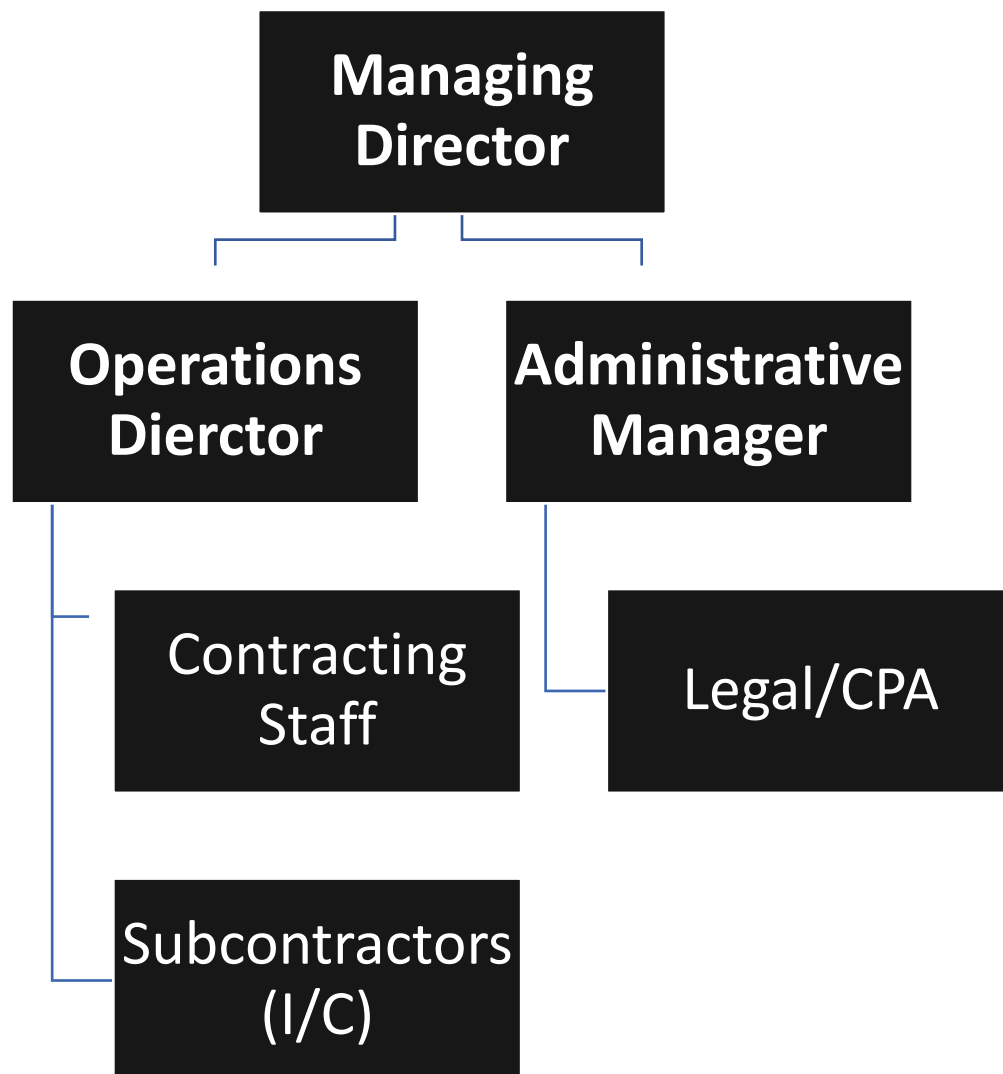
The business will maintain a proprietary website that showcase is major projects that have been undertaken by the business. The platform will also feature extensive information regarding the scope and scale of services that can be sourced through Deutsch Contracting Group. This platform will undergo significant engine optimization specific for Redmond in the King County market.

The Company will also maintain extensive relationships with subcontractors in this market for referrals as well as for direct business relationships. This will further elevate the visibility of Deutsch Contracting Group while positioning it as a trusted provider of general contracting services.

The business will also have a number of videos created that showcase the end-to-end general contracting solutions that can be provided. These videos will be uploaded to major video sharing networks including YouTube.

## 8.0 Organizational Plan

### 8.1 Organizational Hierarchy



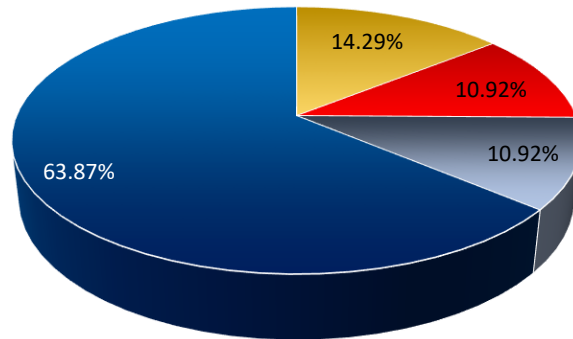


## 8.2 Personnel Costs

Personnel Plan - Yearly					
Year	1	2	3	4	5
Managing Director	\$85,000	\$85,850	\$86,709	\$87,576	\$88,451
Administrative Manager	\$65,000	\$65,650	\$66,307	\$66,970	\$67,639
Operations Director	\$65,000	\$65,650	\$66,307	\$66,970	\$67,639
Contracting Staff	\$190,000	\$239,875	\$290,729	\$342,575	\$395,430
<b>Total</b>	<b>\$405,000</b>	<b>\$457,025</b>	<b>\$510,050</b>	<b>\$564,090</b>	<b>\$619,159</b>

Numbers of Personnel (Year End Headcount)					
Year	1	2	3	4	5
Managing Director	1	1	1	1	1
Administrative Manager	1	1	1	1	1
Operations Director	1	1	1	1	1
Contracting Staff	4	5	6	7	8
<b>Total</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>

### Personnel Summary



- Managing Director
- Administrative Manager
- Operations Director
- Contracting Staff

## 9.0 Financial Plan

### 9.1 Underlying Assumptions

- Matthew Deutsch will invest \$100,000 of equity to establish operations.
- The company will acquire a \$200,000 revolving line of credit.
- Deutsch Contracting Group will achieve a compounded annual growth rate of 12%.

### 9.2 Financial Highlights

- The business will achieve contribution margins of 59% on general contracting engagements.
- The business will directly employ staff, which will ultimately reduce cost in a long run.

