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## **1.0 Executive Summary**

The purpose of this business plan is to secure \$125,000, via a business loan, for the development of a breakfast restaurant based in Middletown Township, New Jersey. Matt's Breakfast Spot LLC ("the Company") was founded this year by Matthew Deutsch. The restaurant will launch its operations in the third quarter once the buildout is completed.

### **Operations**

The primary focus of the Company's revenue generating operations is to provide a wide range of breakfast and brunch options for its patrons within the Middletown Township and Monmouth County market area. A significant focus of these operations will be to provide exceptional egg-based entrées which will be complimented by serving premium pancakes, waffles, crêpes, and other common breakfast items. The business will generate substantial contribution margins from these operations.

The business will also provide an exceptional range of coffee and tea beverages, including specialty drinks such as cappuccinos, espressos, flat whites, and signature beverages.

The third section of this breakfast restaurant business plan will further discuss the operations of Matt's Breakfast Spot.

### **The Financing**

As noted above, the business is currently seeking a \$125,000 business loan in order to complete the build out of Matt's Breakfast Spot as well as acquiring the necessary furniture, fixtures, and equipment. Matthew Deutsch will contribute \$25,000 towards venture. He has additional capital available to further the growth objectives of the business should it be required.

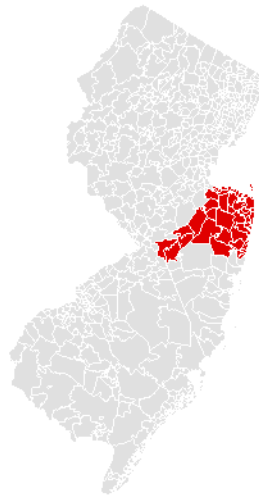
It is not anticipated that any additional capital will be required during the first five years of operation. In the event that Management wishes to develop a second location in the greater Monmouth County area, he may seek additional financing either as a business loan or in tandem with a private investor.

### **The Future**

One of the main avenues of growth for Matt's Breakfast Spot will come from the ongoing expansion of its catering operations. The business will have the ability to provide large scale trays featuring all entrées offered by the restaurant. The Company will also continually expand its delivery and takeaway operations as this will be a significant revenue driver that will also increase the brand-name visibility of this breakfast restaurant.

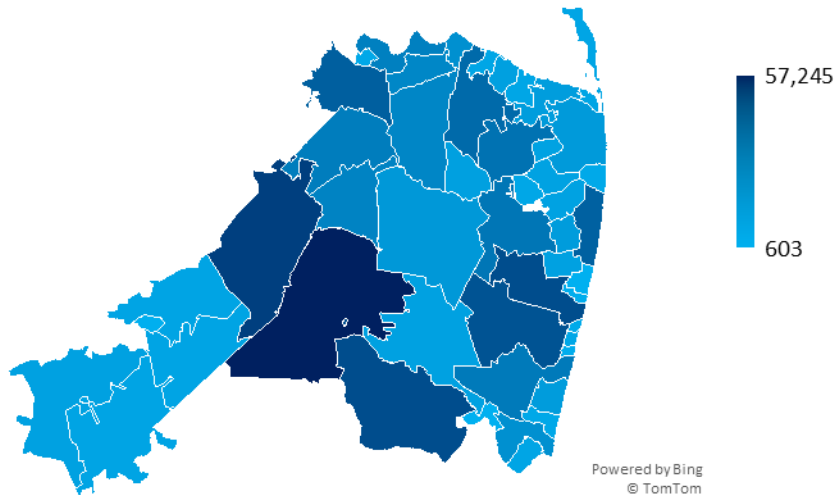
## Market Overview

### Target Market Region



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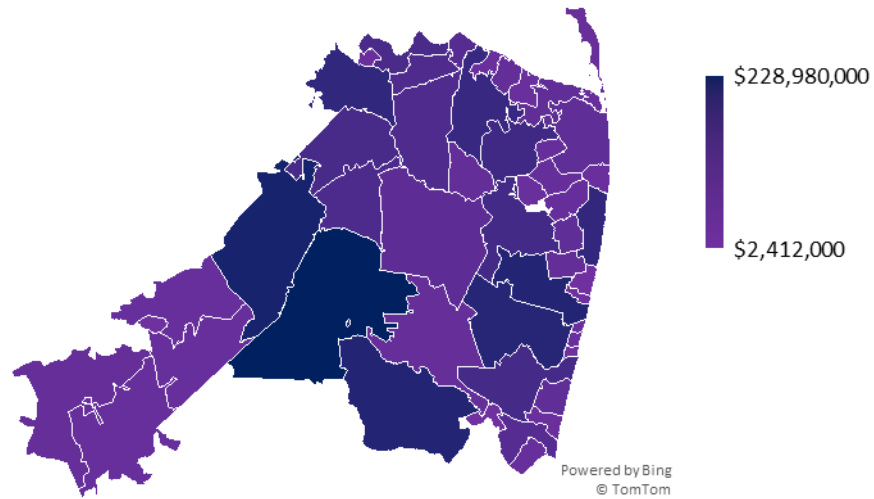
### Target Market Population



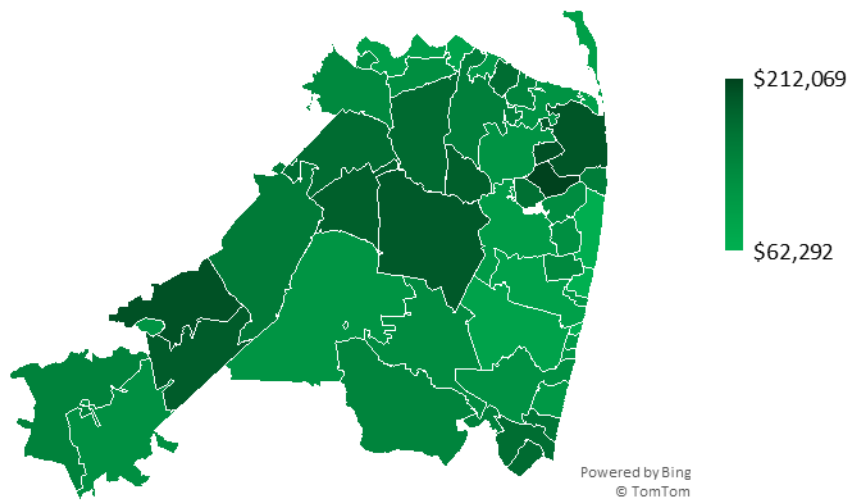
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## Target Market Demand



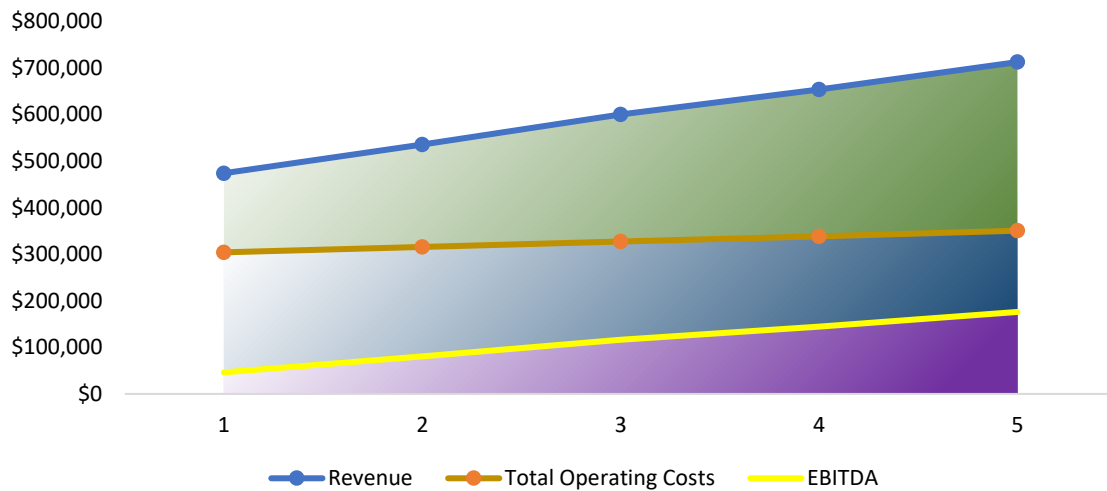
## Target Market Household Income



## Revenue Forecasts

Proforma Profit and Loss					
Year	1	2	3	4	5
<b>Revenue</b>	\$473,850	\$535,451	\$599,705	\$653,678	\$712,509
Cost of Revenue	\$123,728	\$139,812	\$156,590	\$170,683	\$186,044
<b>Gross Profit</b>	\$350,123	\$395,638	\$443,115	\$482,995	\$526,465
Total Operating Costs	\$303,977	\$315,271	\$326,945	\$338,458	\$350,463
<b>EBITDA</b>	<b>\$46,146</b>	<b>\$80,368</b>	<b>\$116,170</b>	<b>\$144,537</b>	<b>\$176,002</b>

