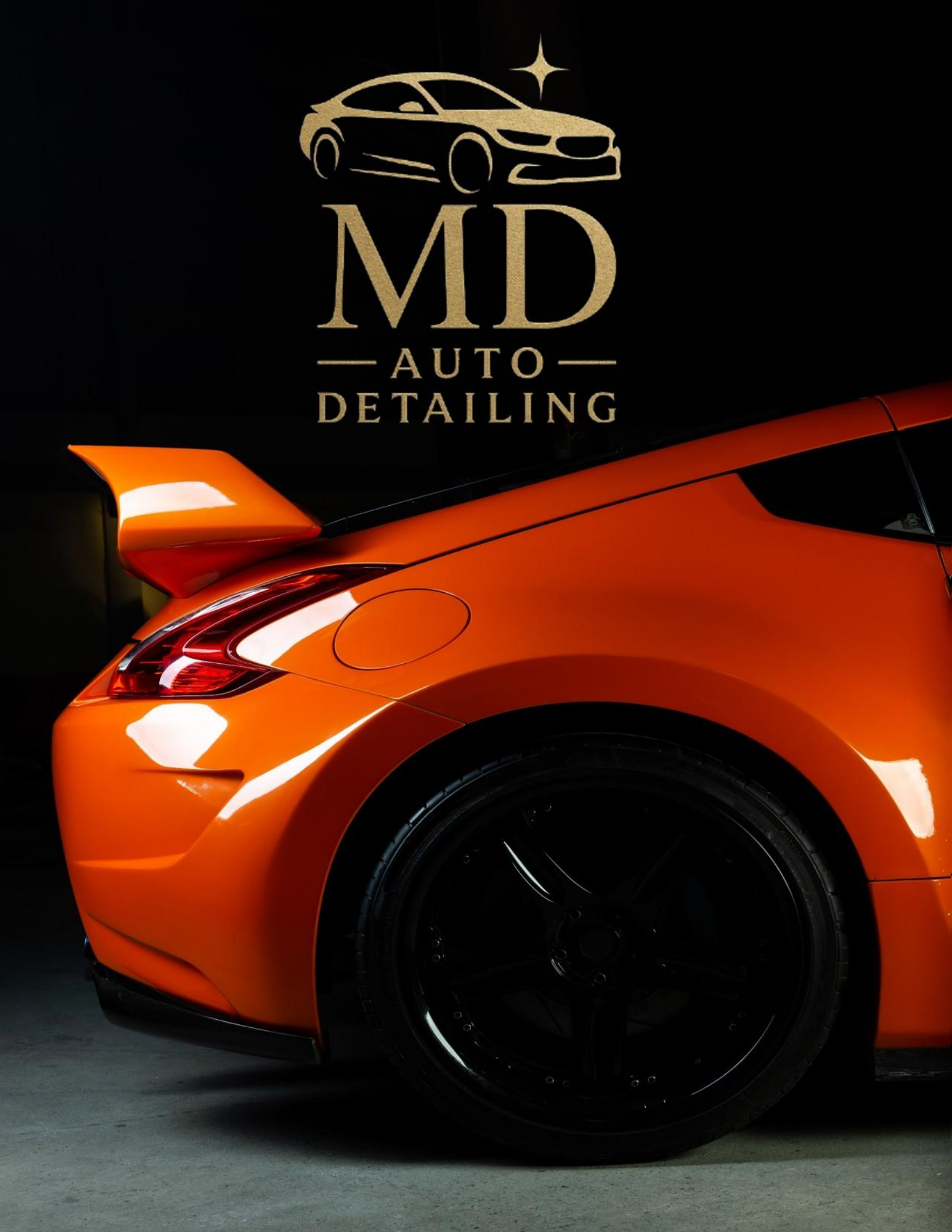
MD
AUTO
DETAILING

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1.0 Executive Summary

The purpose of this business plan is to secure a $60,000 revolving line of credit for the development of a mobile car detailing business based in Atlanta, Georgia. MD Auto Detailing LLC ("the Company") was founded by Matthew Deutsch. The business will specialize in providing end-to-end car cleaning solutions directly at clients' homes and at their places of business. Full scale revenue generating operations will commence in the third quarter of this year.

Operations

The primary revenue driver for MD Auto Detailing will come from the ongoing exterior cleaning of vehicle vehicles as well as comprehensive interior detailing. The Company will also offer hubcap cleaning services which will be complemented by full vacuuming of the interior of a car. As noted above, the Company will provide the services on site in order to provide a tremendous level of convenience for clients.

At the onset of operations, the company intends to operate with two vehicles that will render services throughout the greater Atlanta Metropolitan area. The Company's staff will undergo substantial training as of the proper methods to ensure exceptional service.

The third section of the business plan will further document the operations of MD Auto Detailing.

The Financing

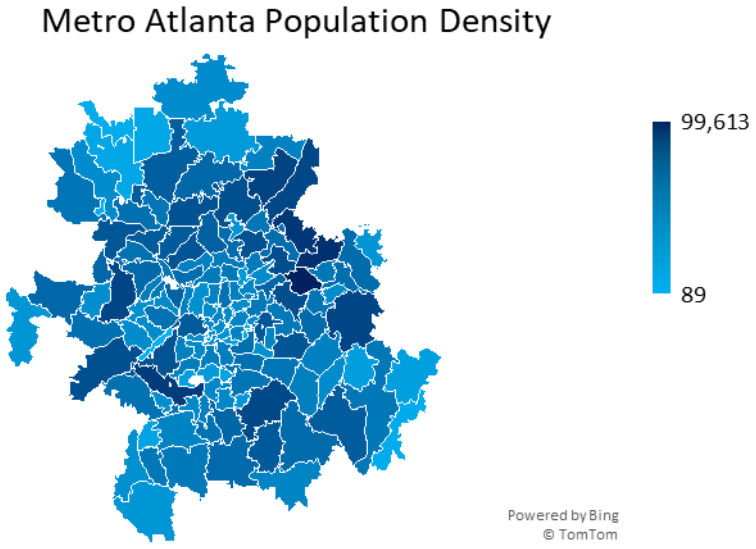
The $60,000 revolving line of credit will allow the business to properly finance its underlying expenses while acquiring specific types of equipment that is used during the car detailing process. Matthew Deutsch will contribute $50,000 towards a venture in cash while also providing the two vehicles that will be used to conduct operations. These vehicles have a value of $75,000.

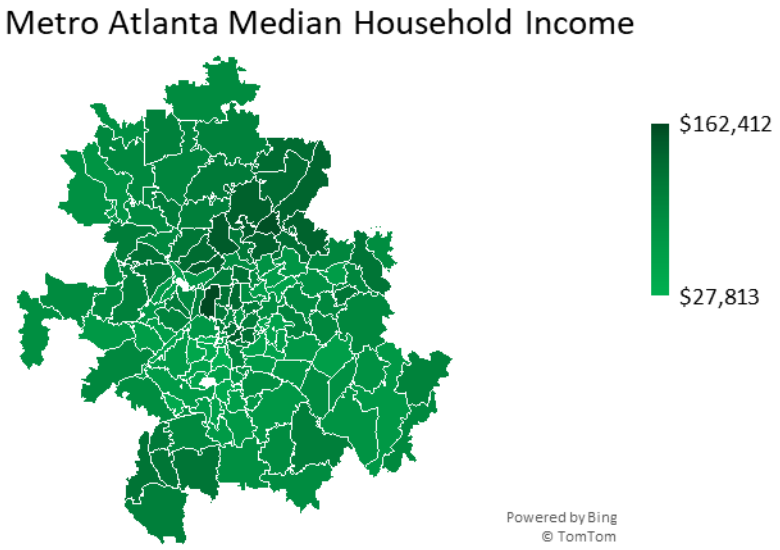
Moving forward, given the highly scale of nature of the Company's operations, the business could easily secure additional capital in order to further expand within the greater Atlanta metropolitan area.

The Future

The Company will continue to expand its marketing operation so that it becomes the preeminent mobile car detailing business within the greater Atlanta area. If the opportunity presents itself, the Company may acquire existing businesses that operate in a similar capacity that could be integrated into MD Auto Detailing's ecosystem. As the Company expands throughout Georgia, there is also the opportunity to develop a franchise system given the proven business model.