### 9.3 Sensitivity Analysis

As discussed throughout the document, the King County market is both wealthy and population dense. The demand for general contracting services, including those specific for home improvement projects in this market is significant. The Company will be able to tightly control its underlying operating cost to ensure that the business is able to remain profitable at all times.

### 9.4 Source of Funds

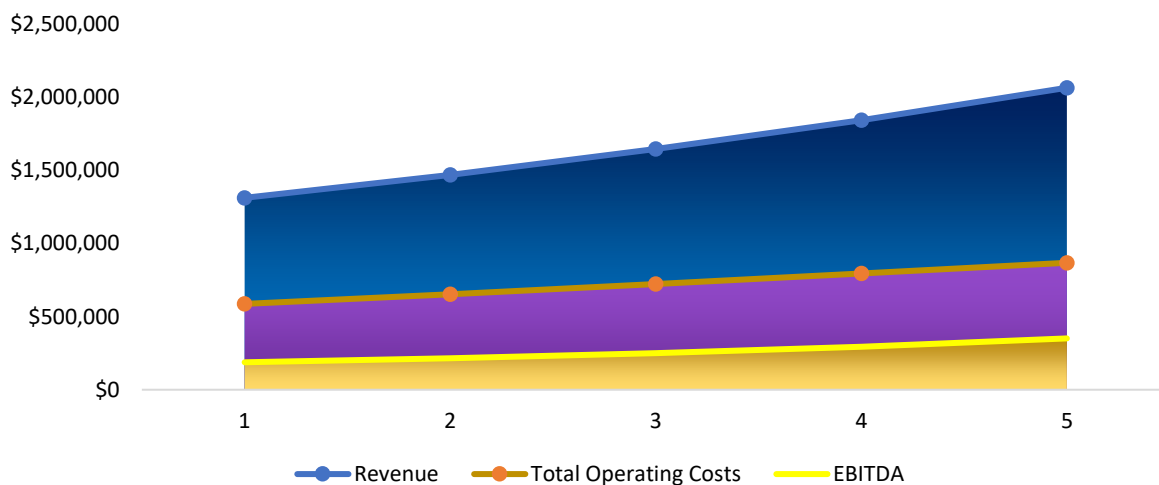
Financing	
<b>Equity</b>	
Equity Capitalization	\$100,000.00
<b>Total Equity Financing</b>	<b>\$100,000.00</b>
<b>Banks and Lenders</b>	
Revolving Credit Facility	\$200,000.00
<b>Total Debt Financing</b>	<b>\$200,000.00</b>
<b>Total Financing</b>	<b>\$300,000.00</b>

## 9.5 Financial Proformas

### A) Profit and Loss Statement

Proforma Profit and Loss					
Year	1	2	3	4	5
<b>Revenue</b>	\$1,311,300	\$1,468,656	\$1,644,895	\$1,842,282	\$2,063,356
Cost of Revenue	\$537,210	\$601,675	\$673,876	\$754,741	\$845,310
Gross Margin	59.03%	59.03%	59.03%	59.03%	59.03%
<b>Gross Profit</b>	\$774,090	\$866,981	\$971,018	\$1,087,541	\$1,218,046
<b>Expenses</b>					
Payroll	\$405,000	\$457,025	\$510,050	\$564,090	\$619,159
Facility Costs	\$22,500	\$22,725	\$22,952	\$23,182	\$23,414
General and Administrative	\$28,849	\$32,310	\$36,188	\$40,530	\$45,394
Professional Fees and Licensure	\$15,000	\$15,150	\$15,302	\$15,455	\$15,609
Insurance	\$20,000	\$20,200	\$20,402	\$20,606	\$20,812
Marketing	\$39,339	\$44,060	\$49,347	\$55,268	\$61,901
Business Development	\$15,000	\$15,750	\$16,538	\$17,364	\$18,233
Misc. Costs	\$9,835	\$11,015	\$12,337	\$13,817	\$15,475
Payroll Taxes	\$30,983	\$34,962	\$39,019	\$43,153	\$47,366
<b>Total Operating Costs</b>	<b>\$586,505</b>	<b>\$653,197</b>	<b>\$722,133</b>	<b>\$793,465</b>	<b>\$867,362</b>
<b>EBITDA</b>	<b>\$187,585</b>	<b>\$213,783</b>	<b>\$248,885</b>	<b>\$294,076</b>	<b>\$350,684</b>
Federal Income Tax	\$39,644	\$46,307	\$55,212	\$66,654	\$80,970
State Income Tax	\$7,929	\$9,261	\$11,042	\$13,331	\$16,194
Interest Expense	\$15,508	\$14,378	\$13,155	\$11,830	\$10,395
Depreciation Expenses	\$13,500	\$14,175	\$14,884	\$15,628	\$16,409
<b>Net Profit</b>	<b>\$111,004</b>	<b>\$129,661</b>	<b>\$154,592</b>	<b>\$186,632</b>	<b>\$226,715</b>
<b>Profit Margin</b>	<b>8.47%</b>	<b>8.83%</b>	<b>9.40%</b>	<b>10.13%</b>	<b>10.99%</b>