Revenue, Operating Costs, EBITDA



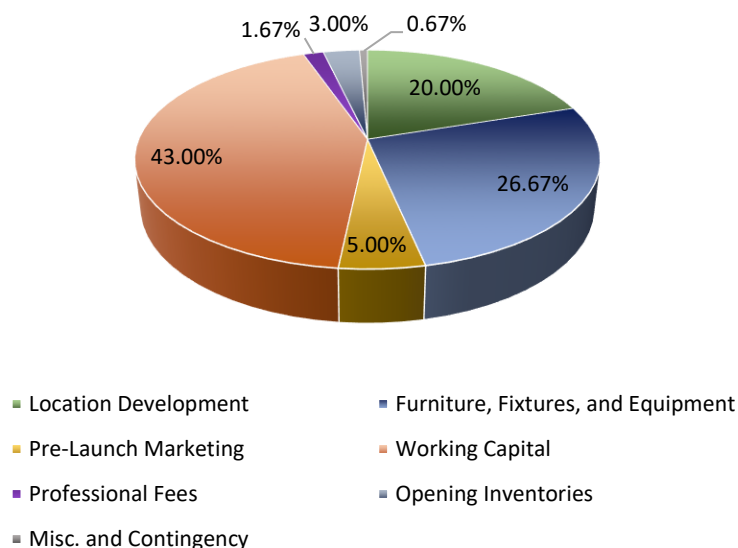
## 2.0 The Financing

### 2.1 Funds Required

The \$125,000 of debt capital and \$25,000 of equity capital will be used as follows:

Use of Funds	
Location Development	\$30,000
Furniture, Fixtures, and Equipment	\$40,000
Pre-Launch Marketing	\$7,500
Working Capital	\$64,500
Professional Fees	\$2,500
Opening Inventories	\$4,500
Misc. and Contingency	\$1,000
<b>Total</b>	<b>\$150,000</b>

Use of Funds Breakdown



### 2.2 Management and Investor Equity

Matthew Deutsch is the 100% owner of Matt's Breakfast Spot LLC.

### 2.3 Exit Strategies

Breakfast restaurants carry a moderate price to earnings valuation given that they have relatively straightforward operations as well as significant contribution margins from the sale of breakfast fare. Although Mr. Deutsch has no long-term plans to sell the business, in the event that it is required to do so then a qualified business broker will be hired to manage the transaction. An attorney in CPA will also be retained to ensure a seamless with transition to a third-party restaurateur.



### 3.0 Operations

Matt's Breakfast Spot will operate between the hours of 7 AM to 2 PM each day. The Company will take a unique approach to its operations in that almost all inventory inputs will be sourced from farms that are based in Monmouth County as well as the State of New Jersey. As this state has a number of family-owned farms, Management sees a significant opportunity to acquire premium and fresh ingredients at a reasonable price. This will be highly valued by the Company's patrons.

As it relates to coffee and tea operations, the business will source these products from a number of global purveyors spanning a number of continents. This will be one of the major drivers to the location.

Beyond sit down service, Matt's Breakfast Spot will provide delivery and take away options through a number of common application suites. This aspect of operations is highly important as it will significantly increase brand-name awareness well also driving substantial secondary revenues. Over the past ten years, the use of delivery applications for food service businesses has exploded in popularity. The Company will be able to effectively capitalize on this trend.

The business will also provide a wide range of catering services. As noted in the executive summary, the business will have the ability to provide large scale trays of the Company's signature breakfast items. The Company will conduct direct outreach with businesses and event planners in the market in order to further this aspect of operations.

## **4.0 Overview of the Organization**

### **4.1 Registered Name**

Matt's Breakfast Spot LLC. The business is registered as a limited liability company in the State of New Jersey.

### **4.2 Commencement of Operations**

Matt's Breakfast Spot will commence operations in the third quarter of this year.

### **4.3 Mission Statement**

To provide exceptional breakfast and brunch fare and an affordable price to the Monmouth County public.

### **4.4 Vision Statement**

To become recognized as a local breakfast restaurant and community institution within Middletown Township.

### **4.5 Organizational Objectives**

- Coordinate inventory sourcing efforts with organic farms throughout Monmouth County and the State of New Jersey.
- Implemented number of pre-launch marketing campaigns that will create significant awareness of the location prior to the grand opening.
- Use multiple online platforms in order to conduct delivery and take away operations.
- Adhere to all proper standards regarding the safe handling and preparation of food.
- Provide a stable place an employment for this breakfast restaurant's staff.
- Potentially developed additional locations within Central New Jersey, which would not occur until after the fifth year of operations.
- Established ongoing relationships with event planners that will call on the business to provide breakfast fare for events.

## 5.0 Market and Industry Analysis

### 5.1 External Environmental Analysis

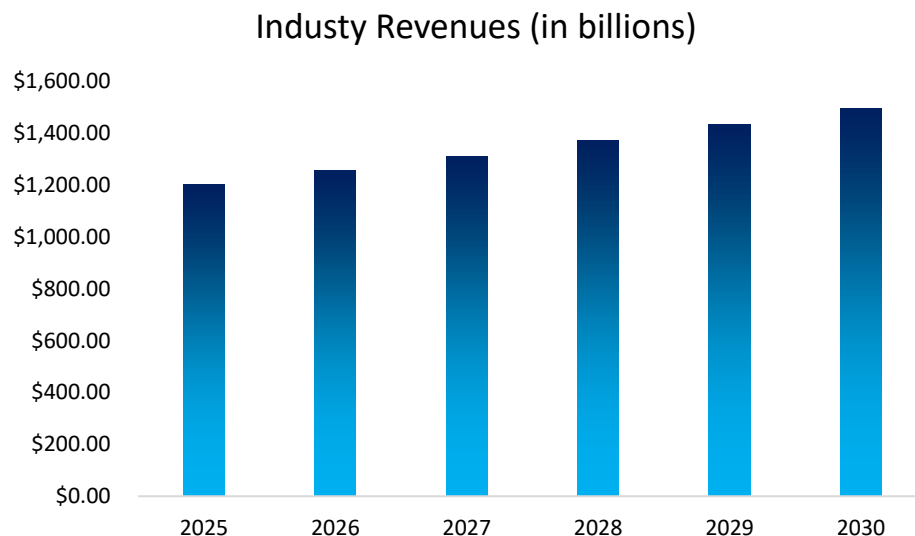
This section of the breakfast restaurant business plan will focus on the current economic climate, the industry, the customer profile, and competitive issues.

At this time, the economic climate of the United States is moderate. There has been significant volatility introduced to the market as a result of evolving trade policies, as well as changes to national fiscal policy. In turn, this is causing inflation to expand at a higher rate than what was originally anticipated. The Federal Reserve as well as the United States Treasury is taking appropriate measures to ensure that inflation remains relatively low.

It should be noted that the Middletown Township area as well as the greater Monmouth County market is a very population dense area that receives a substantial amount of tourist traffic. The Company will be able to capitalize on this highly economically stable market as it establishes its operations.

### 5.2 Industry Analysis

There are 700,000 companies that own and operate one or more food service-based locations. Each year, these businesses generate \$1.2 trillion revenue while providing jobs for over 16 million people



Restaurants and food service businesses are one of the country's oldest in industries. The ongoing growth of this business will remain similar to that the economy as a whole in regards to increasing rates of inflation as well as natural population growth.

### **5.3 Customer Profile**

Management will use the following demographic profile during its marketing operations:

- Annual household income of \$55,000 to \$100,000
- Will spend \$15 per visit (per person)
- Lives within 10 miles of the Matt's Breakfast Spot location

### **5.4 Competitive Analysis**

Management has sourced a highly visible location within Middletown Township that will be used to conduct the businesses operations. There is no other breakfast restaurants located within a two-mile radius of the planned location. As such, the ongoing competitive threats faced by Matt's Breakfast Spot are relatively low. However, the business will face competition among breakfast restaurants that are outside of the target market radius that offer take away and delivery options.

