



**DEUTSCH**  
— FACILITIES GROUP —

## Table of Contents

1.0 Executive Summary .....	4
2.0 The Financing .....	7
2.1 Funds Required .....	7
2.2 Management and Investor Equity .....	7
2.3 Exit Strategies .....	7
3.0 Operations .....	8
4.0 Overview of the Organization .....	9
4.1 Registered Name .....	9
4.2 Commencement of Operations .....	9
4.3 Mission Statement .....	9
4.4 Vision Statement .....	9
4.5 Organizational Objectives .....	9
5.0 Market and Industry Analysis .....	10
5.1 External Environmental Analysis .....	10
5.2 Industry Analysis .....	10
5.3 Customer Profile .....	10
5.4 Competitive Analysis .....	11
6.0 Key Strategic Issues .....	11
6.1 Sustainable Operations .....	12
6.2 Basis of Growth .....	12
7.0 Marketing Plan .....	13
7.1 Marketing Objectives .....	13
7.2 Revenue Forecasts .....	13
7.3 Revenue Assumptions .....	13
7.4 Marketing Strategies .....	14
8.0 Organizational Plan .....	15
8.1 Organizational Hierarchy .....	15
8.2 Personnel Costs .....	16
9.0 Financial Plan .....	17

9.1 Underlying Assumptions .....	17
9.2 Financial Highlights.....	17
9.3 Sensitivity Analysis .....	17
9.4 Source of Funds .....	17
9.5 Financial Proformas .....	18
A) Profit and Loss Statement.....	18
B) Common Size Income Statement.....	19
C) Cash Flow Analysis .....	20
D) Balance Sheet.....	21
9.6 Breakeven Analysis .....	22
9.7 Business Ratios .....	22
Appendix A – SWOT Analysis.....	23
Appendix B – Critical Risks .....	24
Appendix C – Expanded Profit and Loss Statements .....	25
Appendix D – Expanded Cash Flow Analysis.....	31

## 1.0 Executive Summary

Deutsch Facilities Group LLC (“the Company”) has been founded with the intention of providing a wide range of facilities management services for commercial and industrial enterprises throughout the greater Houston metropolitan area. The Company was founded this year by Matthew Deutsch. Full scale revenue generating operations are expected to commence in the third quarter. At this time, the Company is seeking a \$250,000 revolving credit facility in order to establish operations.

### Operations

The business will produce highly recurring streams of revenue from the ongoing range of facilities management and maintenance services that will be rendered within the greater Houston market. For many of these businesses, it is far more economically advantageous to outsource specific functions like facilities management to companies like Deutsch Facilities Group. A major component of the Company’s operations will focus on providing specialized services for the needs of data centers.

The services offered by the company will include general facility maintenance, electrical system maintenance, HVAC system maintenance, and coordinating major repairs with third-party contractors.

The third section of this facilities management business plan will further document operations.

### The Financing

As noted above, the Company is currently seeking a \$250,000 revolving credit facility in order to establish its operations in Houston and expand over the next five years. The Company has specifically chosen a working capital line of credit rather than a business loan so that the business will only incur interest costs when capital is needed. At the onset of operations, \$100,000 will be drawn down in order to acquire vehicles and related operating assets for providing facilities management.

Matthew Deutsch will contribute \$50,000 towards the venture. Moving forward, the Company could easily expand its credit facilities in order to acquire additional operating assets as new engagements are secured.

### The Future

The Company will continue to expand the scope of its operations, not only within Houston, but also within other markets of Texas. Given the number of data centers being developed in this market, Management sees a substantial opportunity to operate within the unique niche of providing services specific for these types of entities. The Company will also continually hire additional facilities management staff so that additional engagements can be acquired.