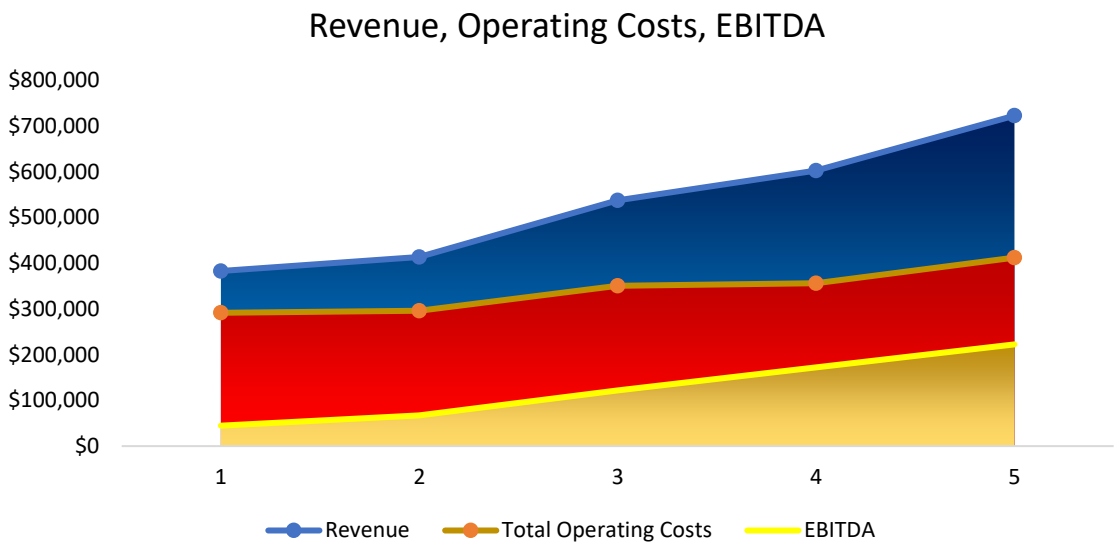
Market Overview





Revenue Forecasts

Proforma Profit and Loss					
Year	1	2	3	4	5
Revenue	$382,950	$413,586	$537,662	$602,181	$722,617
Cost of Revenue	$46,620	$50,350	$65,454	$73,309	$87,971
Gross Profit	$336,330	$363,236	$472,207	$528,872	$634,647
Total Operating Costs	$291,573	$295,867	$350,294	$356,397	$412,209
EBITDA	**$44,757**	**$67,370**	**$121,913**	**$172,475**	**$222,438**

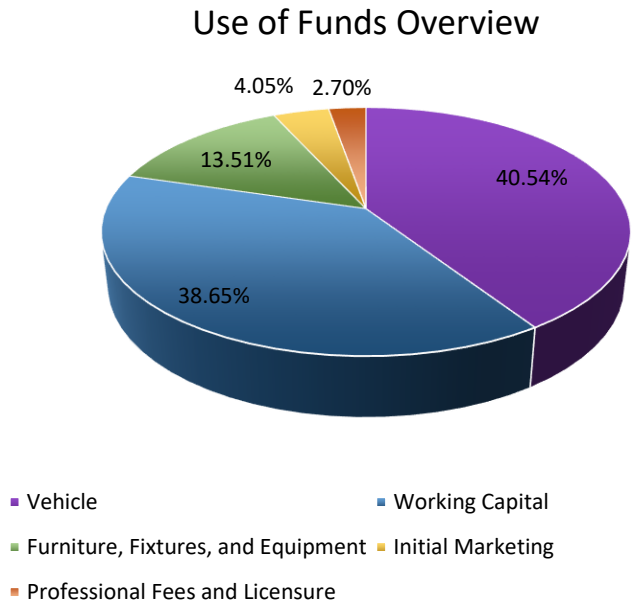


2.0 The Financing

2.1 Funds Required

The funds discussed in the executive summary will be allocated as follows:

Use of Funds	
Vehicle	$75,000
Working Capital	$71,500
Furniture, Fixtures, and Equipment	$25,000
Initial Marketing	$7,500
Professional Fees and Licensure	$5,000
Misc. Costs	$1,000
Total	$185,000



2.2 Management and Investor Equity

Matthew Deutsch retains a 100% ownership interest.

2.3 Exit Strategies

There are no long-term plans to sell this business to a third-party. Matthew Deutsch intends to develop an expansive network of vehicles that render onsite vehicle detailing services within the greater Atlanta metropolitan area. If it is financially proved in to do so, a formal valuation regarding the business will be completed before marketing the business for sale. A qualified business broker would be hired to find an appropriate buyer for the business. An event of this nature is not expected to occur within ten years.

3.0 Operations

The Company will provide a wide range auto detailing services specifically for the needs of clients at their homes and offices. The Company's vehicles will have all equipment necessary in order to render comprehensive interior and exterior cleaning. Each engagement is expected to produce $150 to $200. The Company will directly employ highly trained staff in order to ensure that all clients receive the best experience possible.

Over the next five years, with the accrued profits of the business, the Company will continue to expand the number of vehicles that it operates within its fleet. This will allow for a greater number of engagements to occur. One of the major aspects of growth for the business will come from establishing ongoing relationship relationships with companies that operate fleet vehicles they require ongoing cleaning. This includes taxi companies, limousine companies, and entities that rent vehicles on a short-term basis. This will allow for highly predictable streams of revenue to be produced.

Moving forward, the Company may implement a subscription-based program that provides a discount for clients who need twice per month services rendered. This will create highly recurring streams of revenue that will further contribute to the economic stability of the business.

4.0 Overview of the Organization

4.1 Registered Name

MD Auto Detailing LLC. The busniess is registered as a limited liability company in the State of Georgia.

4.2 Commencement of Operations

Revenue generating operations will commence in the third quarter of this year.

4.3 Mission Statement

To provide cost-effective on-site car deal, dealing for clients within the greater Atlanta metropolitan area.

4.4 Vision Statement

To become a widely recognized car detailing business that is known for the exceptional quality of work.

4.5 Organizational Objectives

- Properly onboard staff that can provide services to the Company's clients.
- Engage in high impact marketing campaigns that will ensure that the MD Auto Detailing brand name is well known within the Atlanta metropolitan area.
- Provide staff with a stable place of employment with upwardly mobile career opportunities.
- Continue to expand the Company's fleet in order to render a greater number of car detail engagement on a year-on-year basis.
- Established relationships with fleet operators that require the services on an ongoing basis.
- Implement a room subscription-based program so that the business can produce highly recurring streams of revenue.
- Potentially enter other markets within George after the fifth year of operation.

5.0 Market and Industry Analysis

5.1 External Environmental Analysis

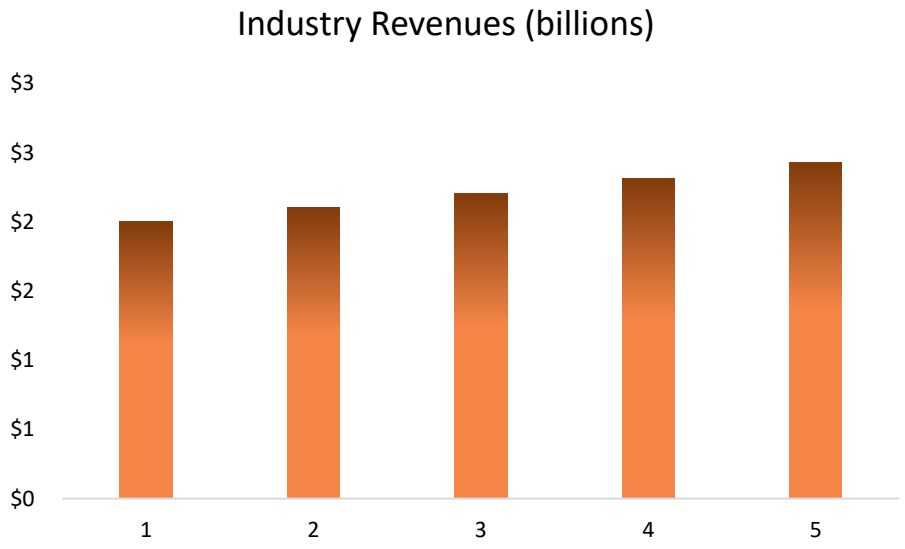
This section analysis will focus on the current economic climate, the industry, the customer profile, and ongoing competition that MD Auto Detailing will face moving forward.