## **6.0 Key Strategic Issues**

### **6.1 Sustainable Operations**

Matt's Breakfast Spot will have sustainable operations as a result of the following:

- The farm to table approach specific for breakfast and brunch will find an immense audience within Middletown Township.
- A highly experienced owner, Matthew Deutsch, that has owned and operated several restaurants in the past.
- The business will generate substantial contribution margins from the sale of its premium coffee and tea beverages, which will be sourced from global purveyors.
- The Company will engage in catering which will drive substantial revenues as well as increasing brand invisibility.

### **6.2 Basis of Growth**

The Company will expand via the following methods:

- Continued expansion in the Company's direct outreach campaigns with event planners that will have the business provide breakfast at large scale events.
- Continue to expand the Company's marketing operations to foster repeat patronage.
- Potential development of a second location within Monmouth County or a different market of Central New Jersey.

## 7.0 Marketing Plan

### 7.1 Marketing Objectives

- Engage a number of marketing strategies that will create significant brand name awareness throughout the entirety of Monmouth County.
- Leverage numerous online marketing strategies so that the business can be quickly found when breakfast restaurants are searched within the target market.
- Maintain strong relationships with community organizations within Middletown Township in Monmouth County.

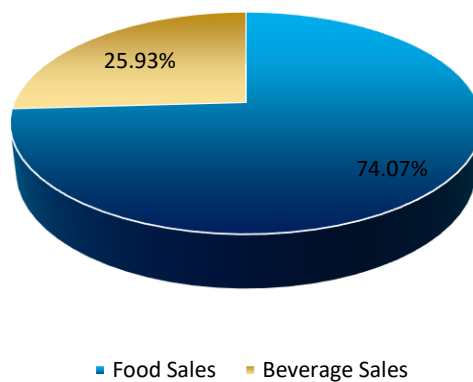
### 7.2 Revenue Forecasts

Yearly Sales Forecast					
Year	1	2	3	4	5
Food Sales	\$351,000	\$396,630	\$444,226	\$484,206	\$527,784
Beverage Sales	\$122,850	\$138,821	\$155,479	\$169,472	\$184,725
<b>Totals</b>	<b>\$473,850</b>	<b>\$535,451</b>	<b>\$599,705</b>	<b>\$653,678</b>	<b>\$712,509</b>

Gross Profit					
Year	1	2	3	4	5
<b>Total</b>	<b>\$350,123</b>	<b>\$395,638</b>	<b>\$443,115</b>	<b>\$482,995</b>	<b>\$526,465</b>

### Revenue Generation



### 7.3 Revenue Assumptions

#### Year 1

- Matt's Breakfast Spot will launch its operations in Middletown Township.
- Revenue will reach \$473,000.



## Year 2

- The Company will expand the scope of its regional marketing.
- Revenue will reach \$535,000.

## Years 3-5

- By Year 5, total revenue will reach \$712,000.
- At this time, Management may develop additional locations.

## 7.4 Marketing Strategies

The Company will use a number of marketing strategies that will drive significant brand name awareness in the coming years that will highlight the exceptional cuisine offered by Matt's Breakfast Spot.

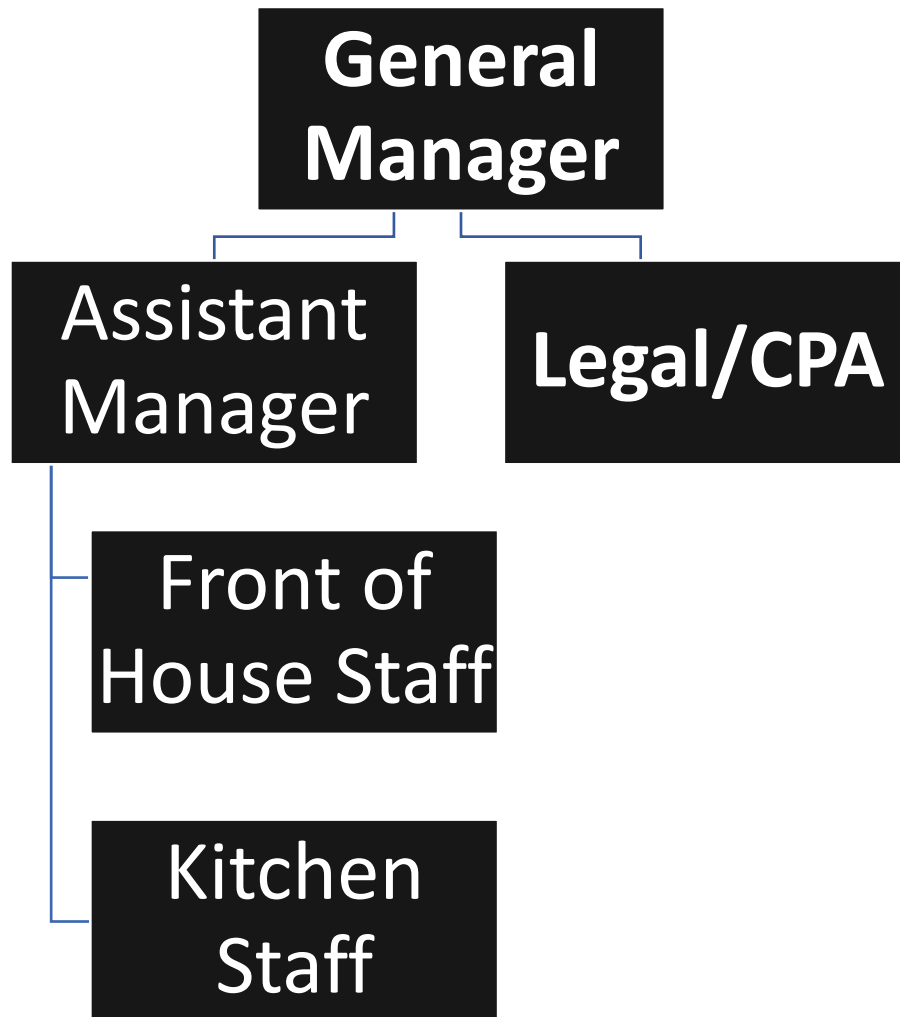
Management has already coordinated with a commercial real estate brokers to find an appropriate location within Middletown Township. This location is going to be based on a highly traffic road that will be seen by thousands of people on a daily basis. There will be appropriate exterior signage that showcases the premium breakfast fare offered.

The Company will also maintain an expansive online presence through risk for proprietary website as well as all social media platforms. It should be noted that the Company's website will be e-commerce enabled to that take away and delivery orders can be placed. This will be conducted in tandem with popular application delivery suites such as Uber Eats and DoorDash.

The Company will focus heavily on the fact that it sources this inventory is from organic farms throughout the State of New Jersey. As highlighted earlier, this farm-to-table model is extremely popular as many people have become far more conscious of where their food is produced. Management will engage in co-marketing opportunities with its farming partners to further increase visibility

## 8.0 Organizational Plan

### 8.1 Organizational Hierarchy

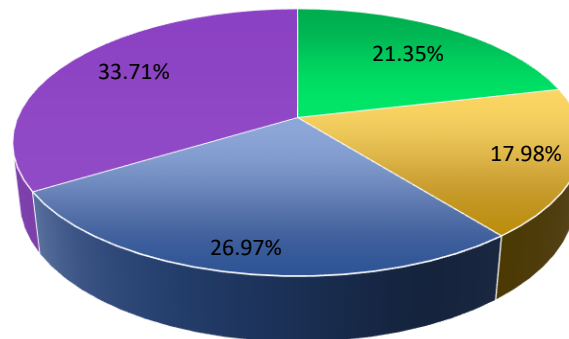


## 8.2 Personnel Costs

Personnel Plan - Yearly					
Year	1	2	3	4	5
General Manager	\$47,500	\$48,925	\$50,393	\$51,905	\$53,462
Assistant Manager	\$40,000	\$41,200	\$42,436	\$43,709	\$45,020
Front of House Staff	\$60,000	\$61,800	\$63,654	\$65,564	\$67,531
Kitchen Staff	\$75,000	\$77,250	\$79,568	\$81,955	\$84,413
<b>Total</b>	<b>\$222,500</b>	<b>\$229,175</b>	<b>\$236,050</b>	<b>\$243,132</b>	<b>\$250,426</b>

Numbers of Personnel (Year End Headcount)					
Year	1	2	3	4	5
General Manager	1	1	1	1	1
Assistant Manager	1	1	1	1	1
Front of House Staff	3	3	3	3	3
Kitchen Staff	3	3	3	3	3
<b>Total</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>

### Personnel Summary



■ General Manager ■ Assistant Manager ■ Front of House Staff ■ Kitchen Staff

## 9.0 Financial Plan

### 9.1 Underlying Assumptions

- Matt's Breakfast Spot will acquire \$125,000 in debt capital to establish operations.
- The Company will have a compounded annual growth rate of 11%.
- Matthew Deutsch will contribute \$25,000 towards the development of the business.