## Market Overview

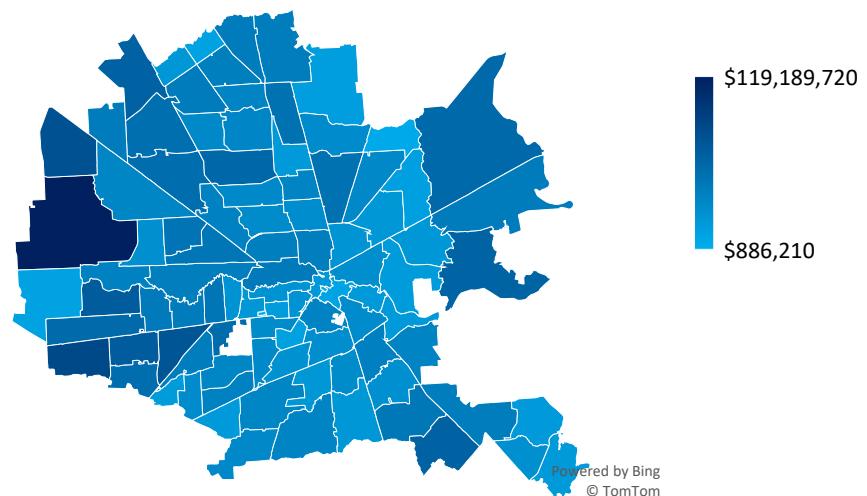
Target Market Radius



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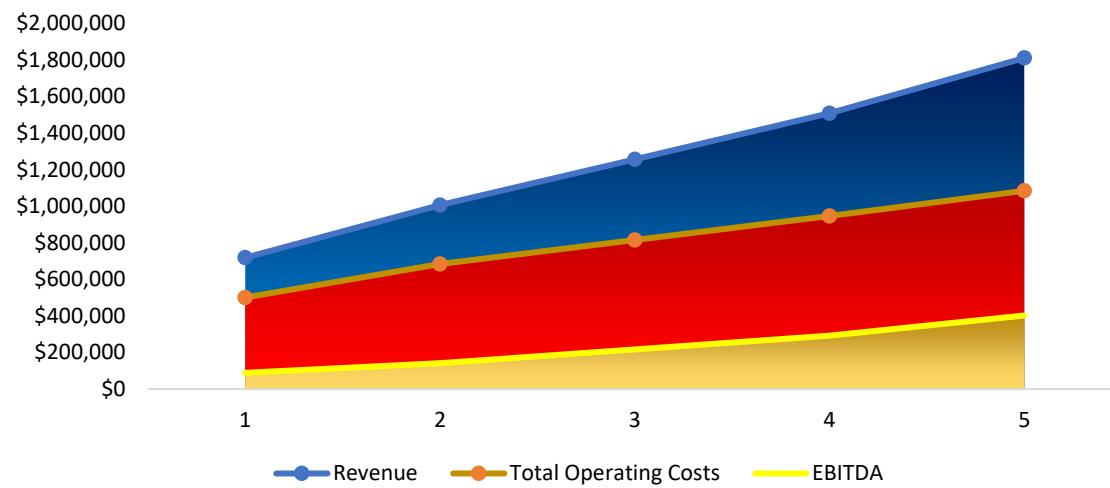
Target Market Demand



## Revenue Forecasts

Proforma Profit and Loss		1	2	3	4	5
Year						
<b>Revenue</b>		\$718,200	\$1,005,480	\$1,256,850	\$1,508,220	\$1,809,864
Cost of Revenue		\$128,250	\$179,550	\$224,438	\$269,325	\$323,190
<b>Gross Profit</b>		\$589,950	\$825,930	\$1,032,413	\$1,238,895	\$1,486,674
Total Operating Costs		\$500,892	\$684,500	\$814,577	\$946,933	\$1,084,330
<b>EBITDA</b>		<b>\$89,058</b>	<b>\$141,430</b>	<b>\$217,835</b>	<b>\$291,962</b>	<b>\$402,344</b>