Revenue, Operating Costs, EBITDA



## B) Common Size Income Statement

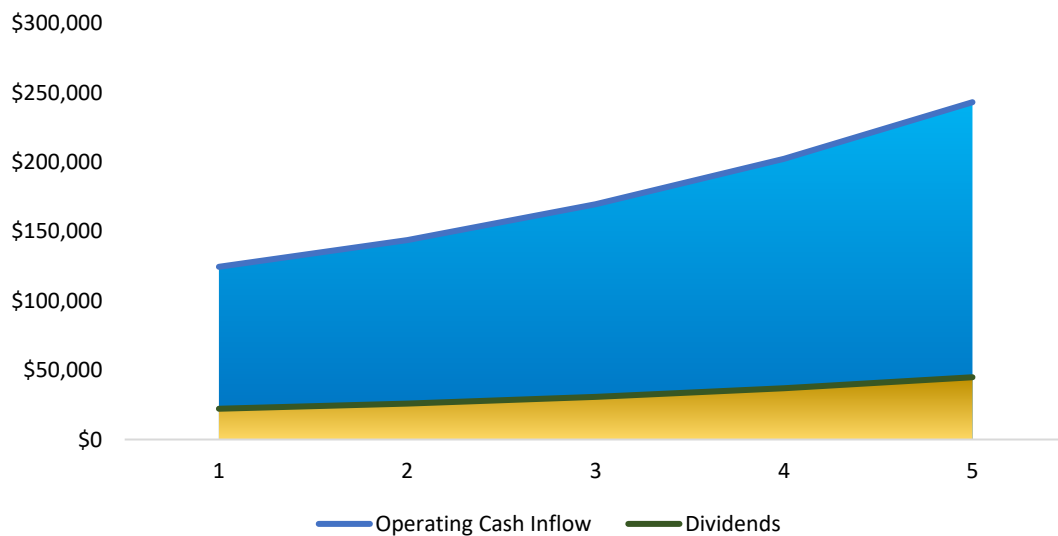
Proforma Profit and Loss (Common Size)					
Year	1	2	3	4	5
<b>Revenue</b>	100.00%	100.00%	100.00%	100.00%	100.00%
Cost of Revenue	40.97%	40.97%	40.97%	40.97%	40.97%
<b>Gross Profit</b>	59.03%	59.03%	59.03%	59.03%	59.03%
<b>Expenses</b>					
Payroll	30.89%	31.12%	31.01%	30.62%	30.01%
Facility Costs	1.72%	1.55%	1.40%	1.26%	1.13%
General and Administrative	2.20%	2.20%	2.20%	2.20%	2.20%
Professional Fees and Licensure	1.14%	1.03%	0.93%	0.84%	0.76%
Insurance	1.53%	1.38%	1.24%	1.12%	1.01%
Marketing	3.00%	3.00%	3.00%	3.00%	3.00%
Business Development	1.14%	1.07%	1.01%	0.94%	0.88%
Misc. Costs	0.75%	0.75%	0.75%	0.75%	0.75%
Payroll Taxes	2.36%	2.38%	2.37%	2.34%	2.30%
<b>Total Operating Costs</b>	44.73%	44.48%	43.90%	43.07%	42.04%
<b>EBITDA</b>	14.31%	14.56%	15.13%	15.96%	17.00%
Federal Income Tax	3.02%	3.15%	3.36%	3.62%	3.92%
State Income Tax	0.60%	0.63%	0.67%	0.72%	0.78%
Interest Expense	1.18%	0.98%	0.80%	0.64%	0.50%
Depreciation Expenses	1.03%	0.97%	0.90%	0.85%	0.80%
<b>Net Profit</b>	8.47%	8.83%	9.40%	10.13%	10.99%



## C) Cash Flow Analysis

Proforma Cash Flow Analysis - Yearly					
Year	1	2	3	4	5
Cash From Operations	\$124,504	\$143,836	\$169,476	\$202,260	\$243,125
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$124,504</b>	<b>\$143,836</b>	<b>\$169,476</b>	<b>\$202,260</b>	<b>\$243,125</b>
<b>Other Cash Inflows</b>					
Equity Investment	\$100,000	\$0	\$0	\$0	\$0
Increased Borrowings	\$200,000	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$1,000	\$1,050	\$1,103	\$1,158	\$1,216
<b>Total Other Cash Inflows</b>	<b>\$301,000</b>	<b>\$1,050</b>	<b>\$1,103</b>	<b>\$1,158</b>	<b>\$1,216</b>
<b>Total Cash Inflow</b>	<b>\$425,504</b>	<b>\$144,886</b>	<b>\$170,579</b>	<b>\$203,418</b>	<b>\$244,340</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$13,610	\$14,740	\$15,964	\$17,289	\$18,723
A/P Decreases	\$700	\$735	\$772	\$810	\$851
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$200,000	\$71,918	\$84,738	\$101,130	\$121,562
Dividends	\$22,179	\$25,819	\$30,703	\$36,994	\$44,880
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$236,489</b>	<b>\$113,212</b>	<b>\$132,176</b>	<b>\$156,223</b>	<b>\$186,017</b>
<b>Net Cash Flow</b>	<b>\$189,015</b>	<b>\$31,674</b>	<b>\$38,403</b>	<b>\$47,195</b>	<b>\$58,323</b>
<b>Cash Balance</b>	<b>\$189,015</b>	<b>\$220,688</b>	<b>\$259,091</b>	<b>\$306,286</b>	<b>\$364,609</b>

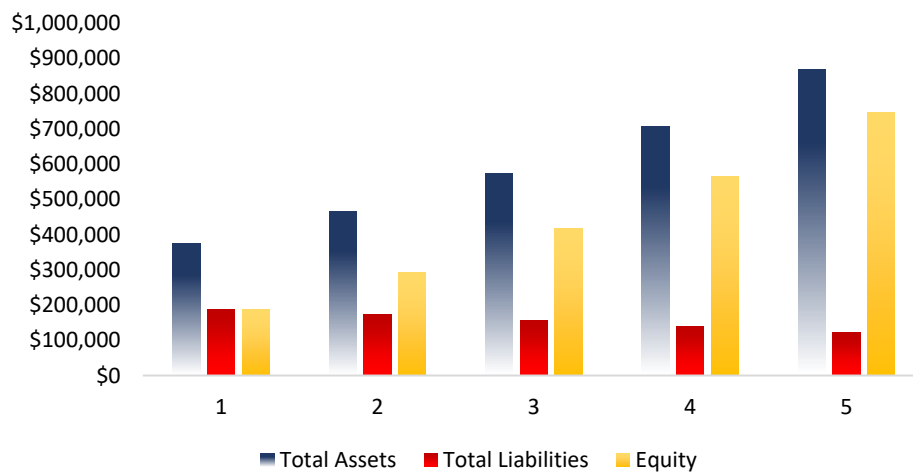
### Cash Flow Analysis



## D) Balance Sheet

Proforma Balance Sheet - Yearly					
Year	1	2	3	4	5
<b>Assets</b>					
Cash	\$189,015	\$220,688	\$259,091	\$306,286	\$364,609
Fixed Assets	\$200,000	\$271,918	\$356,656	\$457,786	\$579,349
Accumulated Depreciation	(\$13,500)	(\$27,675)	(\$42,559)	(\$58,187)	(\$74,596)
<b>Total Assets</b>	<b>\$375,515</b>	<b>\$464,931</b>	<b>\$573,188</b>	<b>\$705,885</b>	<b>\$869,361</b>
<b>Liabilities and Equity</b>					
Accounts Payable	\$300	\$615	\$946	\$1,293	\$1,658
Long Term Liabilities	\$186,390	\$171,649	\$155,686	\$138,397	\$119,674
Other Liabilities	\$0	\$0	\$0	\$0	\$0
<b>Total Liabilities</b>	<b>\$186,690</b>	<b>\$172,264</b>	<b>\$156,632</b>	<b>\$139,690</b>	<b>\$121,331</b>
<b>Equity</b>	<b>\$188,825</b>	<b>\$292,667</b>	<b>\$416,557</b>	<b>\$566,195</b>	<b>\$748,030</b>
<b>Total Liabilities and Equity</b>	<b>\$375,515</b>	<b>\$464,931</b>	<b>\$573,188</b>	<b>\$705,885</b>	<b>\$869,361</b>