### 9.2 Financial Highlights

- On beverage sales, the company will recognize contribution margins of 85%.
- On brunch and breakfast entrées, the business will achieve 70% contribution margins.

### 9.3 Sensitivity Analysis

In the event of an extremely severe economic recession, the demand for food consumed outside of the home may decline. As noted throughout this document, Middletown Township as well as Monmouth County are highly wealthy areas that have a significant population density. This will ensure that the business is able to remain economically stable all servicing all underlying financial obligations.

### 9.4 Source of Funds

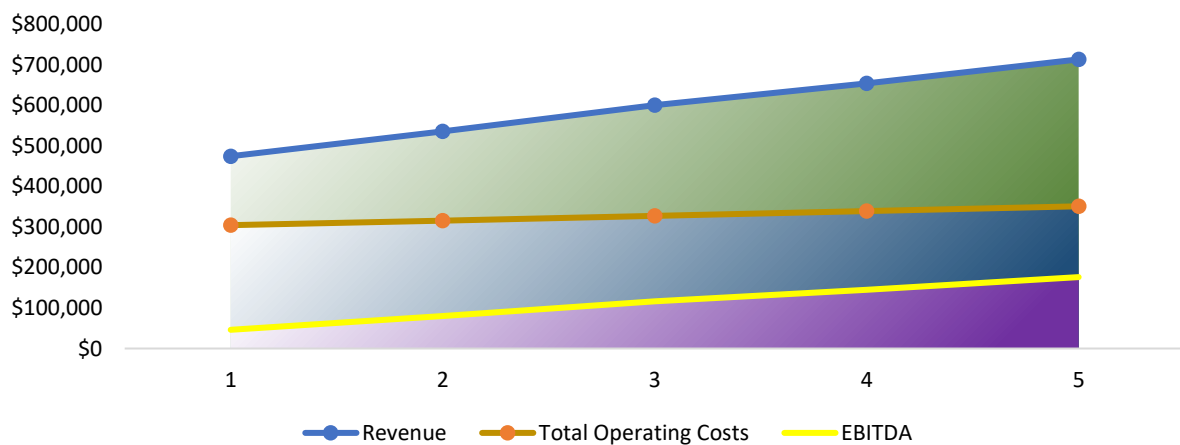
Financing	
<b>Equity</b>	
Equity Capitalization	\$25,000.00
<b>Total Equity Financing</b>	<b>\$25,000.00</b>
<b>Banks and Lenders</b>	
Business Loan	\$125,000.00
<b>Total Debt Financing</b>	<b>\$125,000.00</b>
<b>Total Financing</b>	<b>\$150,000.00</b>

## 9.5 Financial Proformas

### A) Profit and Loss Statement

Proforma Profit and Loss					
Year	1	2	3	4	5
<b>Revenue</b>	\$473,850	\$535,451	\$599,705	\$653,678	\$712,509
Cost of Revenue	\$123,728	\$139,812	\$156,590	\$170,683	\$186,044
Gross Margin	73.89%	73.89%	73.89%	73.89%	73.89%
<b>Gross Profit</b>	\$350,123	\$395,638	\$443,115	\$482,995	\$526,465
<b>Expenses</b>					
Payroll	\$222,500	\$229,175	\$236,050	\$243,132	\$250,426
General and Administrative	\$9,477	\$10,709	\$11,994	\$13,074	\$14,250
Business Development	\$3,554	\$4,016	\$4,498	\$4,903	\$5,344
Marketing	\$5,971	\$6,747	\$7,556	\$8,236	\$8,978
Insurance Costs	\$3,250	\$3,413	\$3,583	\$3,762	\$3,950
Professional Fees	\$4,500	\$4,725	\$4,961	\$5,209	\$5,470
Facility Costs	\$36,510	\$37,605	\$38,733	\$39,895	\$41,092
Misc. Costs	\$1,194	\$1,349	\$1,511	\$1,647	\$1,796
Payroll Taxes	\$17,021	\$17,532	\$18,058	\$18,600	\$19,158
<b>Total Operating Costs</b>	<b>\$303,977</b>	<b>\$315,271</b>	<b>\$326,945</b>	<b>\$338,458</b>	<b>\$350,463</b>
<b>EBITDA</b>	<b>\$46,146</b>	<b>\$80,368</b>	<b>\$116,170</b>	<b>\$144,537</b>	<b>\$176,002</b>
Federal Income Tax	\$6,788	\$15,474	\$24,568	\$31,819	\$39,860
State Income Tax	\$1,358	\$3,095	\$4,914	\$6,364	\$7,972
Interest Expense	\$9,693	\$8,987	\$8,222	\$7,394	\$6,497
Depreciation Expenses	\$9,300	\$9,486	\$9,676	\$9,869	\$10,067
<b>Net Profit</b>	<b>\$19,007</b>	<b>\$43,327</b>	<b>\$68,790</b>	<b>\$89,092</b>	<b>\$111,607</b>
<b>Profit Margin</b>	<b>4.01%</b>	<b>8.09%</b>	<b>11.47%</b>	<b>13.63%</b>	<b>15.66%</b>

Revenue, Operating Costs, EBITDA



## B) Common Size Income Statement

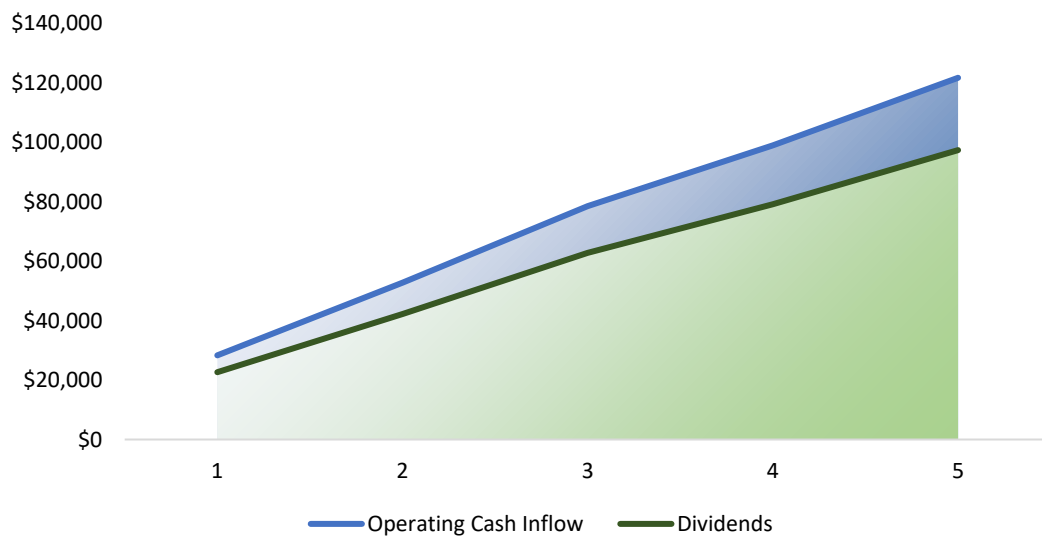
Profit and Loss (Common Size)					
Year	1	2	3	4	5
<b>Revenue</b>	100.00%	100.00%	100.00%	100.00%	100.00%
Cost of Revenue	26.11%	26.11%	26.11%	26.11%	26.11%
<b>Gross Profit</b>	73.89%	73.89%	73.89%	73.89%	73.89%
<b>Expenses</b>					
Payroll	46.96%	42.80%	39.36%	37.19%	35.15%
General and Administrative	2.00%	2.00%	2.00%	2.00%	2.00%
Business Development	0.75%	0.75%	0.75%	0.75%	0.75%
Marketing	1.26%	1.26%	1.26%	1.26%	1.26%
Insurance Costs	0.69%	0.64%	0.60%	0.58%	0.55%
Professional Fees	0.95%	0.88%	0.83%	0.80%	0.77%
Facility Costs	7.70%	7.02%	6.46%	6.10%	5.77%
Misc. Costs	0.25%	0.25%	0.25%	0.25%	0.25%
Payroll Taxes	3.59%	3.27%	3.01%	2.85%	2.69%
<b>Total Operating Costs</b>	64.15%	58.88%	54.52%	51.78%	49.19%
<b>EBITDA</b>	9.74%	15.01%	19.37%	22.11%	24.70%
Federal Income Tax	1.43%	2.89%	4.10%	4.87%	5.59%
State Income Tax	0.29%	0.58%	0.82%	0.97%	1.12%
Interest Expense	2.05%	1.68%	1.37%	1.13%	0.91%
Depreciation Expenses	1.96%	1.77%	1.61%	1.51%	1.41%
<b>Net Profit</b>	4.01%	8.09%	11.47%	13.63%	15.66%