At this time, the economic climate with the United States is moderate. This is principally due to the fact that there has been a change in fiscal policy as well as international trade policies. This is caused upper pricing pressure. However, the Federal Reserve is taking appropriate measures to ensure that the unemployment rate remains low and that inflation is kept in check.

It should be known that the revenues of the business are relatively secure given that the Company is going to operate within the greater Atlanta Metropolitan area. Furthermore, individuals and companies that require ongoing auto detailing services typically of higher economic staying power.

5.2 Industry Analysis

Currently, mobile car detailing businesses produce $2 billion of revenue per year. There are 10,000 companies that operate within this capacity for the United States. The industry employees 30,000 people.

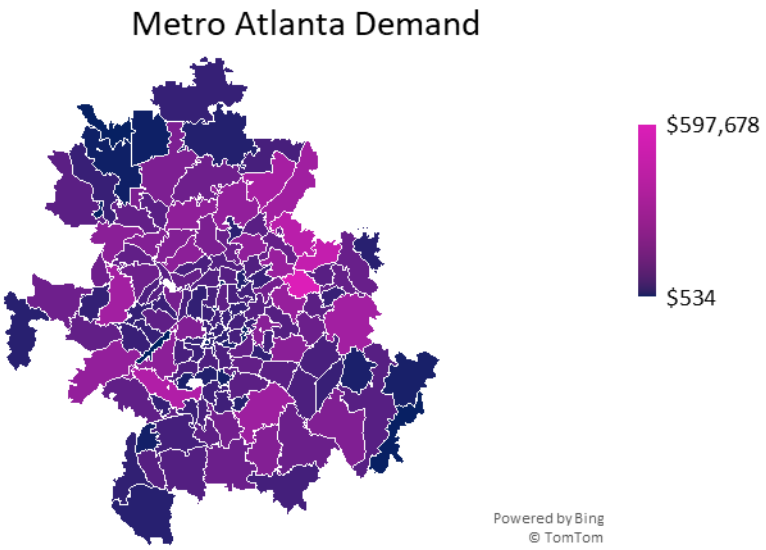


This is a mature industry and its future growth rate will be similar to that as the economy that has a whole. One of the trends within this industry is to implement a subscription-based program as this produces recurring streams revenue. As noted in this mobile car detailing business plan, the business will implement this program in order to further expand its profits.

5.3 Customer Profile

The following demographic profile will be used during the course of marketing operations:

- Household income of $150,000+
- Will spend $175 per engagement
- Lives within 25 miles of the MD Auto Detailing location



The total demand for onsite detailing services is estimated at $32 million for the Atlanta market.

5.4 Competitive Analysis

This document was written specifically as a sample of a mobile car detailing business plan. If this was a business plan that was completed specifically for a client, a substantial competitive analysis would have been conducted specific for the Atlanta market. This would include the number of competing businesses in the market, their reviews, length of time in business, and other attributes that would need to be addressed on the ongoing basis. Furthermore, the competitive advantages that the Company would maintain would also have been discussed in this section.

6.0 Key Strategic Issues

6.1 Sustainable Operations

MD Auto Detailing will have sustainable operations as a result of the following:

- The Company's operation operations are mobile, which substantially reduce the operating risks of the business.
- A highly experienced Founder, Matthew Deutsch, will be able to effectively launch the operations of this car detailing business with Atlanta.
- There are numerous wealthy people and business professionals that will enjoy the convenience offered by MD Auto Detailing.
- The Company's operations are highly capable, and additional vehicles can be added to the fleet easily.
- Given that the business will have substantial tangible assets, the Company will have relatively seen with access to capital.

6.2 Basis of Growth

The Company will expand via the following methods:

- Ongoing expansion of the company is marketing operations.
- Develop ongoing relationships with fleet operators that have ongoing car detailing needs.
- Expansion to include other economically viable markets in Georgia.

7.0 Marketing Plan

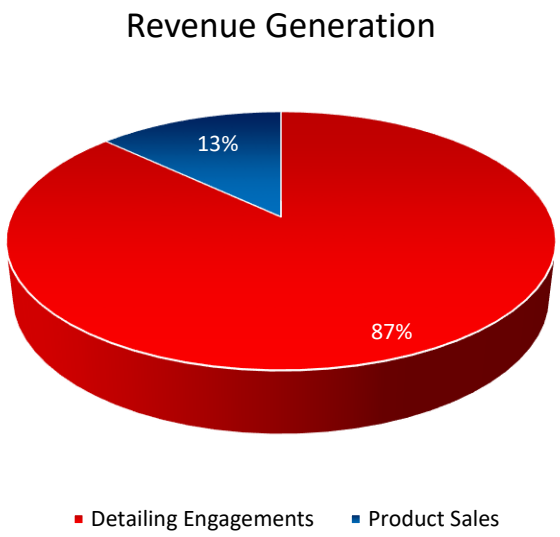
7.1 Marketing Objectives

- Use multiple forms of online marketing in order to drive interest in MD Auto Detailing's operations.
- Conduct direct outreach with fleet operator spanning, taxi firms, limousine companies, and car rental agencies.
- Maintain strong relationships with small business associations as well as regional livery service organizations.

7.2 Revenue Forecasts

Yearly Sales Forecast					
Year	**1**	**2**	**3**	**4**	**5**
Detailing Engagements	$333,000	$359,640	$467,532	$523,636	$628,363
Product Sales	$49,950	$53,946	$70,130	$78,545	$94,254
Totals	**$382,950**	**$413,586**	**$537,662**	**$602,181**	**$722,617**

Gross Profit					
Year	1	2	3	4	5
Total	**$336,330**	**$363,236**	**$472,207**	**$528,872**	**$634,647**



7.3 Revenue Assumptions

Year 1

- First year revenue will reach $382,000.
- Gross profits will reach $336,000.

Year 2

- Through greater marketing efforts, revenue will reach $413,000.
- Gross profits will reach $363,000.
- Total income will increase by 12%.

Years 3-5

- By the fifth year of operation, total revenue will reach $722,000.
- Gross profits will reach $634,000.

7.4 Marketing Strategies

The Company will use numerous forms of marketing in order to create substantial interest in MD Auto Detailing's operations. Foremost, the business intends to distribute a number of mailed advertisements during the grand opening. To inform clients that are located within 20 miles of the Company's location in Atlanta. These mailed advertisements will feature QR codes so that individuals can immediately be review the Company's website.