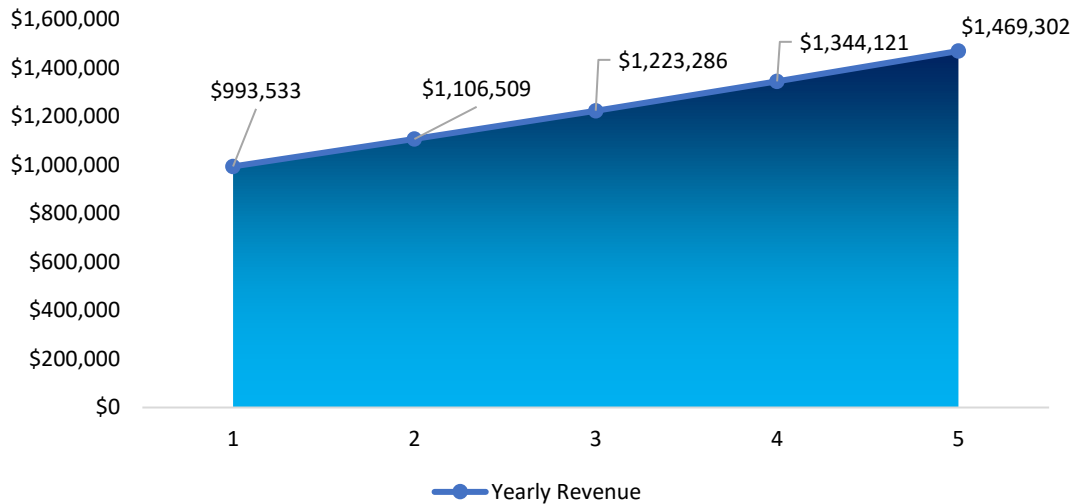
Balance Sheet



## 9.6 Breakeven Analysis

Break Even Analysis					
Year	1	2	3	4	5
Monthly Revenue	\$82,794	\$92,209	\$101,940	\$112,010	\$122,442
Yearly Revenue	\$993,533	\$1,106,509	\$1,223,286	\$1,344,121	\$1,469,302

### Breakeven Analysis



## 9.7 Business Ratios

Business Ratios - Yearly					
Year	1	2	3	4	5
<b>Revenue</b>					
Sales Growth	0.0%	12.0%	12.0%	12.0%	12.0%
Gross Margin	59.0%	59.0%	59.0%	59.0%	59.0%
<b>Financials</b>					
Profit Margin	8.47%	8.83%	9.40%	10.13%	10.99%
Assets to Liabilities	2.01	2.70	3.66	5.05	7.17
Equity to Liabilities	1.01	1.70	2.66	4.05	6.17
Assets to Equity	1.99	1.59	1.38	1.25	1.16
<b>Liquidity</b>					
Acid Test	1.01	1.28	1.65	2.19	3.01
Cash to Assets	0.50	0.47	0.45	0.43	0.42

## **Appendix A – SWOT Analysis**

### **Strengths**

- By operating in a general contracting capacity, the Company will be able to offer and complete solutions to its clients.
- The business can easily integrate other types of construction disciplines into its operations.
- The Company will be able to scale throughout Washington State as the business expands.
- The business will enjoy multiple types of revenue, which will contribute to the economic stability of the business.

### **Weaknesses**

- There are very large number of general contractors in the King County market.
- Moderately a high payroll cost as the Company is retaining exceptional construction professionals.

### **Opportunities**

- Continue to expansion the Company's capabilities to provide services specific for the needs of commercial property owners.
- Expansion of operations to include new home construction.
- Potentially acquire existing construction firms that can be absorbed into the Company's operations.

### **Threats**

- Extremely severe economic recessions could impact revenue.
- Potential liabilities from improper construction or on-site injuries.



## **Appendix B – Critical Risks**

### **Development Risk – Low**

The service architecture that Deutsch Contracting Group will offer has already been developed by Matthew Deutsch. At this time, the primary matter that needs to be addressed to securing the funding discussed in this document.

### **Financing Risk – Low**

The \$200,000 revolving credit will allow the business to properly acquire its operating assets while marketing the operations of Deutsch Contracting Group to the general public. The significant contributions from each general contracting engagement will abate financing risks.

### **Marketing Risk – Low**

a business will use numerous forms of direct outreach as well as online marketing in order to establish a well-respected brand-name for the Company's general contracting services within King County. The business will have numerous referral relationships with real estate brokerages.

### **Management Risk – Low**

Matthew Deutsch is a licensed general contractor in the state of Washington. He will be able to quickly bring the operations of the business to profitability or establishing a well-respected brand name for the business.

### **Valuation Risk – Low**

The valuation risk is offset by:

- The King County market is population dense with major corporations operating in this area.
- Significant profits on each construction and contracting engagement.
- The Company can scale its general contracting operations through the continued acquisition of additional operating assets and employees.

### **Exit Risk - Low**

Although this is not anticipated to occur for a significant period of time, the operations of Deutsch Contracting Group could easily be sold to a third-party. A formal valuation will be taken so that the fair market value of the Company is understood. From there, they qualified business broker will be retained in order to market the operations to a potential buyer.