## C) Cash Flow Analysis

Proforma Cash Flow Analysis - Yearly					
Year	1	2	3	4	5
Cash From Operations	\$28,307	\$52,813	\$78,466	\$98,961	\$121,674
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$28,307</b>	<b>\$52,813</b>	<b>\$78,466</b>	<b>\$98,961</b>	<b>\$121,674</b>
<b>Other Cash Inflows</b>					
Equity Investment	\$25,000	\$0	\$0	\$0	\$0
Increased Borrowings	\$125,000	\$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>\$151,000</b>	<b>\$1,050</b>	<b>\$1,103</b>	<b>\$1,158</b>	<b>\$1,216</b>
<b>Total Cash Inflow</b>	<b>\$179,307</b>	<b>\$53,863</b>	<b>\$79,569</b>	<b>\$100,119</b>	<b>\$122,889</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$8,507	\$9,213	\$9,977	\$10,805	\$11,702
A/P Decreases	\$700	\$735	\$772	\$810	\$851
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$74,500	\$2,641	\$3,923	\$4,948	\$6,084
Dividends	\$22,646	\$42,250	\$62,773	\$79,169	\$97,339
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$106,352</b>	<b>\$54,838</b>	<b>\$77,445</b>	<b>\$95,733</b>	<b>\$115,976</b>
<b>Net Cash Flow</b>	<b>\$72,955</b>	<b>-\$976</b>	<b>\$2,123</b>	<b>\$4,386</b>	<b>\$6,914</b>
<b>Cash Balance</b>	<b>\$72,955</b>	<b>\$71,979</b>	<b>\$74,103</b>	<b>\$78,489</b>	<b>\$85,402</b>

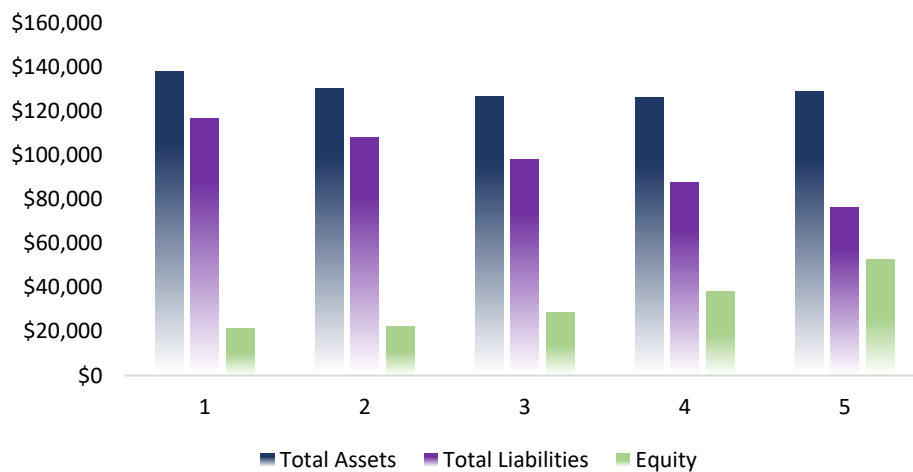
### Cash Flow Analysis



## D) Balance Sheet

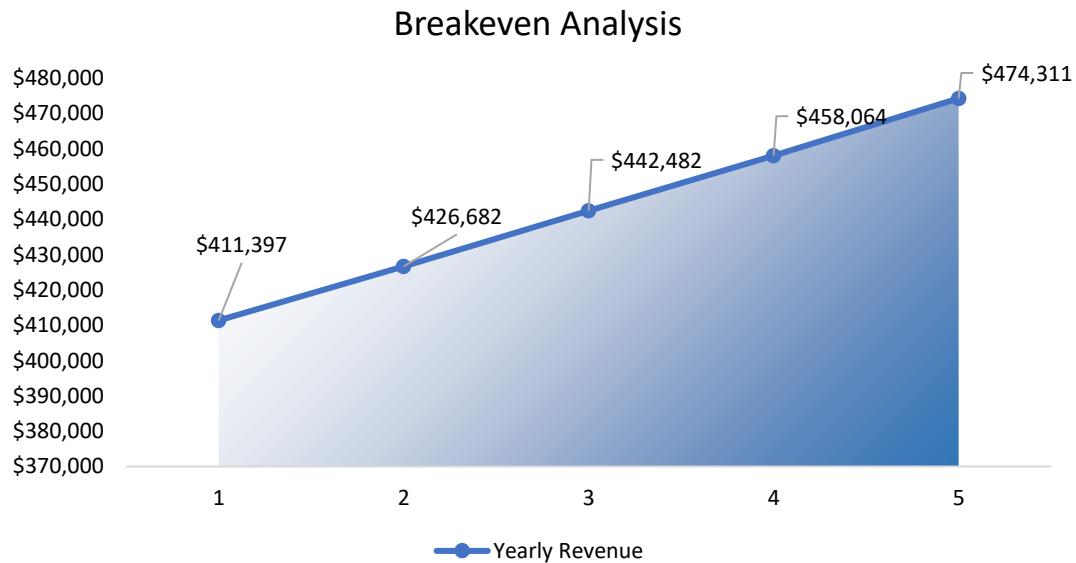
Proforma Balance Sheet - Yearly					
Year	1	2	3	4	5
<b>Assets</b>					
Cash	\$72,955	\$71,979	\$74,103	\$78,489	\$85,402
Fixed Assets	\$74,500	\$77,141	\$81,064	\$86,012	\$92,096
Accumulated Depreciation	(\$9,300)	(\$18,786)	(\$28,462)	(\$38,331)	(\$48,398)
<b>Total Assets</b>	<b>\$138,155</b>	<b>\$130,334</b>	<b>\$126,705</b>	<b>\$126,170</b>	<b>\$129,100</b>
<b>Liabilities and Equity</b>					
Accounts Payable	\$300	\$615	\$946	\$1,293	\$1,658
Long Term Liabilities	\$116,493	\$107,281	\$97,304	\$86,498	\$74,796
Other Liabilities	\$0	\$0	\$0	\$0	\$0
<b>Total Liabilities</b>	<b>\$116,793</b>	<b>\$107,896</b>	<b>\$98,249</b>	<b>\$87,791</b>	<b>\$76,454</b>
<b>Equity</b>	<b>\$21,361</b>	<b>\$22,438</b>	<b>\$28,456</b>	<b>\$38,379</b>	<b>\$52,647</b>
<b>Total Liabilities and Equity</b>	<b>\$138,155</b>	<b>\$130,334</b>	<b>\$126,705</b>	<b>\$126,170</b>	<b>\$129,100</b>

Balance Sheet



## 9.6 Breakeven Analysis

Break Even Analysis					
Year	1	2	3	4	5
Monthly Revenue	\$34,283	\$35,557	\$36,874	\$38,172	\$39,526
Yearly Revenue	\$411,397	\$426,682	\$442,482	\$458,064	\$474,311



## 9.7 Business Ratios

Business Ratios - Yearly					
Year	1	2	3	4	5
<b>Revenue</b>					
Sales Growth	0.0%	13.0%	12.0%	9.0%	9.0%
Gross Margin	73.9%	73.9%	73.9%	73.9%	73.9%
<b>Financials</b>					
Profit Margin	4.01%	8.09%	11.47%	13.63%	15.66%
Assets to Liabilities	1.18	1.21	1.29	1.44	1.69
Equity to Liabilities	0.18	0.21	0.29	0.44	0.69
Assets to Equity	6.47	5.81	4.45	3.29	2.45
<b>Liquidity</b>					
Acid Test	0.62	0.67	0.75	0.89	1.12
Cash to Assets	0.53	0.55	0.58	0.62	0.66

## **Appendix A – SWOT Analysis**

### **Strengths**

- The business is offering its farm to table breakfast fare at an affordable price for the Middletown Township community.
- A highly experienced owner, Matthew Deutsch, who will be able to bring the operations of this business to profitability.
- The Company will support its coffee from global sources, which will drive substantial early morning patronage.