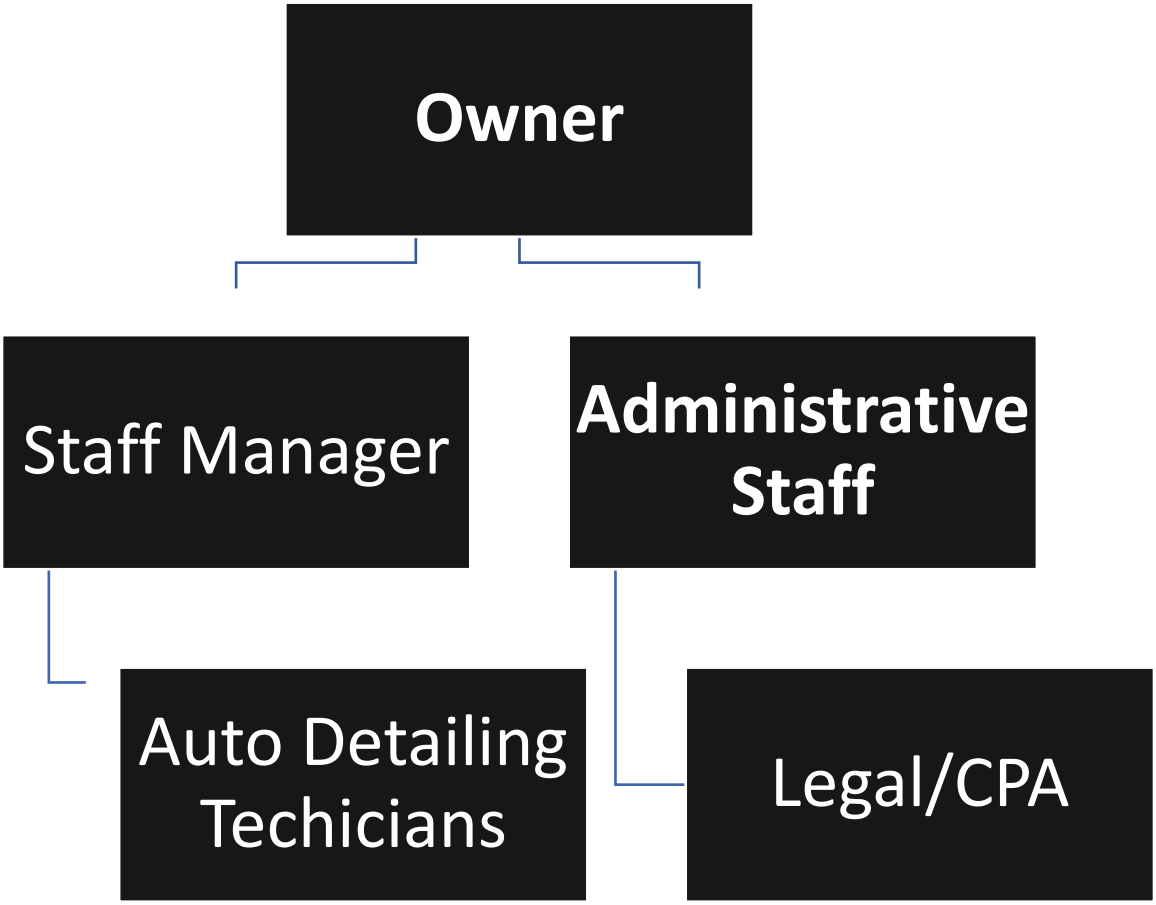
As relate to the Company's website, this platform will undergo significant search engine optimization specific for the greater Atlanta metropolitan area. It will also feature e-commerce functionality that will allow individuals to book appointments to have their vehicles detailed at their homes and offices. The ability to source a subscription-based program from MD Auto Detailing will also be included on this platform.

In addition to maintaining an expense of proprietary website, the Company will also have a significant presence among social media pages. Here, the business will showcase vehicles that have been cleaned by the business will also providing ongoing discounts among first time users. Indirectly, the use of social media pages will significantly contribute to the Company's search engine optimization campaigns.

Direct outreach is also special importance of the Company's operations, especially as a relates to establishing ongoing relationships with fleet operators that have ongoing car detailing needs. Matthew Deutsch will directly work with the types of entities outlined earlier in order to foster ongoing engagements.

8.0 Organizational Plan

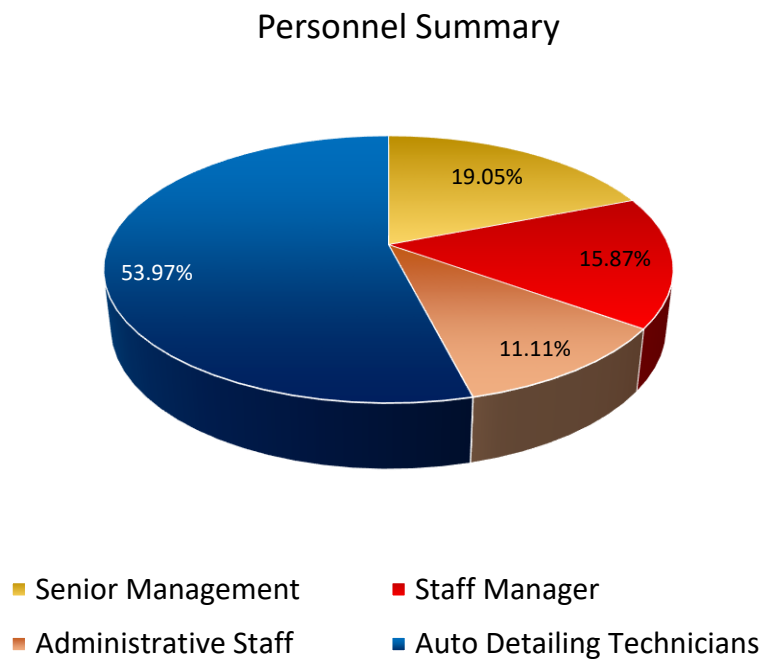
8.1 Organizational Hierarchy



8.2 Personnel Costs

Personnel Plan - Yearly					
Year	1	2	3	4	5
Senior Management	$60,000	$60,600	$61,206	$61,818	$62,436
Staff Manager	$50,000	$50,500	$51,005	$51,515	$52,030
Administrative Staff	$35,000	$35,350	$35,704	$36,061	$36,421
Auto Detailing Technicians	$85,000	$85,850	$130,063	$131,363	$176,903
Total	**$230,000**	**$232,300**	**$277,977**	**$280,757**	**$327,790**

Numbers of Personnel (Year End Headcount)					
Year	1	2	3	4	5
Senior Management	1	1	1	1	1
Staff Manager	1	1	1	1	1
Administrative Staff	1	1	1	1	1
Auto Detailing Technicians	2	2	3	3	4
Total	**5**	**5**	**6**	**6**	**7**



9.0 Financial Plan

9.1 Underlying Assumptions

- The company will secure $60,000 via a revolving credit facility to launch operations.
- Matthew Deutsch will contribute in aggregate of $125,000 in cash and currently know assets.
- MD Auto Detailing LLC will have a compounded annual growth rate of 14% (including the addition of new vehicles to the fleet).

9.2 Financial Highlights

- Given at the businesses operating on a mobile basis, economic risks are substantially reduced.
- High gross margins for all car detailing engagements.
- The Company's revenues are highly predictable in nature.

9.3 Sensitivity Analysis

MD Auto Detailing's revenues could be impacted by negative changes the economy. Receiving a car detailing service at home or at an office is of higher cost than going to a dedicated facility. However, the Company is specifically targeting upper income people that value the level of convenience offered. The professionals that will be target include executives, business owners, physicians, dentist, attorneys, accountants, and other professionals that generate a high income and are also extremely busy. This will substantially reduce the rest of the business. Furthermore, the Company is operating in a highly population dense market.

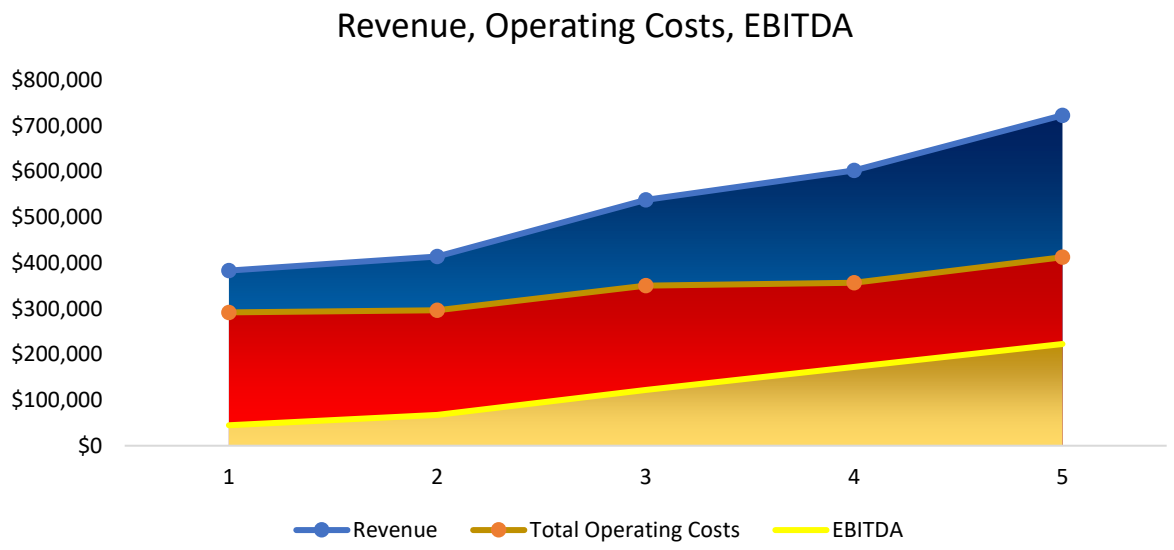
9.4 Source of Funds

Financing	
Equity	
Equity Capitalization (Cash)	$50,000.00
Equity Capitalization (Vehicles)	$75,000.00
Total Equity Financing	$125,000.00
Banks and Lenders	
Revolving Credit Facility	$60,000.00
Total Debt Financing	$60,000.00
Total Financing	**$185,000.00**