Revenue, Operating Costs, EBITDA



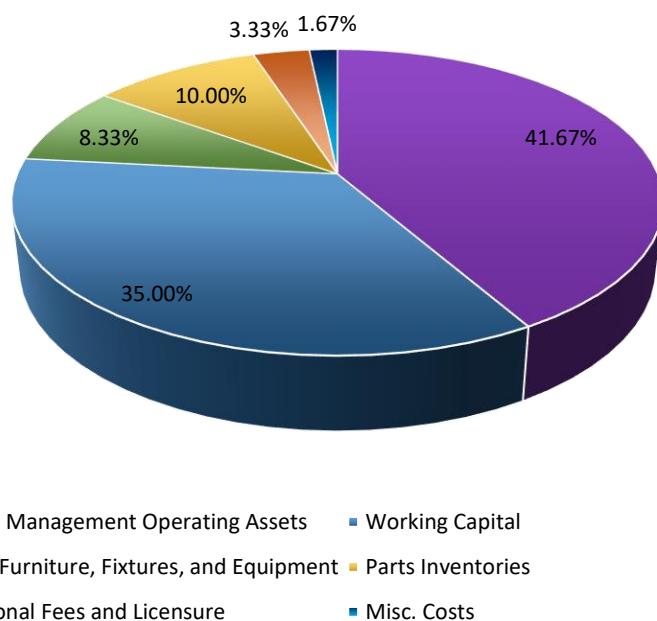
## 2.0 The Financing

### 2.1 Funds Required

The \$250,000 of revolving credit funds and Mr. Deutsch's \$50,000 equity injection will be allocated as follows:

Use of Funds	
Facilities Management Operating Assets	\$125,000
Working Capital	\$105,000
General Furniture, Fixtures, and Equipment	\$25,000
Parts Inventories	\$30,000
Professional Fees and Licensure	\$10,000
Misc. Costs	\$5,000
<b>Total</b>	<b>\$300,000</b>

Use of Funds Overview



### 2.2 Management and Investor Equity

Matthew Deutsch is the 100% owner of Deutsch Facilities Group LLC.

### 2.3 Exit Strategies

Facilities management and maintenance businesses generate highly recurring streams of revenue from their operations. As such, this makes them highly valuable businesses and can easily be sold to larger entities. There is also the possibility that the business could be sold to a private equity firm that is looking to establish operations within the facilities management industry.

### 3.0 Operations

As discussed in the executive summary, Deutsch Facilities Group will be involved with providing a wide range of services specific for the needs of data centers, commercial enterprises, and industrial Enterprises. The business may also provide services specific for the needs of medical facilities from time to time.

The Company's service architecture has been designed as an end-to-end solution, which will include maintenance of electrical, roofing, HVAC, and data systems. The business will operate on a contractual basis and fees of \$5,000 to \$20,000 per month will be charged for rendering services. Although this may sound like a substantial expense for a client, these fees are far less expensive than maintaining an in-house facilities maintenance department or custodial staff.

The Company will be able to provide general maintenance services for the systems listed above. However, in instances where there have been major system failures – Deutsch Facilities Group will be able to coordinate with third-party HVAC and electrical contractors in order to have substantial repairs made. This will be a significant value-added benefit for clients.

## 4.0 Overview of the Organization

### 4.1 Registered Name

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

### 4.2 Commencement of Operations

Deutsch Facilities Group will commence full scale operations in the third quarter of this year.

### 4.3 Mission Statement

To provide cost-effective facilities management solutions including for enterprises that are operating in a technologically driven capacity.

### 4.4 Vision Statement

To become highly recognized in Texas for providing comprehensive facility management services.

### 4.5 Organizational Objectives

- Establish ongoing relationship relationships with entities that maintain large scale structures that require ongoing maintenance.
- Develop a unique niche within the facilities management industry with a focus on data centers.
- Develop an internal sales network that will directly approach C-suite executives as well as property management staff in order to onboard them as clients.
- Adhere to all regulations as it relates to rendering facilities management services.
- Continue to expand the scope of the Company's operations to include services specific for the needs of medical facilities and hospitals as this will also produce highly recurring streams of revenue.
- Potentially enter other markets within the state of Texas as well as the Midwestern United States as the Company expands.

## 5.0 Market and Industry Analysis

### 5.1 External Environmental Analysis

This section of the facilities management business plan will focus on the current economic climate, the industry, the demographic profile, and the ongoing competition that the business will face.