### **Weaknesses**

- General operational complexities given that this is a food service business that operates within a highly defined timeframe each day.
- Ongoing competition from similar breakfast restaurants located within the greater target market area.

### **Opportunities**

- Potential development of additional Matt's Breakfast Spot locations in Central New Jersey.
- Expansion of the Company's catering operations as this will produce substantial profits for the business.
- Natural growth as a result of the increasing population.

### **Threats**

- Disruptions in the food supply chain could cause the operating cost of the business to increase.
- A potential competitor could establish a similar restaurant within the target market radius.

## **Appendix B – Critical Risks**

### **Development Risk – Low**

Matthew Deutsch has already sourced the potential location that will be used at the house, Matt's Breakfast Spot's operations. The buildout will commence as soon as the capital sought in this document has been secured.

### **Financing Risk – Low**

The \$125,000 a debt capital will be principally used for the build out of the location, as well as furniture, fixtures, and equipment. The substantial contribution margins generated from the sale of breakfast/brunch fare and beverages will reduce the Company's financing risks.

### **Marketing Risk – Low**

The business will continue to use the marketing strategies outlined earlier in this document with a focus on promoting its farm to table operations. The Company will engage in a number of community outreach initiatives in order to increase brand visibility.

### **Management Risk – Low**

Matthew Deutsch is an experienced restaurant owner that has operated several cafés and breakfast focused venues over the past twenty years. He will be able to develop Matt's Breakfast Spot as a premium restaurant within the Monmouth County market.

### **Valuation Risk – Low**

The valuation risk is offset by:

- The Company is operating in an economically viable market area.
- Significant gross profits from the sale of breakfast and brunch entrees.
- Use of Uber Eats and DoorDash will broaden the Company's target market radius.
- Catering operations will produce highly predictable profits.

### **Exit Risk - Low**

Matthew Deutsch has no long-term plans to sell Matt's Breakfast Spot to a third-party. In this event, the proper steps will be taken to ensure a fair market valuation for the business while also sourcing a suitable buyer.

## Appendix C – Expanded Profit and Loss Statements

<b>Profit and Loss Statement (First Year)</b>							
Months	1	2	3	4	5	6	7
<b>Revenue</b>	<b>\$35,775</b>	<b>\$36,450</b>	<b>\$37,125</b>	<b>\$37,800</b>	<b>\$38,475</b>	<b>\$39,150</b>	<b>\$39,825</b>
Cost of Revenue	\$9,341	\$9,518	\$9,694	\$9,870	\$10,046	\$10,223	\$10,399
<b>Gross Profit</b>	<b>\$26,434</b>	<b>\$26,933</b>	<b>\$27,431</b>	<b>\$27,930</b>	<b>\$28,429</b>	<b>\$28,928</b>	<b>\$29,426</b>
<b>Expenses</b>							
Payroll	\$18,542	\$18,542	\$18,542	\$18,542	\$18,542	\$18,542	\$18,542
General and Administrative	\$790	\$790	\$790	\$790	\$790	\$790	\$790
Business Development	\$296	\$296	\$296	\$296	\$296	\$296	\$296
Marketing	\$498	\$498	\$498	\$498	\$498	\$498	\$498
Insurance Costs	\$271	\$271	\$271	\$271	\$271	\$271	\$271
Professional Fees	\$375	\$375	\$375	\$375	\$375	\$375	\$375
Facility Costs	\$3,043	\$3,043	\$3,043	\$3,043	\$3,043	\$3,043	\$3,043
Misc. Costs	\$100	\$100	\$100	\$100	\$100	\$100	\$100
Payroll Taxes	\$1,418	\$1,418	\$1,418	\$1,418	\$1,418	\$1,418	\$1,418
<b>Total Operating Costs</b>	<b>\$25,331</b>	<b>\$25,331</b>	<b>\$25,331</b>	<b>\$25,331</b>	<b>\$25,331</b>	<b>\$25,331</b>	<b>\$25,331</b>
<b>EBITDA</b>	<b>\$1,102</b>	<b>\$1,601</b>	<b>\$2,100</b>	<b>\$2,599</b>	<b>\$3,097</b>	<b>\$3,596</b>	<b>\$4,095</b>
Federal Income Tax	\$513	\$522	\$532	\$542	\$551	\$561	\$571
State Income Tax	\$103	\$104	\$106	\$108	\$110	\$112	\$114
Interest Expense	\$833	\$829	\$824	\$820	\$815	\$810	\$806
Depreciation Expenses	\$775	\$775	\$775	\$775	\$775	\$775	\$775
<b>Net Profit</b>	<b>-\$1,121</b>	<b>-\$629</b>	<b>-\$138</b>	<b>\$354</b>	<b>\$846</b>	<b>\$1,338</b>	<b>\$1,830</b>



Profit and Loss Statement (First Year Cont.)						
Month	8	9	10	11	12	Year 1
<b>Revenue</b>	<b>\$40,500</b>	<b>\$41,175</b>	<b>\$41,850</b>	<b>\$42,525</b>	<b>\$43,200</b>	<b>\$473,850</b>
Cost of Revenue	\$10,575	\$10,751	\$10,928	\$11,104	\$11,280	\$123,728
<b>Gross Profit</b>	<b>\$29,925</b>	<b>\$30,424</b>	<b>\$30,923</b>	<b>\$31,421</b>	<b>\$31,920</b>	<b>\$350,123</b>
<b>Expenses</b>						
Payroll	\$18,542	\$18,542	\$18,542	\$18,542	\$18,542	\$222,500
General and Administrative	\$790	\$790	\$790	\$790	\$790	\$9,477
Business Development	\$296	\$296	\$296	\$296	\$296	\$3,554
Marketing	\$498	\$498	\$498	\$498	\$498	\$5,971
Insurance Costs	\$271	\$271	\$271	\$271	\$271	\$3,250
Professional Fees	\$375	\$375	\$375	\$375	\$375	\$4,500
Facility Costs	\$3,043	\$3,043	\$3,043	\$3,043	\$3,043	\$36,510
Misc. Costs	\$100	\$100	\$100	\$100	\$100	\$1,194
Payroll Taxes	\$1,418	\$1,418	\$1,418	\$1,418	\$1,418	\$17,021
<b>Total Operating Costs</b>	<b>\$25,331</b>	<b>\$25,331</b>	<b>\$25,331</b>	<b>\$25,331</b>	<b>\$25,331</b>	<b>\$303,977</b>
<b>EBITDA</b>	<b>\$4,594</b>	<b>\$5,092</b>	<b>\$5,591</b>	<b>\$6,090</b>	<b>\$6,589</b>	<b>\$46,146</b>
Federal Income Tax	\$580	\$590	\$600	\$609	\$619	\$6,788
State Income Tax	\$116	\$118	\$120	\$122	\$124	\$1,358
Interest Expense	\$801	\$796	\$791	\$786	\$782	\$9,693
Depreciation Expenses	\$775	\$775	\$775	\$775	\$775	\$9,300
<b>Net Profit</b>	<b>\$2,322</b>	<b>\$2,813</b>	<b>\$3,305</b>	<b>\$3,797</b>	<b>\$4,289</b>	<b>\$19,007</b>