9.5 Financial Proformas

A) Profit and Loss Statement

Proforma Profit and Loss (Yearly)					
Year	1	2	3	4	5
Revenue	$382,950	$413,586	$537,662	$602,181	$722,617
Cost of Revenue	$46,620	$50,350	$65,454	$73,309	$87,971
Gross Margin	87.83%	87.83%	87.83%	87.83%	87.83%
Gross Profit	$336,330	$363,236	$472,207	$528,872	$634,647
Expenses					
Payroll	$230,000	$232,300	$277,977	$280,757	$327,790
Facility Costs	$12,000	$12,120	$12,241	$12,364	$12,487
General and Administrative	$7,276	$7,858	$10,216	$11,441	$13,730
Professional Fees and Licensure	$3,000	$3,030	$3,060	$3,091	$3,122
Insurance	$5,000	$5,050	$5,101	$5,152	$5,203
Marketing	$3,830	$4,136	$5,377	$6,022	$7,226
Vehicle Costs	$10,000	$10,500	$11,025	$11,576	$12,155
Misc. Costs	$2,872	$3,102	$4,032	$4,516	$5,420
Payroll Taxes	$17,595	$17,771	$21,265	$21,478	$25,076
Total Operating Costs	**$291,573**	**$295,867**	**$350,294**	**$356,397**	**$412,209**
EBITDA	**$44,757**	**$67,370**	**$121,913**	**$172,475**	**$222,438**
Federal Income Tax	$6,827	$12,343	$24,900	$37,320	$48,749
State Income Tax	$1,365	$2,469	$4,980	$7,464	$9,750
Interest Expense	$4,947	$4,596	$4,213	$3,796	$3,342
Depreciation Expenses	$12,500	$13,400	$18,100	$19,400	$24,100
Net Profit	**$19,117**	**$34,562**	**$69,720**	**$104,496**	**$136,497**
Profit Margin	**4.99%**	**8.36%**	**12.97%**	**17.35%**	**18.89%**

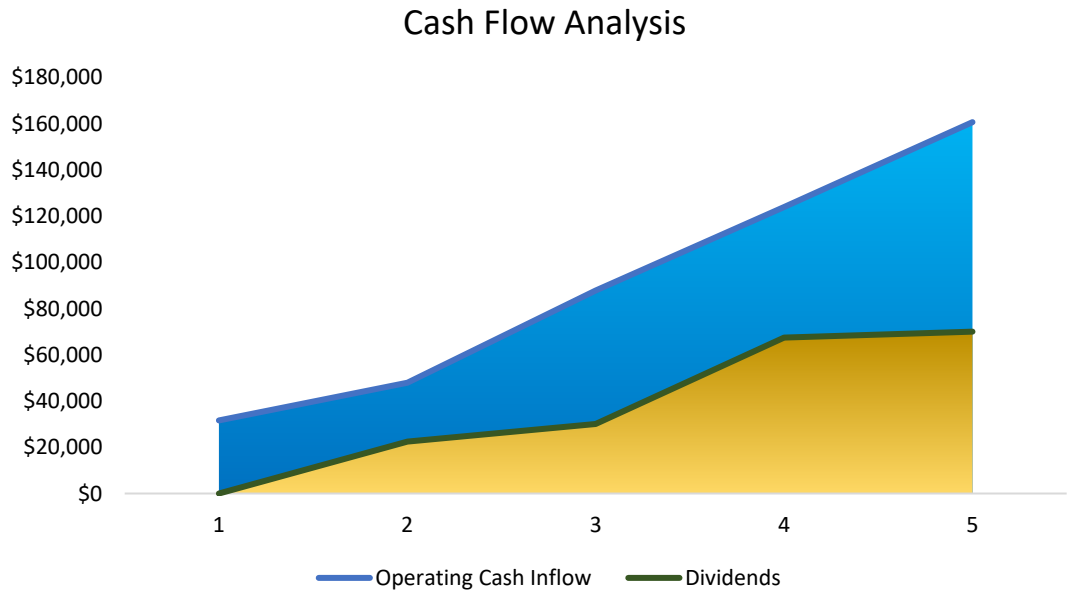


B) Common Size Income Statement

Proforma Profit and Loss (Common Size)					
Year	1	2	3	4	5
Revenue	100.00%	100.00%	100.00%	100.00%	100.00%
Cost of Revenue	12.17%	12.17%	12.17%	12.17%	12.17%
Gross Profit	87.83%	87.83%	87.83%	87.83%	87.83%
Expenses					
Payroll	60.06%	56.17%	51.70%	46.62%	45.36%
Facility Costs	3.13%	2.93%	2.28%	2.05%	1.73%
General and Administrative	1.90%	1.90%	1.90%	1.90%	1.90%
Professional Fees and Licensure	0.78%	0.73%	0.57%	0.51%	0.43%
Insurance	1.31%	1.22%	0.95%	0.86%	0.72%
Marketing	1.00%	1.00%	1.00%	1.00%	1.00%
Vehicle Costs	2.61%	2.54%	2.05%	1.92%	1.68%
Misc. Costs	0.75%	0.75%	0.75%	0.75%	0.75%
Payroll Taxes	4.59%	4.30%	3.96%	3.57%	3.47%
Total Operating Costs	76.14%	71.54%	65.15%	59.18%	57.04%
EBITDA	11.69%	16.29%	22.67%	28.64%	30.78%
Federal Income Tax	1.78%	2.98%	4.63%	6.20%	6.75%
State Income Tax	0.36%	0.60%	0.93%	1.24%	1.35%
Interest Expense	1.29%	1.11%	0.78%	0.63%	0.46%
Depreciation Expenses	3.26%	3.24%	3.37%	3.22%	3.34%
Net Profit	4.99%	8.36%	12.97%	17.35%	18.89%

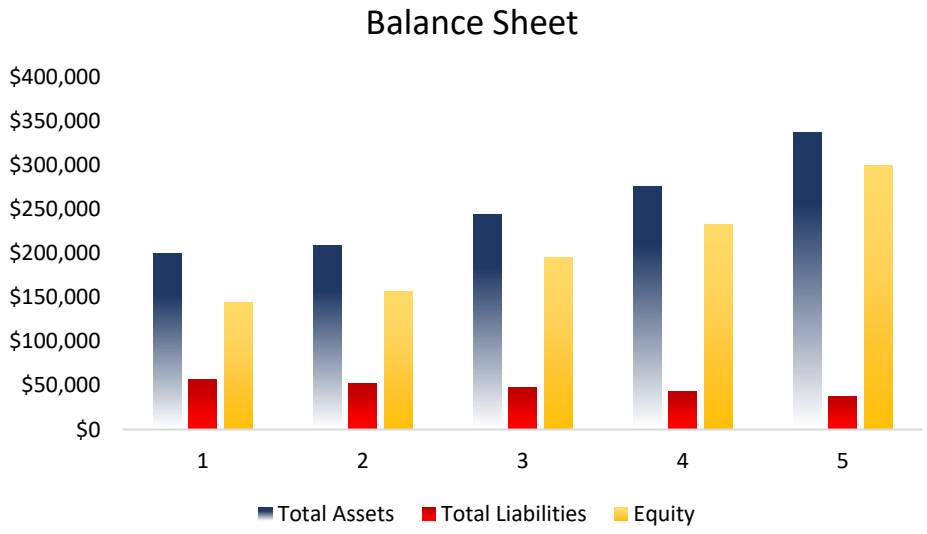
C) Cash Flow Analysis

Proforma Cash Flow Analysis - Yearly					
Year	1	2	3	4	5
Cash From Operations	$31,617	$47,962	$87,820	$123,896	$160,597
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$31,617**	**$47,962**	**$87,820**	**$123,896**	**$160,597**
Other Cash Inflows					
Equity Investment	$125,000	$0	$0	$0	$0
Increased Borrowings	$60,000	$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
Total Other Cash Inflows	**$186,000**	**$1,050**	**$1,103**	**$1,158**	**$1,216**
Total Cash Inflow	**$217,617**	**$49,012**	**$88,923**	**$125,053**	**$161,812**
Cash Outflows					
Repayment of Principal	$3,980	$4,331	$4,714	$5,131	$5,584
A/P Decreases	$700	$735	$772	$810	$851
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$100,000	$7,194	$38,173	$9,912	$37,848
Dividends	$0	$22,500	$30,000	$67,500	$70,000
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$104,680**	**$34,761**	**$73,659**	**$83,353**	**$114,283**
Net Cash Flow	**$112,937**	**$14,251**	**$15,264**	**$41,700**	**$47,529**
Cash Balance	**$112,937**	**$127,188**	**$142,452**	**$184,152**	**$231,682**