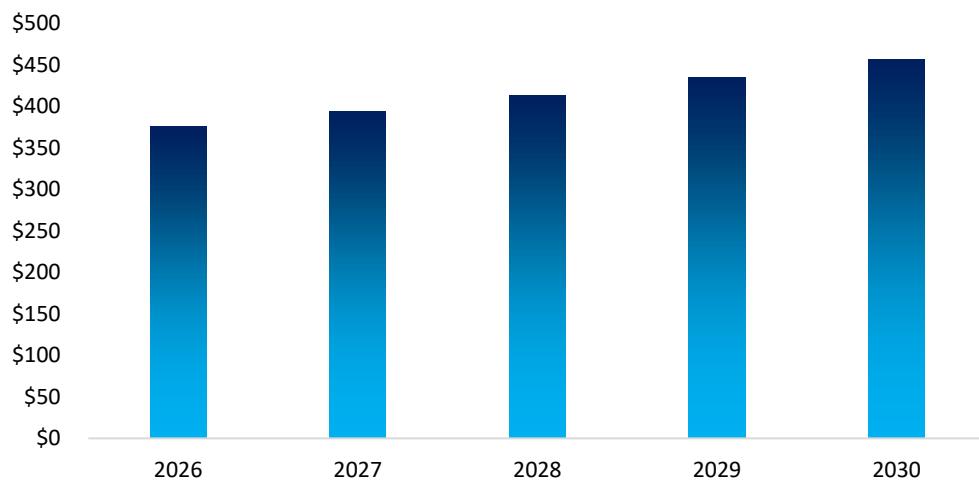
At this time, the economic climate in the United States is moderate with some degree of volatility given the ever-changing trade policies that have been implemented by the federal government. This has caused inflation to increase at a rate that is slightly higher than anticipated. However, the federal government has made substantial inroads to addressing these issues, especially as it relates to affordability.

It should be noted that issues with the economy will only have a negligible impact on Deutsch Facilities Group's ability to generate revenue remain profitable. The facilities maintenance services offered by the Company provide a cost-effective solution that is far less expensive than maintaining an inhouse department.

### 5.2 Industry Analysis

As of this year, facilities, maintenance services, generate \$375 billion revenue while providing employment opportunities for 900,000 people. There are 60,000 companies that rendered these services to commercial and industrial enterprises.

Facilities Management Industry Revenues (billions)



One of the major trends within this industry is to operate as a fully end to end solutions provider so it all matters related to the care of building can be rendered through one entity. This not only saves substantial amount amounts of money, but also streamlines the operations of the client. Deutsch Facilities Group will capitalize on this trend as it establishes its operations within Houston.

### **5.3 Customer Profile**

Any enterprise that operates a large scale industrial or commercial facility is a potential client for the company. Generally, these businesses will have revenue and excess of \$10 million a year and are seeking a fully outsourced solution for the maintenance/management of their buildings. As has been one of the themes throughout this document, the Company will focus heavily on providing services to the rapidly increasing number of data centers within Texas.

### **5.4 Competitive Analysis**

The ongoing competition that the business will face is significant. One of the primary ways that Deutsch Facilities Group will maintain a differentiating factor is by providing an entire suite of services that are specific for the needs of technology enterprises, especially data centers. This unique approach will provide a significant competitive advantage as well as a differentiating factor for the business.

## 6.0 Key Strategic Issues

### 6.1 Sustainable Operations

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

- Limited competition among companies that can specifically render facilities management services to data centers.
- The business will produce highly recurring revenue which will lead to substantial economic stability.
- Experienced Owner, Matthew Deutsch, that has worked in the field of custodial services and facilities maintenance for the past twenty years.
- The Company can easily expand its operations to include other types of services specific for the needs of clients.

### 6.2 Basis of Growth

The Company will expand via the following methods:

- Expansion of operations to include services that are appropriate for medical facilities.
- Continued acquisition of additional operating assets that will allow the business to render a greater degree of services within Texas.
- Expansion of operations to include other services that are complementary to facilities management.

## 7.0 Marketing Plan

### 7.1 Marketing Objectives

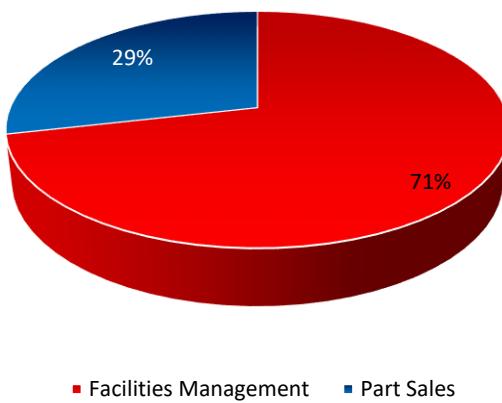
- Maintain an expansive internal sales network they will directly approach procurement officers among enterprises that maintain large scale facilities.
- Establish a significant online presence that showcases the facilities management capabilities of the business.
- Market the Company's services in trade journals that are specific for operators of data centers.