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

Quarter	Year 2				
	Q1	Q2	Q3	Q4	Year 2
<b>Revenue</b>	\$129,847	\$132,524	\$135,201	\$137,879	\$535,451
Cost of Revenue	\$33,904	\$34,603	\$35,303	\$36,002	\$139,812
<b>Gross Profit</b>	<b>\$95,942</b>	<b>\$97,921</b>	<b>\$99,899</b>	<b>\$101,877</b>	<b>\$395,638</b>
<b>Expenses</b>					
Payroll	\$57,294	\$57,294	\$57,294	\$57,294	\$229,175
General and Administrative	\$2,677	\$2,677	\$2,677	\$2,677	\$10,709
Business Development	\$974	\$994	\$1,014	\$1,034	\$4,016
Marketing	\$1,636	\$1,670	\$1,704	\$1,737	\$6,747
Insurance Costs	\$853	\$853	\$853	\$853	\$3,413
Professional Fees	\$1,146	\$1,169	\$1,193	\$1,217	\$4,725
Facility Costs	\$9,401	\$9,401	\$9,401	\$9,401	\$37,605
Misc. Costs	\$327	\$334	\$341	\$347	\$1,349
Payroll Taxes	\$4,251	\$4,339	\$4,427	\$4,514	\$17,532
<b>Total Operating Costs</b>	<b>\$78,560</b>	<b>\$78,732</b>	<b>\$78,904</b>	<b>\$79,075</b>	<b>\$315,271</b>
<b>EBITDA</b>	<b>\$17,382</b>	<b>\$19,189</b>	<b>\$20,995</b>	<b>\$22,801</b>	<b>\$80,368</b>
Federal Income Tax	\$3,752	\$3,830	\$3,907	\$3,985	\$15,474
State Income Tax	\$750	\$766	\$781	\$797	\$3,095
Interest Expense	\$2,315	\$2,270	\$2,224	\$2,177	\$8,987
Depreciation Expenses	\$2,372	\$2,372	\$2,372	\$2,372	\$9,486
<b>Net Profit</b>	<b>\$8,193</b>	<b>\$9,952</b>	<b>\$11,711</b>	<b>\$13,471</b>	<b>\$43,327</b>

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

Quarter	Year 3				
	Q1	Q2	Q3	Q4	Year 3
<b>Revenue</b>	\$145,428	\$148,427	\$151,425	\$154,424	\$599,705
Cost of Revenue	\$37,973	\$38,756	\$39,539	\$40,322	\$156,590
<b>Gross Profit</b>	<b>\$107,455</b>	<b>\$109,671</b>	<b>\$111,887</b>	<b>\$114,102</b>	<b>\$443,115</b>
<b>Expenses</b>					
Payroll	\$59,013	\$59,013	\$59,013	\$59,013	\$236,050
General and Administrative	\$2,909	\$2,969	\$3,029	\$3,088	\$11,994
Business Development	\$1,091	\$1,113	\$1,136	\$1,158	\$4,498
Marketing	\$1,832	\$1,870	\$1,908	\$1,946	\$7,556
Insurance Costs	\$896	\$896	\$896	\$896	\$3,583
Professional Fees	\$1,203	\$1,228	\$1,253	\$1,278	\$4,961
Facility Costs	\$9,683	\$9,683	\$9,683	\$9,683	\$38,733
Misc. Costs	\$366	\$374	\$382	\$389	\$1,511
Payroll Taxes	\$4,514	\$4,514	\$4,514	\$4,514	\$18,058
<b>Total Operating Costs</b>	<b>\$81,507</b>	<b>\$81,660</b>	<b>\$81,813</b>	<b>\$81,965</b>	<b>\$326,945</b>
<b>EBITDA</b>	<b>\$25,948</b>	<b>\$28,011</b>	<b>\$30,074</b>	<b>\$32,137</b>	<b>\$116,170</b>
Federal Income Tax	\$5,958	\$6,081	\$6,203	\$6,326	\$24,568
State Income Tax	\$1,192	\$1,216	\$1,241	\$1,265	\$4,914
Interest Expense	\$2,130	\$2,081	\$2,031	\$1,980	\$8,222
Depreciation Expenses	\$2,419	\$2,419	\$2,419	\$2,419	\$9,676
<b>Net Profit</b>	<b>\$14,250</b>	<b>\$16,214</b>	<b>\$18,180</b>	<b>\$20,146</b>	<b>\$68,790</b>

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

Quarter	Year 4				
	Q1	Q2	Q3	Q4	Year 4
<b>Revenue</b>	\$158,517	\$161,785	\$165,054	\$168,322	\$653,678
Cost of Revenue	\$41,391	\$42,244	\$43,097	\$43,951	\$170,683
<b>Gross Profit</b>	<b>\$117,126</b>	<b>\$119,541</b>	<b>\$121,956</b>	<b>\$124,371</b>	<b>\$482,995</b>
<b>Expenses</b>					
Payroll	\$60,783	\$60,783	\$60,783	\$60,783	\$243,132
General and Administrative	\$3,170	\$3,236	\$3,301	\$3,366	\$13,074
Business Development	\$1,189	\$1,213	\$1,238	\$1,262	\$4,903
Marketing	\$1,997	\$2,038	\$2,080	\$2,121	\$8,236
Insurance Costs	\$941	\$941	\$941	\$941	\$3,762
Professional Fees	\$1,263	\$1,289	\$1,315	\$1,341	\$5,209
Facility Costs	\$9,974	\$9,974	\$9,974	\$9,974	\$39,895
Misc. Costs	\$399	\$408	\$416	\$424	\$1,647
Payroll Taxes	\$4,650	\$4,650	\$4,650	\$4,650	\$18,600
<b>Total Operating Costs</b>	<b>\$84,367</b>	<b>\$84,532</b>	<b>\$84,697</b>	<b>\$84,863</b>	<b>\$338,458</b>
<b>EBITDA</b>	<b>\$32,760</b>	<b>\$35,009</b>	<b>\$37,259</b>	<b>\$39,509</b>	<b>\$144,537</b>
Federal Income Tax	\$7,716	\$7,875	\$8,034	\$8,193	\$31,819
State Income Tax	\$1,543	\$1,575	\$1,607	\$1,639	\$6,364
Interest Expense	\$1,929	\$1,876	\$1,822	\$1,767	\$7,394
Depreciation Expenses	\$2,467	\$2,467	\$2,467	\$2,467	\$9,869
<b>Net Profit</b>	<b>\$19,105</b>	<b>\$21,216</b>	<b>\$23,329</b>	<b>\$25,442</b>	<b>\$89,092</b>

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

Quarter	Year 5				
	Q1	Q2	Q3	Q4	Year 5
<b>Revenue</b>	\$172,783	\$176,346	\$179,909	\$183,471	\$712,509
Cost of Revenue	\$45,116	\$46,046	\$46,976	\$47,906	\$186,044
<b>Gross Profit</b>	<b>\$127,668</b>	<b>\$130,300</b>	<b>\$132,932</b>	<b>\$135,565</b>	<b>\$526,465</b>
<b>Expenses</b>					
Payroll	\$62,606	\$62,606	\$62,606	\$62,606	\$250,426
General and Administrative	\$3,456	\$3,527	\$3,598	\$3,669	\$14,250
Business Development	\$1,296	\$1,323	\$1,349	\$1,376	\$5,344
Marketing	\$2,177	\$2,222	\$2,267	\$2,312	\$8,978
Insurance Costs	\$988	\$988	\$988	\$988	\$3,950
Professional Fees	\$1,326	\$1,354	\$1,381	\$1,408	\$5,470
Facility Costs	\$10,273	\$10,273	\$10,273	\$10,273	\$41,092
Misc. Costs	\$435	\$444	\$453	\$462	\$1,796
Payroll Taxes	\$4,789	\$4,789	\$4,789	\$4,789	\$19,158
<b>Total Operating Costs</b>	<b>\$87,347</b>	<b>\$87,526</b>	<b>\$87,705</b>	<b>\$87,885</b>	<b>\$350,463</b>
<b>EBITDA</b>	<b>\$40,321</b>	<b>\$42,774</b>	<b>\$45,227</b>	<b>\$47,680</b>	<b>\$176,002</b>
Federal Income Tax	\$9,666	\$9,865	\$10,065	\$10,264	\$39,860
State Income Tax	\$1,933	\$1,973	\$2,013	\$2,053	\$7,972
Interest Expense	\$1,711	\$1,654	\$1,596	\$1,536	\$6,497
Depreciation Expenses	\$2,517	\$2,517	\$2,517	\$2,517	\$10,067
<b>Net Profit</b>	<b>\$24,494</b>	<b>\$26,765</b>	<b>\$29,037</b>	<b>\$31,311</b>	<b>\$111,607</b>