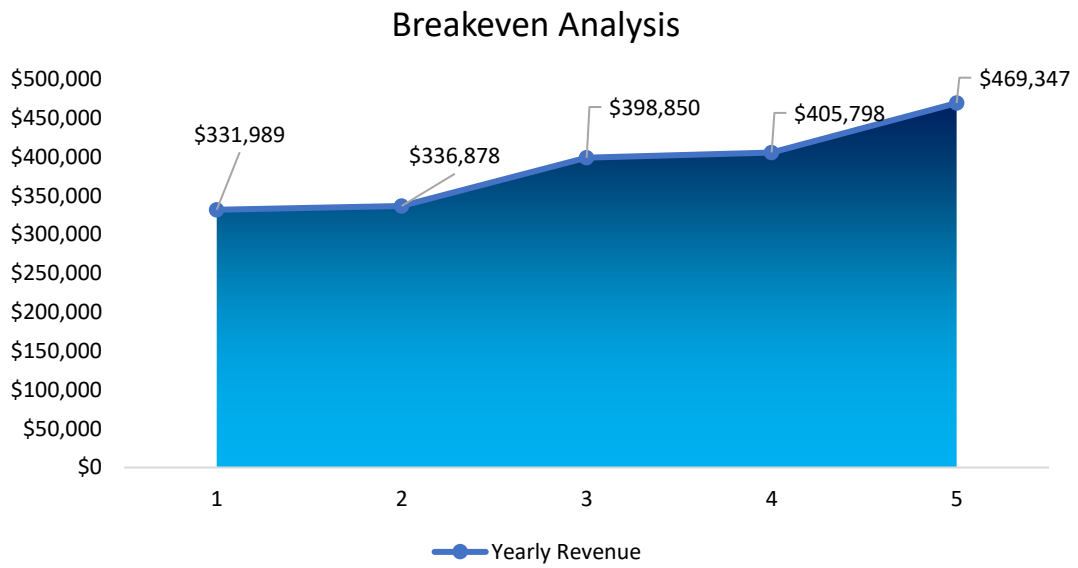
D) Balance Sheet

Proforma Balance Sheet - Yearly					
Year	1	2	3	4	5
Assets					
Cash	$112,937	$127,188	$142,452	$184,152	$231,682
Fixed Assets	$100,000	$107,194	$145,367	$155,279	$193,127
Accumulated Depreciation	($12,500)	($25,900)	($44,000)	($63,400)	($87,500)
Total Assets	**$200,437**	**$208,483**	**$243,820**	**$276,031**	**$337,308**
Liabilities and Equity					
Accounts Payable	$300	$615	$946	$1,293	$1,658
Long Term Liabilities	$56,020	$51,689	$46,975	$41,844	$36,259
Other Liabilities	$0	$0	$0	$0	$0
Total Liabilities	**$56,320**	**$52,304**	**$47,920**	**$43,137**	**$37,917**
Equity	**$144,117**	**$156,179**	**$195,899**	**$232,895**	**$299,391**
Total Liabilities and Equity	**$200,437**	**$208,483**	**$243,820**	**$276,031**	**$337,308**



9.6 Breakeven Analysis

Break Even Analysis					
Year	1	2	3	4	5
Monthly Revenue	$27,666	$28,073	$33,237	$33,817	$39,112
Yearly Revenue	$331,989	$336,878	$398,850	$405,798	$469,347



9.7 Business Ratios

Business Ratios - Yearly					
Year	1	2	3	4	5
Revenue					
Sales Growth	0.0%	8.0%	30.0%	12.0%	20.0%
Gross Margin	87.8%	87.8%	87.8%	87.8%	87.8%
Financials					
Profit Margin	4.99%	8.36%	12.97%	17.35%	18.89%
Assets to Liabilities	3.56	3.99	5.09	6.40	8.90
Equity to Liabilities	2.56	2.99	4.09	5.40	7.90
Assets to Equity	1.39	1.33	1.24	1.19	1.13
Liquidity					
Acid Test	2.01	2.43	2.97	4.27	6.11
Cash to Assets	0.56	0.61	0.58	0.67	0.69

Appendix A – SWOT Analysis

Strengths

- Immense demand among busy people for the convenience of onsite car detailing services.
- The operations of the business are highly scalable, and the Company will have numerous growth opportunities in the years.
- And experienced owner, Matthew Deutsch, that will be able to bring the operations of the business to profitability quickly.
- The Company will be able to provide services throughout the entire entirety of the Atlanta metropolitan area.

Weaknesses

- Complexity of operations given the multiple vehicles that will be in the field rendering services.
- Ongoing competition from established businesses in Atlanta area.

Opportunities

- Continue expansion the Company's fleet.
- Expansion of the relationships that the Company has with fleet operators.
- Continued promotion of the company subscription-based services and this produces recurring revenue.

Threats

- Ongoing inflation area issues can cause the underlying operating cost of the business to increase.
- Potential liabilities resulting from damaged to vehicles that may occur during the car detailing process.

Appendix B – Critical Risks

Development Risk – **Low**
The operational plan for MD Auto Detailing has been fully developed. At this time, the Company needs a modest capital commitment in order to establish operations in the Atlanta market.

Financing Risk – **Low/Moderate**
The $60,000 of capital sought in this document, via a revolving credit facility, will be fully collateralized by the vehicles that the Company currently owns. Additionally, the business will continue to earn significant profits on each car detailing engagement.

Marketing Risk **– Low**
Using the marketing strategies discussed earlier, MD Auto Detailing will engage in a wide-ranging campaign that will create significant interest at the onset of operation in the coming years. The business will use number of innovative strategies within the Atlanta market.

Management Risk – **Low**
Matthew Deutsch is a highly experienced entrepreneur that will be able to effectively launch operations to profitability. He is focused on making MD Auto Detailing a widely recognize car detailing brand within this market.

Valuation Risk – **Low**
The valuation risk is offset by:

- A significant tangible asset base.
- The Company's operations are mobile.
- MD Auto Detailing can easily scale its operations.
- The business is targeting upper income people.

Exit Risk - **Low**
As noted earlier, there are no long-term plans to sell this business to a third-party. Matthew Deutsch intends to aggressively expand operations while also potentially entering other markets. A diverse in the business would not occur for at least ten years.

Appendix C – Expanded Profit and Loss Statements

Profit and Loss Statement (First Year)							
Months	1	2	3	4	5	6	7
Revenue	**$28,750**	**$29,325**	**$29,900**	**$30,475**	**$31,050**	**$31,625**	**$32,200**
Cost of Revenue	$3,500	$3,570	$3,640	$3,710	$3,780	$3,850	$3,920
Gross Profit	$25,250	$25,755	$26,260	$26,765	$27,270	$27,775	$28,280
Expenses							
Payroll	$19,167	$19,167	$19,167	$19,167	$19,167	$19,167	$19,167
Facility Costs	$1,000	$1,000	$1,000	$1,000	$1,000	$1,000	$1,000
General and Administrative	$606	$606	$606	$606	$606	$606	$606
Professional Fees and Licensure	$250	$250	$250	$250	$250	$250	$250
Insurance	$417	$417	$417	$417	$417	$417	$417
Marketing	$319	$319	$319	$319	$319	$319	$319
Vehicle Costs	$833	$833	$833	$833	$833	$833	$833
Misc. Costs	$239	$239	$239	$239	$239	$239	$239
Payroll Taxes	$1,466	$1,466	$1,466	$1,466	$1,466	$1,466	$1,466
Total Operating Costs	$24,298	$24,298	$24,298	$24,298	$24,298	$24,298	$24,298
EBITDA	$952	$1,457	$1,962	$2,467	$2,972	$3,477	$3,982
Federal Income Tax	$513	$523	$533	$543	$554	$564	$574
State Income Tax	$103	$105	$107	$109	$111	$113	$115
Interest Expense	$425	$423	$420	$418	$416	$414	$411
Depreciation Expenses	$1,042	$1,042	$1,042	$1,042	$1,042	$1,042	$1,042
Net Profit	-$1,129	-$635	-$140	$355	$850	$1,345	$1,841