### 7.2 Revenue Forecasts

Yearly Sales Forecast					
Year	1	2	3	4	5
Facilities Management	\$513,000	\$718,200	\$897,750	\$1,077,300	\$1,292,760
Part Sales	\$205,200	\$287,280	\$359,100	\$430,920	\$517,104
<b>Total</b>	<b>\$718,200</b>	<b>\$1,005,480</b>	<b>\$1,256,850</b>	<b>\$1,508,220</b>	<b>\$1,809,864</b>

Gross Profit					
Year	1	2	3	4	5
<b>Total</b>	<b>\$589,950</b>	<b>\$825,930</b>	<b>\$1,032,413</b>	<b>\$1,238,895</b>	<b>\$1,486,674</b>

### Revenue Generation



### 7.3 Revenue Assumptions

#### Year 1

- The Company will launch its facilities management services in Houston.
- Revenue will reach \$718,000.

## Year 2

- The business will secure an additional facilities management contract in Year 2.
- Revenue will reach \$1 million.

## Years 3-5

- At this time, the Company will expand the scope of its operations to include other markets in Texas with a focus on areas that have a number of data centers.
- Revenue will reach \$1.8 million.

### **7.4 Marketing Strategies**

Most importantly, the Company will develop an internal sales network that will directly approach procurement officer and property management specialists among entities that maintain large scale facilities. The business will have a number of brochures at other visually stunning brand assets that will showcase the entire suite of services of Deutsch Facilities Group and its capabilities. Throughout the life of the business, this will be the primary method in which the Company markets its services.

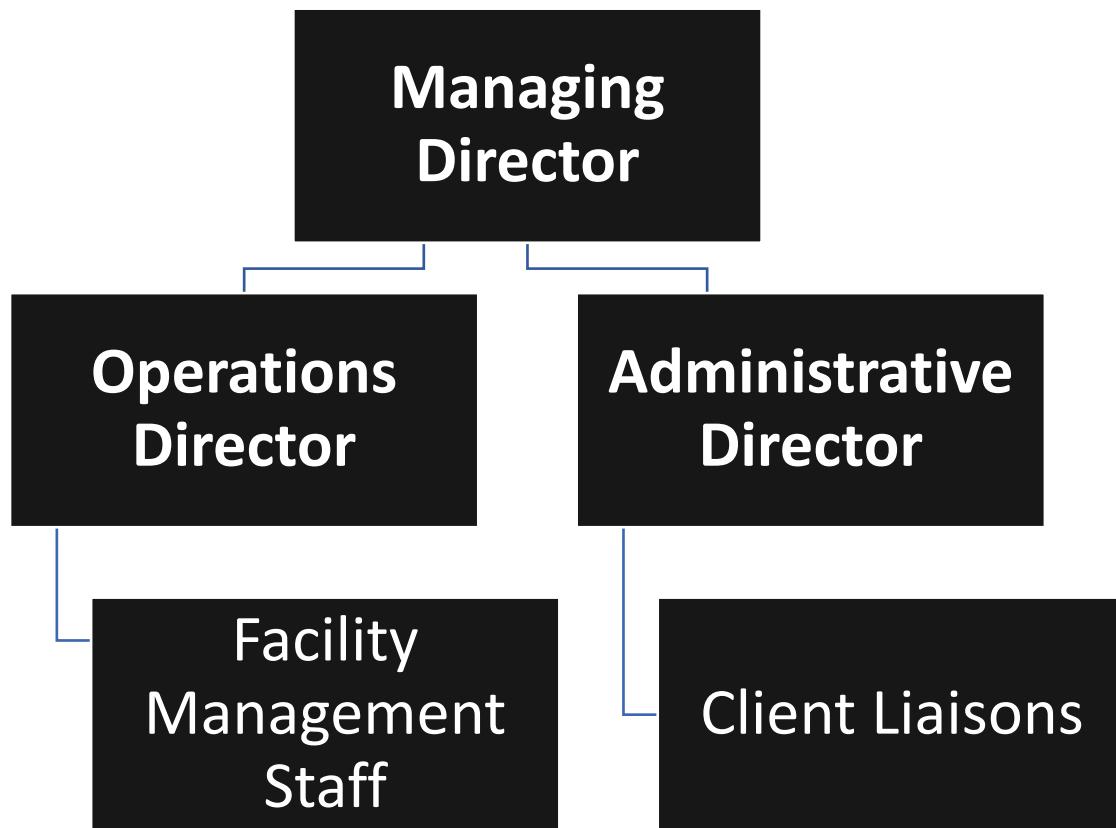
In regards to the Company's website, this platform will undergo significant search engine optimization specific for the Houston market. The website will showcase every aspect of operation as well as providing preliminary pricing regarding the suite of facilities management services offered. New information will be added to the website on an ongoing basis in order to maintain it standings.