## Appendix D – Expanded Cash Flow Analysis

<b>Cash Flow Analysis (First Year)</b>								
Month	1	2	3	4	5	6	7	8
Cash From Operations	-\$346	\$146	\$637	\$1,129	\$1,621	\$2,113	\$2,605	\$3,097
Cash From Receivables	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	-\$346	\$146	\$637	\$1,129	\$1,621	\$2,113	\$2,605	\$3,097
<b>Other Cash Inflows</b>								
Equity Investment	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increased Borrowings	\$125,000	\$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>\$150,083</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>\$149,737</b>	<b>\$229</b>	<b>\$721</b>	<b>\$1,213</b>	<b>\$1,704</b>	<b>\$2,196</b>	<b>\$2,688</b>	<b>\$3,180</b>
<b>Cash Outflows</b>								
Repayment of Principal	\$683	\$688	\$692	\$697	\$702	\$706	\$711	\$716
A/P Decreases	\$58	\$58	\$58	\$58	\$58	\$58	\$58	\$58
A/R Increases	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$74,500	\$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>\$75,242</b>	<b>\$746</b>	<b>\$751</b>	<b>\$755</b>	<b>\$760</b>	<b>\$765</b>	<b>\$769</b>	<b>\$774</b>
<b>Net Cash Flow</b>	<b>\$74,496</b>	<b>-\$517</b>	<b>-\$30</b>	<b>\$457</b>	<b>\$944</b>	<b>\$1,431</b>	<b>\$1,919</b>	<b>\$2,406</b>
<b>Cash Balance</b>	<b>\$74,496</b>	<b>\$73,979</b>	<b>\$73,949</b>	<b>\$74,406</b>	<b>\$75,350</b>	<b>\$76,782</b>	<b>\$78,700</b>	<b>\$81,106</b>



<b>Cash Flow Analysis (First Year Cont.)</b>					
Month	9	10	11	12	Year 1
Cash From Operations	\$3,588	\$4,080	\$4,572	\$5,064	\$28,307
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$3,588</b>	<b>\$4,080</b>	<b>\$4,572</b>	<b>\$5,064</b>	<b>\$28,307</b>
<b>Other Cash Inflows</b>					
Equity Investment	\$0	\$0	\$0	\$0	\$25,000
Increased Borrowings	\$0	\$0	\$0	\$0	\$125,000
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>\$151,000</b>
<b>Total Cash Inflow</b>	<b>\$3,672</b>	<b>\$4,164</b>	<b>\$4,656</b>	<b>\$5,148</b>	<b>\$179,307</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$721	\$725	\$730	\$735	\$8,507
A/P Decreases	\$58	\$58	\$58	\$58	\$700
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$0	\$0	\$0	\$0	\$74,500
Dividends	\$0	\$0	\$0	\$22,646	\$22,646
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$779</b>	<b>\$784</b>	<b>\$789</b>	<b>\$23,439</b>	<b>\$106,352</b>
<b>Net Cash Flow</b>	<b>\$2,893</b>	<b>\$3,380</b>	<b>\$3,867</b>	<b>-\$18,291</b>	<b>\$72,955</b>
<b>Cash Balance</b>	<b>\$83,999</b>	<b>\$87,379</b>	<b>\$91,246</b>	<b>\$72,955</b>	<b>\$72,955</b>

Cash Flow Analysis (Second Year)					
	Year 2				
Quarter	Q1	Q2	Q3	Q4	Year 2
Cash From Operations	\$10,565	\$12,323	\$14,082	\$15,843	\$52,813
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$10,565</b>	<b>\$12,323</b>	<b>\$14,082</b>	<b>\$15,843</b>	<b>\$52,813</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>\$10,819</b>	<b>\$12,583</b>	<b>\$14,348</b>	<b>\$16,113</b>	<b>\$53,863</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$2,235	\$2,280	\$2,326	\$2,372	\$9,213
A/P Decreases	\$178	\$182	\$186	\$189	\$735
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$2,641	\$0	\$0	\$0	\$2,641
Dividends	\$0	\$0	\$0	\$42,250	\$42,250
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$5,054</b>	<b>\$2,462</b>	<b>\$2,511</b>	<b>\$44,812</b>	<b>\$54,838</b>
<b>Net Cash Flow</b>	<b>\$5,766</b>	<b>\$10,121</b>	<b>\$11,836</b>	<b>-\$28,699</b>	<b>-\$976</b>
<b>Cash Balance</b>	<b>\$78,720</b>	<b>\$88,842</b>	<b>\$100,678</b>	<b>\$71,979</b>	<b>\$71,979</b>

Cash Flow Analysis (Third Year)					
	Year 3				
Quarter	Q1	Q2	Q3	Q4	Year 3
Cash From Operations	\$16,669	\$18,633	\$20,599	\$22,565	\$78,466
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$16,669</b>	<b>\$18,633</b>	<b>\$20,599</b>	<b>\$22,565</b>	<b>\$78,466</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>\$16,936</b>	<b>\$18,906</b>	<b>\$20,877</b>	<b>\$22,849</b>	<b>\$79,569</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$2,420	\$2,469	\$2,519	\$2,569	\$9,977
A/P Decreases	\$187	\$191	\$195	\$199	\$772
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$3,923	\$0	\$0	\$0	\$3,923
Dividends	\$0	\$0	\$0	\$62,773	\$62,773
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$6,531</b>	<b>\$2,660</b>	<b>\$2,714</b>	<b>\$65,541</b>	<b>\$77,445</b>
<b>Net Cash Flow</b>	<b>\$10,406</b>	<b>\$16,246</b>	<b>\$18,164</b>	<b>-\$42,692</b>	<b>\$2,123</b>
<b>Cash Balance</b>	<b>\$82,385</b>	<b>\$98,631</b>	<b>\$116,795</b>	<b>\$74,103</b>	<b>\$74,103</b>

Cash Flow Analysis (Fourth Year)					
	Year 4				
Quarter	Q1	Q2	Q3	Q4	Year 4
Cash From Operations	\$21,572	\$23,683	\$25,796	\$27,910	\$98,961
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$21,572</b>	<b>\$23,683</b>	<b>\$25,796</b>	<b>\$27,910</b>	<b>\$98,961</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>\$21,853</b>	<b>\$23,970</b>	<b>\$26,088</b>	<b>\$28,208</b>	<b>\$100,119</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$2,621	\$2,674	\$2,728	\$2,783	\$10,805
A/P Decreases	\$197	\$201	\$205	\$209	\$810
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$2,474	\$2,474	\$0	\$0	\$4,948
Dividends	\$0	\$0	\$0	\$79,169	\$79,169
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$5,292</b>	<b>\$5,348</b>	<b>\$2,932</b>	<b>\$82,160</b>	<b>\$95,733</b>
<b>Net Cash Flow</b>	<b>\$16,561</b>	<b>\$18,622</b>	<b>\$23,156</b>	<b>-\$53,952</b>	<b>\$4,386</b>
<b>Cash Balance</b>	<b>\$90,664</b>	<b>\$109,285</b>	<b>\$132,441</b>	<b>\$78,489</b>	<b>\$78,489</b>

Cash Flow Analysis (Fifth Year)					
	Year 5				
Quarter	Q1	Q2	Q3	Q4	Year 5
Cash From Operations	\$27,011	\$29,282	\$31,554	\$33,827	\$121,674
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$27,011</b>	<b>\$29,282</b>	<b>\$31,554</b>	<b>\$33,827</b>	<b>\$121,674</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>\$27,305</b>	<b>\$29,583</b>	<b>\$31,861</b>	<b>\$34,140</b>	<b>\$122,889</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$2,839	\$2,896	\$2,954	\$3,014	\$11,702
A/P Decreases	\$206	\$211	\$215	\$219	\$851
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$3,042	\$3,042	\$0	\$0	\$6,084
Dividends	\$0	\$0	\$0	\$97,339	\$97,339
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$6,087</b>	<b>\$6,148</b>	<b>\$3,169</b>	<b>\$100,572</b>	<b>\$115,976</b>
<b>Net Cash Flow</b>	<b>\$21,218</b>	<b>\$23,434</b>	<b>\$28,692</b>	<b>-\$66,431</b>	<b>\$6,914</b>
<b>Cash Balance</b>	<b>\$99,707</b>	<b>\$123,141</b>	<b>\$151,833</b>	<b>\$85,402</b>	<b>\$85,402</b>