Profit and Loss Statement (First Year Cont.)						
Month	8	9	10	11	12	Year 1
Revenue	**$32,775**	**$33,350**	**$33,925**	**$34,500**	**$35,075**	**$382,950**
Cost of Revenue	$3,990	$4,060	$4,130	$4,200	$4,270	$46,620
Gross Profit	$28,785	$29,290	$29,795	$30,300	$30,805	$336,330
Expenses						
Payroll	$19,167	$19,167	$19,167	$19,167	$19,167	$230,000
Facility Costs	$1,000	$1,000	$1,000	$1,000	$1,000	$12,000
General and Administrative	$606	$606	$606	$606	$606	$7,276
Professional Fees and Licensure	$250	$250	$250	$250	$250	$3,000
Insurance	$417	$417	$417	$417	$417	$5,000
Marketing	$319	$319	$319	$319	$319	$3,830
Vehicle Costs	$833	$833	$833	$833	$833	$10,000
Misc. Costs	$239	$239	$239	$239	$239	$2,872
Payroll Taxes	$1,466	$1,466	$1,466	$1,466	$1,466	$17,595
Total Operating Costs	$24,298	$24,298	$24,298	$24,298	$24,298	$291,573
EBITDA	$4,487	$4,992	$5,497	$6,002	$6,507	$44,757
Federal Income Tax	$584	$595	$605	$615	$625	$6,827
State Income Tax	$117	$119	$121	$123	$125	$1,365
Interest Expense	$409	$406	$404	$402	$399	$4,947
Depreciation Expenses	$1,042	$1,042	$1,042	$1,042	$1,042	$12,500
Net Profit	$2,336	$2,831	$3,326	$3,821	$4,316	$19,117

Profit and Loss Statement (Second Year)					
		Year 2			
Quarter	Q1	Q2	Q3	Q4	Year 2
Revenue	$100,295	$102,363	$104,430	$106,498	$413,586
Cost of Revenue	$12,210	$12,462	$12,713	$12,965	$50,350
Gross Profit	**$88,085**	**$89,901**	**$91,717**	**$93,533**	**$363,236**
Expenses					
Payroll	$58,075	$58,075	$58,075	$58,075	$232,300
Facility Costs	$3,030	$3,030	$3,030	$3,030	$12,120
General and Administrative	$1,906	$1,945	$1,984	$2,023	$7,858
Professional Fees and Licensure	$735	$750	$765	$780	$3,030
Insurance	$1,263	$1,263	$1,263	$1,263	$5,050
Marketing	$1,003	$1,024	$1,044	$1,065	$4,136
Vehicle Costs	$2,625	$2,625	$2,625	$2,625	$10,500
Misc. Costs	$752	$768	$783	$799	$3,102
Payroll Taxes	$4,309	$4,398	$4,487	$4,576	$17,771
Total Operating Costs	**$73,697**	**$73,877**	**$74,056**	**$74,236**	**$295,867**
EBITDA	**$14,387**	**$16,024**	**$17,661**	**$19,297**	**$67,370**
Federal Income Tax	$2,993	$3,055	$3,117	$3,178	$12,343
State Income Tax	$599	$611	$623	$636	$2,469
Interest Expense	$1,183	$1,161	$1,138	$1,114	$4,596
Depreciation Expenses	$3,350	$3,350	$3,350	$3,350	$13,400
Net Profit	**$6,262**	**$7,847**	**$9,433**	**$11,019**	**$34,562**

Profit and Loss Statement (Third Year)					
		Year 3			
Quarter	Q1	Q2	Q3	Q4	Year 3
Revenue	$130,383	$133,071	$135,760	$138,448	$537,662
Cost of Revenue	$15,873	$16,200	$16,527	$16,855	$65,454
Gross Profit	**$114,510**	**$116,871**	**$119,232**	**$121,593**	**$472,207**
Expenses					
Payroll	$69,494	$69,494	$69,494	$69,494	$277,977
Facility Costs	$3,060	$3,060	$3,060	$3,060	$12,241
General and Administrative	$2,477	$2,528	$2,579	$2,631	$10,216
Professional Fees and Licensure	$742	$757	$773	$788	$3,060
Insurance	$1,275	$1,275	$1,275	$1,275	$5,101
Marketing	$1,304	$1,331	$1,358	$1,384	$5,377
Vehicle Costs	$2,756	$2,756	$2,756	$2,756	$11,025
Misc. Costs	$978	$998	$1,018	$1,038	$4,032
Payroll Taxes	$5,316	$5,316	$5,316	$5,316	$21,265
Total Operating Costs	**$87,403**	**$87,517**	**$87,630**	**$87,744**	**$350,294**
EBITDA	**$27,107**	**$29,354**	**$31,602**	**$33,850**	**$121,913**
Federal Income Tax	$6,038	$6,163	$6,287	$6,412	$24,900
State Income Tax	$1,208	$1,233	$1,257	$1,282	$4,980
Interest Expense	$1,090	$1,066	$1,041	$1,015	$4,213
Depreciation Expenses	$4,525	$4,525	$4,525	$4,525	$18,100
Net Profit	**$14,246**	**$16,368**	**$18,491**	**$20,615**	**$69,720**

Profit and Loss Statement (Fourth Year)					
		Year 4			
Quarter	Q1	Q2	Q3	Q4	Year 4
Revenue	$146,029	$149,040	$152,051	$155,062	$602,181
Cost of Revenue	$17,777	$18,144	$18,511	$18,877	$73,309
Gross Profit	**$128,252**	**$130,896**	**$133,540**	**$136,185**	**$528,872**
Expenses					
Payroll	$70,189	$70,189	$70,189	$70,189	$280,757
Facility Costs	$3,091	$3,091	$3,091	$3,091	$12,364
General and Administrative	$2,775	$2,832	$2,889	$2,946	$11,441
Professional Fees and Licensure	$750	$765	$780	$796	$3,091
Insurance	$1,288	$1,288	$1,288	$1,288	$5,152
Marketing	$1,460	$1,490	$1,521	$1,551	$6,022
Vehicle Costs	$2,894	$2,894	$2,894	$2,894	$11,576
Misc. Costs	$1,095	$1,118	$1,140	$1,163	$4,516
Payroll Taxes	$5,369	$5,369	$5,369	$5,369	$21,478
Total Operating Costs	**$88,911**	**$89,037**	**$89,162**	**$89,287**	**$356,397**
EBITDA	**$39,340**	**$41,859**	**$44,378**	**$46,897**	**$172,475**
Federal Income Tax	$9,050	$9,237	$9,423	$9,610	$37,320
State Income Tax	$1,810	$1,847	$1,885	$1,922	$7,464
Interest Expense	$989	$963	$936	$908	$3,796
Depreciation Expenses	$4,850	$4,850	$4,850	$4,850	$19,400
Net Profit	**$22,641**	**$24,962**	**$27,285**	**$29,608**	**$104,496**