## Appendix C – Expanded Profit and Loss Statements

Profit and Loss Statement (First Year)							
Months	1	2	3	4	5	6	7
<b>Revenue</b>	<b>\$100,750</b>	<b>\$102,300</b>	<b>\$103,850</b>	<b>\$105,400</b>	<b>\$106,950</b>	<b>\$108,500</b>	<b>\$110,050</b>
Cost of Revenue	\$41,275	\$41,910	\$42,545	\$43,180	\$43,815	\$44,450	\$45,085
<b>Gross Profit</b>	<b>\$59,475</b>	<b>\$60,390</b>	<b>\$61,305</b>	<b>\$62,220</b>	<b>\$63,135</b>	<b>\$64,050</b>	<b>\$64,965</b>
<b>Expenses</b>							
Payroll	\$33,750	\$33,750	\$33,750	\$33,750	\$33,750	\$33,750	\$33,750
Facility Costs	\$1,875	\$1,875	\$1,875	\$1,875	\$1,875	\$1,875	\$1,875
General and Administrative	\$2,404	\$2,404	\$2,404	\$2,404	\$2,404	\$2,404	\$2,404
Professional Fees and Licensure	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
Insurance	\$1,667	\$1,667	\$1,667	\$1,667	\$1,667	\$1,667	\$1,667
Marketing	\$3,278	\$3,278	\$3,278	\$3,278	\$3,278	\$3,278	\$3,278
Business Development	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
Misc. Costs	\$820	\$820	\$820	\$820	\$820	\$820	\$820
Payroll Taxes	\$2,582	\$2,582	\$2,582	\$2,582	\$2,582	\$2,582	\$2,582
<b>Total Operating Costs</b>	<b>\$48,875</b>	<b>\$48,875</b>	<b>\$48,875</b>	<b>\$48,875</b>	<b>\$48,875</b>	<b>\$48,875</b>	<b>\$48,875</b>
<b>EBITDA</b>	<b>\$10,600</b>	<b>\$11,515</b>	<b>\$12,430</b>	<b>\$13,345</b>	<b>\$14,260</b>	<b>\$15,175</b>	<b>\$16,090</b>
Federal Income Tax	\$3,046	\$3,093	\$3,140	\$3,187	\$3,233	\$3,280	\$3,327
State Income Tax	\$609	\$619	\$628	\$637	\$647	\$656	\$665
Interest Expense	\$1,333	\$1,326	\$1,319	\$1,311	\$1,304	\$1,296	\$1,289
Depreciation Expenses	\$1,125	\$1,125	\$1,125	\$1,125	\$1,125	\$1,125	\$1,125
<b>Net Profit</b>	<b>\$4,486</b>	<b>\$5,352</b>	<b>\$6,218</b>	<b>\$7,084</b>	<b>\$7,951</b>	<b>\$8,817</b>	<b>\$9,683</b>

Profit and Loss Statement (First Year Cont.)						
Month	8	9	10	11	12	Year 1
<b>Revenue</b>	<b>\$111,600</b>	<b>\$113,150</b>	<b>\$114,700</b>	<b>\$116,250</b>	<b>\$117,800</b>	<b>\$1,311,300</b>
Cost of Revenue	\$45,720	\$46,355	\$46,990	\$47,625	\$48,260	\$537,210
<b>Gross Profit</b>	<b>\$65,880</b>	<b>\$66,795</b>	<b>\$67,710</b>	<b>\$68,625</b>	<b>\$69,540</b>	<b>\$774,090</b>
<b>Expenses</b>						
Payroll	\$33,750	\$33,750	\$33,750	\$33,750	\$33,750	\$405,000
Facility Costs	\$1,875	\$1,875	\$1,875	\$1,875	\$1,875	\$22,500
General and Administrative	\$2,404	\$2,404	\$2,404	\$2,404	\$2,404	\$28,849
Professional Fees and Licensure	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$15,000
Insurance	\$1,667	\$1,667	\$1,667	\$1,667	\$1,667	\$20,000
Marketing	\$3,278	\$3,278	\$3,278	\$3,278	\$3,278	\$39,339
Business Development	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$15,000
Misc. Costs	\$820	\$820	\$820	\$820	\$820	\$9,835
Payroll Taxes	\$2,582	\$2,582	\$2,582	\$2,582	\$2,582	\$30,983
<b>Total Operating Costs</b>	<b>\$48,875</b>	<b>\$48,875</b>	<b>\$48,875</b>	<b>\$48,875</b>	<b>\$48,875</b>	<b>\$586,505</b>
<b>EBITDA</b>	<b>\$17,005</b>	<b>\$17,920</b>	<b>\$18,835</b>	<b>\$19,750</b>	<b>\$20,665</b>	<b>\$187,585</b>
Federal Income Tax	\$3,374	\$3,421	\$3,468	\$3,515	\$3,561	\$39,644
State Income Tax	\$675	\$684	\$694	\$703	\$712	\$7,929
Interest Expense	\$1,281	\$1,274	\$1,266	\$1,258	\$1,250	\$15,508
Depreciation Expenses	\$1,125	\$1,125	\$1,125	\$1,125	\$1,125	\$13,500
<b>Net Profit</b>	<b>\$10,550</b>	<b>\$11,416</b>	<b>\$12,282</b>	<b>\$13,149</b>	<b>\$14,015</b>	<b>\$111,004</b>

Profit and Loss Statement (Second Year)					
Quarter	Year 2				
	Q1	Q2	Q3	Q4	Year 2
<b>Revenue</b>	\$356,149	\$363,492	\$370,836	\$378,179	\$1,468,656
Cost of Revenue	\$145,906	\$148,915	\$151,923	\$154,931	\$601,675
<b>Gross Profit</b>	<b>\$210,243</b>	<b>\$214,578</b>	<b>\$218,913</b>	<b>\$223,248</b>	<b>\$866,981</b>
<b>Expenses</b>					
Payroll	\$114,256	\$114,256	\$114,256	\$114,256	\$457,025
Facility Costs	\$5,681	\$5,681	\$5,681	\$5,681	\$22,725
General and Administrative	\$7,835	\$7,997	\$8,158	\$8,320	\$32,310
Professional Fees and Licensure	\$3,674	\$3,750	\$3,825	\$3,901	\$15,150
Insurance	\$5,050	\$5,050	\$5,050	\$5,050	\$20,200
Marketing	\$10,684	\$10,905	\$11,125	\$11,345	\$44,060
Business Development	\$3,938	\$3,938	\$3,938	\$3,938	\$15,750
Misc. Costs	\$2,671	\$2,726	\$2,781	\$2,836	\$11,015
Payroll Taxes	\$8,478	\$8,653	\$8,828	\$9,003	\$34,962
<b>Total Operating Costs</b>	<b>\$162,268</b>	<b>\$162,956</b>	<b>\$163,643</b>	<b>\$164,331</b>	<b>\$653,197</b>
<b>EBITDA</b>	<b>\$47,975</b>	<b>\$51,622</b>	<b>\$55,270</b>	<b>\$58,917</b>	<b>\$213,783</b>
Federal Income Tax	\$11,230	\$11,461	\$11,693	\$11,924	\$46,307
State Income Tax	\$2,246	\$2,292	\$2,339	\$2,385	\$9,261
Interest Expense	\$3,704	\$3,632	\$3,559	\$3,484	\$14,378
Depreciation Expenses	\$3,544	\$3,544	\$3,544	\$3,544	\$14,175
<b>Net Profit</b>	<b>\$27,251</b>	<b>\$30,693</b>	<b>\$34,136</b>	<b>\$37,580</b>	<b>\$129,661</b>