Although the business will maintain a presence on all social media pages, the Company will use targeted advertisements on LinkedIn among managerial level individuals that have the authority to hire a facilities management company.

The Company will also use a number of advertisements that are specifically geared towards technology enterprises that operate data centers. As artificial intelligence and machine learning become more integrated with businesses, there is an immense demand to render facility management services specific for the needs of data centers. As it has been noted throughout this document, this will be a major component of the Company's growth.

## 8.0 Organizational Plan

### 8.1 Organizational Hierarchy

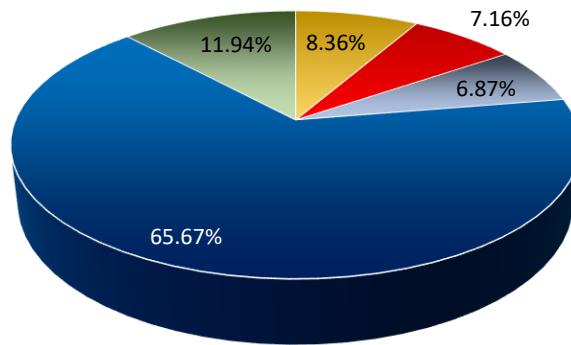


## 8.2 Personnel Costs

Personnel Plan - Yearly		1	2	3	4	5
Year						
Managing Director		\$70,000	\$70,700	\$71,407	\$72,121	\$72,842
Operations Director		\$60,000	\$60,600	\$61,206	\$61,818	\$62,436
Administrative Director		\$57,500	\$58,075	\$58,656	\$59,242	\$59,835
Facilities Management Staff		\$150,000	\$252,500	\$357,035	\$463,635	\$572,332
Client Liaisons		\$50,000	\$101,000	\$102,010	\$103,030	\$104,060
<b>Total</b>		<b>\$387,500</b>	<b>\$542,875</b>	<b>\$650,314</b>	<b>\$759,847</b>	<b>\$871,506</b>

Numbers of Personnel (Year End Headcount)						
Year		1	2	3	4	5
Managing Director		1	1	1	1	1
Operations Director		1	1	1	1	1
Administrative Director		1	1	1	1	1
Facilities Management Staff		3	5	7	9	11
Client Liaisons		1	2	2	2	2
<b>Total</b>		<b>7</b>	<b>10</b>	<b>12</b>	<b>14</b>	<b>16</b>

### Personnel Summary



- Managing Director
- Operations Director
- Administrative Director
- Facilities Management Staff
- Client Liaisons

## 9.0 Financial Plan

### 9.1 Underlying Assumptions

- Deutsch Facilities Group will acquire a \$250,000 revolving credit facility to establish operations.
- Matthew Deutsch will invest \$50,000 as an equity injection.
- Deutsch Facilities Group will achieve a compounded annual growth rate of 26%, which is supported by the ongoing addition of operating assets and expansion into other market in Texas.

### 9.2 Financial Highlights

- On facilities, maintenance services, the company will achieve contribution margins of 95%.
- Part sales will achieve contribution margins of 50% when needed for repairing HVAC or electrical systems.

### 9.3 Sensitivity Analysis

In the event of a severe economic reception, the Company will be able to remain profitable and cash flow positive. Most importantly, the Company is targeting economically stable industries, including data centers that are relatively stable, even during challenging economic climates. In turn, this will lead to an economically viable facilities management business that will be able to remain profitable.