Profit and Loss Statement (Fifth Year)					
		Year 5			
Quarter	Q1	Q2	Q3	Q4	Year 5
Revenue	$175,235	$178,848	$182,461	$186,074	$722,617
Cost of Revenue	$21,333	$21,773	$22,213	$22,652	$87,971
Gross Profit	**$153,902**	**$157,075**	**$160,248**	**$163,422**	**$634,647**
Expenses					
Payroll	$81,948	$81,948	$81,948	$81,948	$327,790
Facility Costs	$3,122	$3,122	$3,122	$3,122	$12,487
General and Administrative	$3,329	$3,398	$3,467	$3,535	$13,730
Professional Fees and Licensure	$757	$773	$788	$804	$3,122
Insurance	$1,301	$1,301	$1,301	$1,301	$5,203
Marketing	$1,752	$1,788	$1,825	$1,861	$7,226
Vehicle Costs	$3,039	$3,039	$3,039	$3,039	$12,155
Misc. Costs	$1,314	$1,341	$1,368	$1,396	$5,420
Payroll Taxes	$6,269	$6,269	$6,269	$6,269	$25,076
Total Operating Costs	**$102,831**	**$102,978**	**$103,126**	**$103,273**	**$412,209**
EBITDA	**$51,071**	**$54,097**	**$57,122**	**$60,148**	**$222,438**
Federal Income Tax	$11,822	$12,065	$12,309	$12,553	$48,749
State Income Tax	$2,364	$2,413	$2,462	$2,511	$9,750
Interest Expense	$880	$851	$821	$791	$3,342
Depreciation Expenses	$6,025	$6,025	$6,025	$6,025	$24,100
Net Profit	**$29,980**	**$32,742**	**$35,505**	**$38,269**	**$136,497**

Appendix D – Expanded Cash Flow Analysis

Cash Flow Analysis (First Year)								
Month	1	2	3	4	5	6	7	8
Cash From Operations	-$88	$407	$902	$1,397	$1,892	$2,387	$2,882	$3,377
Cash From Receivables	$0	$0	$0	$0	$0	$0	$0	$0
Operating Cash Inflow	-$88	$407	$902	$1,397	$1,892	$2,387	$2,882	$3,377
Other Cash Inflows								
Equity Investment	$125,000	$0	$0	$0	$0	$0	$0	$0
Increased Borrowings	$60,000	$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
Total Other Cash Inflows	**$185,083**	**$83**	**$83**	**$83**	**$83**	**$83**	**$83**	**$83**
Total Cash Inflow	**$184,996**	**$490**	**$985**	**$1,480**	**$1,975**	**$2,470**	**$2,966**	**$3,461**
Cash Outflows								
Repayment of Principal	$319	$321	$323	$326	$328	$330	$333	$335
A/P Decreases	$58	$58	$58	$58	$58	$58	$58	$58
A/R Increases	$0	$0	$0	$0	$0	$0	$0	$0
Asset Purchases	$100,000	$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
Total Cash Outflows	**$100,377**	**$380**	**$382**	**$384**	**$386**	**$389**	**$391**	**$393**
Net Cash Flow	**$84,618**	**$111**	**$604**	**$1,096**	**$1,589**	**$2,082**	**$2,574**	**$3,067**
Cash Balance	**$84,618**	**$84,729**	**$85,333**	**$86,429**	**$88,018**	**$90,100**	**$92,675**	**$95,742**

Cash Flow Analysis (First Year Cont.)					
Month	9	10	11	12	Year 1
Cash From Operations	$3,872	$4,367	$4,862	$5,358	$31,617
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$3,872**	**$4,367**	**$4,862**	**$5,358**	**$31,617**
Other Cash Inflows					
Equity Investment	$0	$0	$0	$0	$125,000
Increased Borrowings	$0	$0	$0	$0	$60,000
Sales of Business Assets	$0	$0	$0	$0	$0
A/P Increases	$83	$83	$83	$83	$1,000
Total Other Cash Inflows	$83	$83	$83	$83	$186,000
Total Cash Inflow	**$3,956**	**$4,451**	**$4,946**	**$5,441**	**$217,617**
Cash Outflows					
Repayment of Principal	$337	$340	$342	$345	$3,980
A/P Decreases	$58	$58	$58	$58	$700
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$0	$0	$0	$0	$100,000
Dividends	$0	$0	$0	$0	$0
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$396**	**$398**	**$401**	**$403**	**$104,680**
Net Cash Flow	**$3,560**	**$4,053**	**$4,545**	**$5,038**	**$112,937**
Cash Balance	**$99,302**	**$103,354**	**$107,899**	**$112,937**	**$112,937**

Cash Flow Analysis (Second Year)					
		Year 2			
Quarter	Q1	Q2	Q3	Q4	Year 2
Cash From Operations	$9,612	$11,197	$12,783	$14,369	$47,962
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$9,612**	**$11,197**	**$12,783**	**$14,369**	**$47,962**
Other Cash Inflows					
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
Total Other Cash Inflows	**$255**	**$260**	**$265**	**$270**	**$1,050**
Total Cash Inflow	**$9,867**	**$11,457**	**$13,048**	**$14,639**	**$49,012**
Cash Outflows					
Repayment of Principal	$1,049	$1,071	$1,094	$1,117	$4,331
A/P Decreases	$178	$182	$186	$189	$735
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$7,194	$0	$0	$0	$7,194
Dividends	$0	$0	$0	$22,500	$22,500
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$8,421**	**$1,253**	**$1,280**	**$23,807**	**$34,761**
Net Cash Flow	**$1,446**	**$10,204**	**$11,768**	**-$9,167**	**$14,251**
Cash Balance	**$114,383**	**$124,587**	**$136,356**	**$127,188**	**$127,188**

Cash Flow Analysis (Third Year)					
		Year 3			
Quarter	Q1	Q2	Q3	Q4	Year 3
Cash From Operations	$18,771	$20,893	$23,016	$25,140	$87,820
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$18,771**	**$20,893**	**$23,016**	**$25,140**	**$87,820**
Other Cash Inflows					
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
Total Other Cash Inflows	**$267**	**$273**	**$278**	**$284**	**$1,103**
Total Cash Inflow	**$19,038**	**$21,166**	**$23,295**	**$25,424**	**$88,923**
Cash Outflows					
Repayment of Principal	$1,141	$1,166	$1,191	$1,216	$4,714
A/P Decreases	$187	$191	$195	$199	$772
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$38,173	$0	$0	$0	$38,173
Dividends	$0	$0	$0	$30,000	$30,000
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$39,502**	**$1,357**	**$1,386**	**$31,415**	**$73,659**
Net Cash Flow	**-$20,464**	**$19,809**	**$21,909**	**-$5,991**	**$15,264**
Cash Balance	**$106,725**	**$126,534**	**$148,443**	**$142,452**	**$142,452**

Cash Flow Analysis (Fourth Year)					
		Year 4			
Quarter	Q1	Q2	Q3	Q4	Year 4
Cash From Operations	$27,491	$29,812	$32,135	$34,458	$123,896
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$27,491**	**$29,812**	**$32,135**	**$34,458**	**$123,896**
Other Cash Inflows					
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
Total Other Cash Inflows	**$281**	**$287**	**$292**	**$298**	**$1,158**
Total Cash Inflow	**$27,772**	**$30,099**	**$32,427**	**$34,756**	**$125,053**
Cash Outflows					
Repayment of Principal	$1,242	$1,269	$1,296	$1,324	$5,131
A/P Decreases	$197	$201	$205	$209	$810
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$9,912	$0	$0	$0	$9,912
Dividends	$0	$0	$0	$67,500	$67,500
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$11,350**	**$1,469**	**$1,501**	**$69,032**	**$83,353**
Net Cash Flow	**$16,421**	**$28,630**	**$30,926**	**-$34,277**	**$41,700**
Cash Balance	**$158,873**	**$187,503**	**$218,429**	**$184,152**	**$184,152**

Cash Flow Analysis (Fifth Year)					
		Year 5			
Quarter	Q1	Q2	Q3	Q4	Year 5
Cash From Operations	$36,005	$38,767	$41,530	$44,294	$160,597
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$36,005**	**$38,767**	**$41,530**	**$44,294**	**$160,597**
Other Cash Inflows					
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
Total Other Cash Inflows	**$295**	**$301**	**$307**	**$313**	**$1,216**
Total Cash Inflow	**$36,300**	**$39,068**	**$41,837**	**$44,607**	**$161,812**
Cash Outflows					
Repayment of Principal	$1,352	$1,381	$1,411	$1,441	$5,584
A/P Decreases	$206	$211	$215	$219	$851
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$37,848	$0	$0	$0	$37,848
Dividends	$0	$0	$0	$70,000	$70,000
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$39,406**	**$1,592**	**$1,625**	**$71,660**	**$114,283**
Net Cash Flow	**-$3,106**	**$37,477**	**$40,212**	**-$27,053**	**$47,529**
Cash Balance	**$181,046**	**$218,523**	**$258,735**	**$231,682**	**$231,682**