**Profit and Loss Statement (Third Year)**

Quarter	Year 3				
	Q1	Q2	Q3	Q4	Year 3
<b>Revenue</b>	\$398,887	\$407,111	\$415,336	\$423,560	\$1,644,895
Cost of Revenue	\$163,415	\$166,784	\$170,154	\$173,523	\$673,876
<b>Gross Profit</b>	<b>\$235,472</b>	<b>\$240,327</b>	<b>\$245,182</b>	<b>\$250,037</b>	<b>\$971,018</b>
<b>Expenses</b>					
Payroll	\$127,513	\$127,513	\$127,513	\$127,513	\$510,050
Facility Costs	\$5,738	\$5,738	\$5,738	\$5,738	\$22,952
General and Administrative	\$8,776	\$8,956	\$9,137	\$9,318	\$36,188
Professional Fees and Licensure	\$3,711	\$3,787	\$3,864	\$3,940	\$15,302
Insurance	\$5,101	\$5,101	\$5,101	\$5,101	\$20,402
Marketing	\$11,967	\$12,213	\$12,460	\$12,707	\$49,347
Business Development	\$4,134	\$4,134	\$4,134	\$4,134	\$16,538
Misc. Costs	\$2,992	\$3,053	\$3,115	\$3,177	\$12,337
Payroll Taxes	\$9,755	\$9,755	\$9,755	\$9,755	\$39,019
<b>Total Operating Costs</b>	<b>\$179,685</b>	<b>\$180,250</b>	<b>\$180,816</b>	<b>\$181,382</b>	<b>\$722,133</b>
<b>EBITDA</b>	<b>\$55,787</b>	<b>\$60,077</b>	<b>\$64,366</b>	<b>\$68,655</b>	<b>\$248,885</b>
Federal Income Tax	\$13,389	\$13,665	\$13,941	\$14,217	\$55,212
State Income Tax	\$2,678	\$2,733	\$2,788	\$2,843	\$11,042
Interest Expense	\$3,407	\$3,329	\$3,250	\$3,169	\$13,155
Depreciation Expenses	\$3,721	\$3,721	\$3,721	\$3,721	\$14,884
<b>Net Profit</b>	<b>\$32,593</b>	<b>\$36,629</b>	<b>\$40,666</b>	<b>\$44,705</b>	<b>\$154,592</b>



**Profit and Loss Statement (Fourth Year)**

Quarter	Year 4				
	Q1	Q2	Q3	Q4	Year 4
<b>Revenue</b>	\$446,753	\$455,965	\$465,176	\$474,388	\$1,842,282
Cost of Revenue	\$183,025	\$186,798	\$190,572	\$194,346	\$754,741
<b>Gross Profit</b>	<b>\$263,729</b>	<b>\$269,166</b>	<b>\$274,604</b>	<b>\$280,042</b>	<b>\$1,087,541</b>
<b>Expenses</b>					
Payroll	\$141,022	\$141,022	\$141,022	\$141,022	\$564,090
Facility Costs	\$5,795	\$5,795	\$5,795	\$5,795	\$23,182
General and Administrative	\$9,829	\$10,031	\$10,234	\$10,437	\$40,530
Professional Fees and Licensure	\$3,748	\$3,825	\$3,902	\$3,980	\$15,455
Insurance	\$5,152	\$5,152	\$5,152	\$5,152	\$20,606
Marketing	\$13,403	\$13,679	\$13,955	\$14,232	\$55,268
Business Development	\$4,341	\$4,341	\$4,341	\$4,341	\$17,364
Misc. Costs	\$3,351	\$3,420	\$3,489	\$3,558	\$13,817
Payroll Taxes	\$10,788	\$10,788	\$10,788	\$10,788	\$43,153
<b>Total Operating Costs</b>	<b>\$197,428</b>	<b>\$198,054</b>	<b>\$198,679</b>	<b>\$199,304</b>	<b>\$793,465</b>
<b>EBITDA</b>	<b>\$66,300</b>	<b>\$71,113</b>	<b>\$75,925</b>	<b>\$80,737</b>	<b>\$294,076</b>
Federal Income Tax	\$16,164	\$16,497	\$16,830	\$17,164	\$66,654
State Income Tax	\$3,233	\$3,299	\$3,366	\$3,433	\$13,331
Interest Expense	\$3,086	\$3,001	\$2,915	\$2,827	\$11,830
Depreciation Expenses	\$3,907	\$3,907	\$3,907	\$3,907	\$15,628
<b>Net Profit</b>	<b>\$39,911</b>	<b>\$44,408</b>	<b>\$48,906</b>	<b>\$53,407</b>	<b>\$186,632</b>

Profit and Loss Statement (Fifth Year)					
Quarter	Year 5				
	Q1	Q2	Q3	Q4	Year 5
<b>Revenue</b>	\$500,364	\$510,681	\$520,997	\$531,314	\$2,063,356
Cost of Revenue	\$204,988	\$209,214	\$213,441	\$217,667	\$845,310
<b>Gross Profit</b>	<b>\$295,376</b>	<b>\$301,466</b>	<b>\$307,557</b>	<b>\$313,647</b>	<b>\$1,218,046</b>
<b>Expenses</b>					
Payroll	\$154,790	\$154,790	\$154,790	\$154,790	\$619,159
Facility Costs	\$5,853	\$5,853	\$5,853	\$5,853	\$23,414
General and Administrative	\$11,008	\$11,235	\$11,462	\$11,689	\$45,394
Professional Fees and Licensure	\$3,785	\$3,863	\$3,941	\$4,019	\$15,609
Insurance	\$5,203	\$5,203	\$5,203	\$5,203	\$20,812
Marketing	\$15,011	\$15,320	\$15,630	\$15,939	\$61,901
Business Development	\$4,558	\$4,558	\$4,558	\$4,558	\$18,233
Misc. Costs	\$3,753	\$3,830	\$3,907	\$3,985	\$15,475
Payroll Taxes	\$11,841	\$11,841	\$11,841	\$11,841	\$47,366
<b>Total Operating Costs</b>	<b>\$215,803</b>	<b>\$216,495</b>	<b>\$217,186</b>	<b>\$217,878</b>	<b>\$867,362</b>
<b>EBITDA</b>	<b>\$79,573</b>	<b>\$84,972</b>	<b>\$90,370</b>	<b>\$95,768</b>	<b>\$350,684</b>
Federal Income Tax	\$19,635	\$20,040	\$20,445	\$20,850	\$80,970
State Income Tax	\$3,927	\$4,008	\$4,089	\$4,170	\$16,194
Interest Expense	\$2,738	\$2,646	\$2,553	\$2,458	\$10,395
Depreciation Expenses	\$4,102	\$4,102	\$4,102	\$4,102	\$16,409
<b>Net Profit</b>	<b>\$49,171</b>	<b>\$54,175</b>	<b>\$59,181</b>	<b>\$64,188</b>	<b>\$226,715</b>

## Appendix D – Expanded Cash Flow Analysis

Cash Flow Analysis (First Year)								
Month	1	2	3	4	5	6	7	8
Cash From Operations	\$5,611	\$6,477	\$7,343	\$8,209	\$9,076	\$9,942	\$10,808	\$11,675
Cash From Receivables	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$5,611</b>	<b>\$6,477</b>	<b>\$7,343</b>	<b>\$8,209</b>	<b>\$9,076</b>	<b>\$9,942</b>	<b>\$10,808</b>	<b>\$11,675</b>
<b>Other Cash Inflows</b>								
Equity Investment	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increased Borrowings	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83
<b>Total Other Cash Inflows</b>	<b>\$300,083</b>	<b>\$83</b>	<b>\$83</b>	<b>\$83</b>	<b>\$83</b>	<b>\$83</b>	<b>\$83</b>	<b>\$83</b>
<b>Total Cash Inflow</b>	<b>\$305,694</b>	<b>\$6,561</b>	<b>\$7,427</b>	<b>\$8,293</b>	<b>\$9,159</b>	<b>\$10,025</b>	<b>\$10,892</b>	<b>\$11,758</b>
<b>Cash Outflows</b>								
Repayment of Principal	\$1,093	\$1,101	\$1,108	\$1,115	\$1,123	\$1,130	\$1,138	\$1,145
A/P Decreases	\$58	\$58	\$58	\$58	\$58	\$58	\$58	\$58
A/R Increases	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dividends	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$201,152</b>	<b>\$1,159</b>	<b>\$1,166</b>	<b>\$1,174</b>	<b>\$1,181</b>	<b>\$1,188</b>	<b>\$1,196</b>	<b>\$1,204</b>
<b>Net Cash Flow</b>	<b>\$104,543</b>	<b>\$5,402</b>	<b>\$6,260</b>	<b>\$7,119</b>	<b>\$7,978</b>	<b>\$8,837</b>	<b>\$9,696</b>	<b>\$10,554</b>
<b>Cash Balance</b>	<b>\$104,543</b>	<b>\$109,945</b>	<b>\$116,205</b>	<b>\$123,324</b>	<b>\$131,302</b>	<b>\$140,139</b>	<b>\$149,834</b>	<b>\$160,389</b>

<b>Cash Flow Analysis (First Year Cont.)</b>					
Month	9	10	11	12	Year 1
Cash From Operations	\$12,541	\$13,407	\$14,274	\$15,140	\$124,504
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$12,541</b>	<b>\$13,407</b>	<b>\$14,274</b>	<b>\$15,140</b>	<b>\$124,504</b>
<b>Other Cash Inflows</b>					
Equity Investment	\$0	\$0	\$0	\$0	\$100,000
Increased Borrowings	\$0	\$0	\$0	\$0	\$200,000
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$83	\$83	\$83	\$83	\$1,000
<b>Total Other Cash Inflows</b>	<b>\$83</b>	<b>\$83</b>	<b>\$83</b>	<b>\$83</b>	<b>\$301,000</b>
<b>Total Cash Inflow</b>	<b>\$12,624</b>	<b>\$13,491</b>	<b>\$14,357</b>	<b>\$15,224</b>	<b>\$425,504</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$1,153	\$1,161	\$1,168	\$1,176	\$13,610
A/P Decreases	\$58	\$58	\$58	\$58	\$700
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$0	\$0	\$0	\$0	\$200,000
Dividends	\$0	\$0	\$0	\$22,179	\$22,179
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$1,211</b>	<b>\$1,219</b>	<b>\$1,227</b>	<b>\$23,413</b>	<b>\$236,489</b>
<b>Net Cash Flow</b>	<b>\$11,413</b>	<b>\$12,272</b>	<b>\$13,131</b>	<b>-\$8,189</b>	<b>\$189,015</b>
<b>Cash Balance</b>	<b>\$171,802</b>	<b>\$184,074</b>	<b>\$197,204</b>	<b>\$189,015</b>	<b>\$189,015</b>

Cash Flow Analysis (Second Year)					
	Year 2				
Quarter	Q1	Q2	Q3	Q4	Year 2
Cash From Operations	\$30,795	\$34,237	\$37,680	\$41,124	\$143,836
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$30,795</b>	<b>\$34,237</b>	<b>\$37,680</b>	<b>\$41,124</b>	<b>\$143,836</b>
<b>Other Cash Inflows</b>					
Equity Investment	\$0	\$0	\$0	\$0	\$0
Increased Borrowings	\$0	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$255	\$260	\$265	\$270	\$1,050
<b>Total Other Cash Inflows</b>	<b>\$255</b>	<b>\$260</b>	<b>\$265</b>	<b>\$270</b>	<b>\$1,050</b>
<b>Total Cash Inflow</b>	<b>\$31,050</b>	<b>\$34,497</b>	<b>\$37,945</b>	<b>\$41,395</b>	<b>\$144,886</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$3,576	\$3,648	\$3,721	\$3,796	\$14,740
A/P Decreases	\$178	\$182	\$186	\$189	\$735
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$71,918	\$0	\$0	\$0	\$71,918
Dividends	\$0	\$0	\$0	\$25,819	\$25,819
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$75,672</b>	<b>\$3,829</b>	<b>\$3,907</b>	<b>\$29,804</b>	<b>\$113,212</b>
<b>Net Cash Flow</b>	<b>-\$44,622</b>	<b>\$30,667</b>	<b>\$34,038</b>	<b>\$11,590</b>	<b>\$31,674</b>
<b>Cash Balance</b>	<b>\$144,393</b>	<b>\$175,060</b>	<b>\$209,098</b>	<b>\$220,688</b>	<b>\$220,688</b>



Cash Flow Analysis (Third Year)					
	Year 3				
Quarter	Q1	Q2	Q3	Q4	Year 3
Cash From Operations	\$36,314	\$40,350	\$44,387	\$48,426	\$169,476
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$36,314</b>	<b>\$40,350</b>	<b>\$44,387</b>	<b>\$48,426</b>	<b>\$169,476</b>
<b>Other Cash Inflows</b>					
Equity Investment	\$0	\$0	\$0	\$0	\$0
Increased Borrowings	\$0	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$267	\$273	\$278	\$284	\$1,103
<b>Total Other Cash Inflows</b>	<b>\$267</b>	<b>\$273</b>	<b>\$278</b>	<b>\$284</b>	<b>\$1,103</b>
<b>Total Cash Inflow</b>	<b>\$36,581</b>	<b>\$40,622</b>	<b>\$44,665</b>	<b>\$48,710</b>	<b>\$170,579</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$3,872	\$3,950	\$4,030	\$4,111	\$15,964
A/P Decreases	\$187	\$191	\$195	\$199	\$772
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$84,738	\$0	\$0	\$0	\$84,738
Dividends	\$0	\$0	\$0	\$30,703	\$30,703
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$88,798</b>	<b>\$4,141</b>	<b>\$4,225</b>	<b>\$35,012</b>	<b>\$132,176</b>
<b>Net Cash Flow</b>	<b>-\$52,217</b>	<b>\$36,481</b>	<b>\$40,441</b>	<b>\$13,698</b>	<b>\$38,403</b>
<b>Cash Balance</b>	<b>\$168,472</b>	<b>\$204,953</b>	<b>\$245,393</b>	<b>\$259,091</b>	<b>\$259,091</b>

Cash Flow Analysis (Fourth Year)					
	Year 4				
Quarter	Q1	Q2	Q3	Q4	Year 4
Cash From Operations	\$43,818	\$48,315	\$52,813	\$57,314	\$202,260
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$43,818</b>	<b>\$48,315</b>	<b>\$52,813</b>	<b>\$57,314</b>	<b>\$202,260</b>
<b>Other Cash Inflows</b>					
Equity Investment	\$0	\$0	\$0	\$0	\$0
Increased Borrowings	\$0	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$281	\$287	\$292	\$298	\$1,158
<b>Total Other Cash Inflows</b>	<b>\$281</b>	<b>\$287</b>	<b>\$292</b>	<b>\$298</b>	<b>\$1,158</b>
<b>Total Cash Inflow</b>	<b>\$44,099</b>	<b>\$48,601</b>	<b>\$53,106</b>	<b>\$57,612</b>	<b>\$203,418</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$4,194	\$4,278	\$4,364	\$4,452	\$17,289
A/P Decreases	\$197	\$201	\$205	\$209	\$810
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$101,130	\$0	\$0	\$0	\$101,130
Dividends	\$0	\$0	\$0	\$36,994	\$36,994
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$105,520</b>	<b>\$4,479</b>	<b>\$4,569</b>	<b>\$41,655</b>	<b>\$156,223</b>
<b>Net Cash Flow</b>	<b>-\$61,422</b>	<b>\$44,123</b>	<b>\$48,537</b>	<b>\$15,957</b>	<b>\$47,195</b>
<b>Cash Balance</b>	<b>\$197,670</b>	<b>\$241,792</b>	<b>\$290,329</b>	<b>\$306,286</b>	<b>\$306,286</b>

Cash Flow Analysis (Fifth Year)					
	Year 5				
Quarter	Q1	Q2	Q3	Q4	Year 5
Cash From Operations	\$53,273	\$58,277	\$63,283	\$68,291	\$243,125
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$53,273</b>	<b>\$58,277</b>	<b>\$63,283</b>	<b>\$68,291</b>	<b>\$243,125</b>
<b>Other Cash Inflows</b>					
Equity Investment	\$0	\$0	\$0	\$0	\$0
Increased Borrowings	\$0	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$295	\$301	\$307	\$313	\$1,216
<b>Total Other Cash Inflows</b>	<b>\$295</b>	<b>\$301</b>	<b>\$307</b>	<b>\$313</b>	<b>\$1,216</b>
<b>Total Cash Inflow</b>	<b>\$53,568</b>	<b>\$58,578</b>	<b>\$63,590</b>	<b>\$68,604</b>	<b>\$244,340</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$4,542	\$4,633	\$4,727	\$4,822	\$18,723
A/P Decreases	\$206	\$211	\$215	\$219	\$851
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$121,562	\$0	\$0	\$0	\$121,562
Dividends	\$0	\$0	\$0	\$44,880	\$44,880
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$126,311</b>	<b>\$4,844</b>	<b>\$4,941</b>	<b>\$49,921</b>	<b>\$186,017</b>
<b>Net Cash Flow</b>	<b>-\$72,742</b>	<b>\$53,734</b>	<b>\$58,649</b>	<b>\$18,683</b>	<b>\$58,323</b>
<b>Cash Balance</b>	<b>\$233,543</b>	<b>\$287,278</b>	<b>\$345,926</b>	<b>\$364,609</b>	<b>\$364,609</b>