### 9.4 Source of Funds

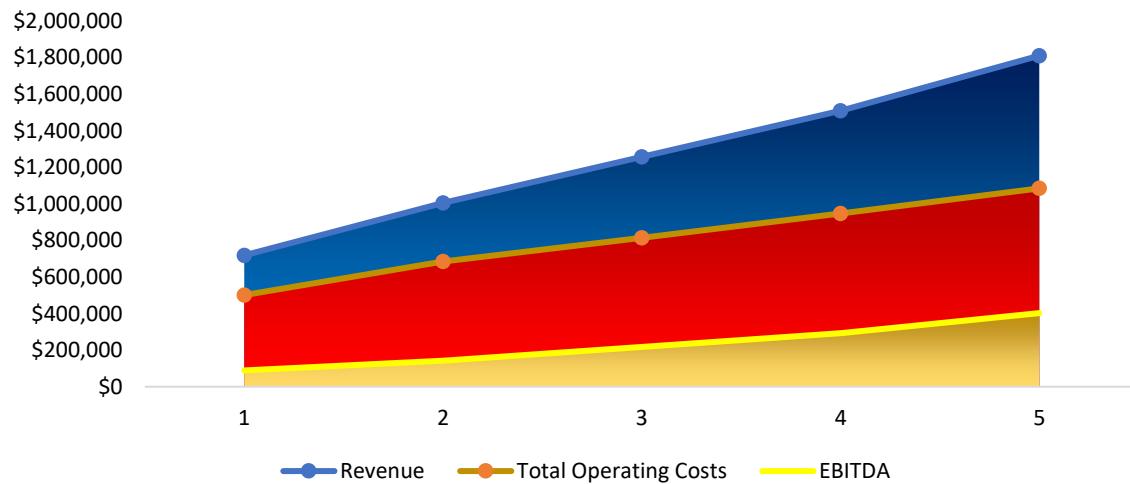
<b>Financing</b>	
<b>Equity</b>	
Equity Capitalization	\$50,000.00
<b>Total Equity Financing</b>	\$50,000.00
<b>Banks and Lenders</b>	
Revolving Credit Facility	\$250,000.00
<b>Total Debt Financing</b>	\$250,000.00
<b>Total Financing</b>	<b>\$300,000.00</b>

## 9.5 Financial Proformas

### A) Profit and Loss Statement

Proforma Profit and Loss					
Year	1	2	3	4	5
<b>Revenue</b>	\$718,200	\$1,005,480	\$1,256,850	\$1,508,220	\$1,809,864
Cost of Revenue	\$128,250	\$179,550	\$224,438	\$269,325	\$323,190
Gross Margin	82.14%	82.14%	82.14%	82.14%	82.14%
<b>Gross Profit</b>	\$589,950	\$825,930	\$1,032,413	\$1,238,895	\$1,486,674
<b>Expenses</b>					
Payroll	\$387,500	\$542,875	\$650,314	\$759,847	\$871,506
Facility Costs	\$15,000	\$15,150	\$15,302	\$15,455	\$15,609
General and Administrative	\$20,684	\$28,958	\$36,197	\$43,437	\$52,124
Professional Fees and Licensure	\$7,250	\$7,323	\$7,396	\$7,470	\$7,544
Insurance	\$15,000	\$15,150	\$15,302	\$15,455	\$15,609
Marketing	\$12,928	\$18,099	\$22,623	\$27,148	\$32,578
Equipment	\$7,500	\$7,875	\$8,269	\$8,682	\$9,116
Misc. Costs	\$5,387	\$7,541	\$9,426	\$11,312	\$13,574
Payroll Taxes	\$29,644	\$41,530	\$49,749	\$58,128	\$66,670
<b>Total Operating Costs</b>	<b>\$500,892</b>	<b>\$684,500</b>	<b>\$814,577</b>	<b>\$946,933</b>	<b>\$1,084,330</b>
<b>EBITDA</b>	<b>\$89,058</b>	<b>\$141,430</b>	<b>\$217,835</b>	<b>\$291,962</b>	<b>\$402,344</b>
Federal Income Tax	\$11,793	\$24,958	\$44,146	\$62,782	\$90,500
State Income Tax	\$0	\$0	\$0	\$0	\$0
Interest Expense	\$19,385	\$17,973	\$16,444	\$14,788	\$12,994
Depreciation Expenses	\$22,500	\$23,625	\$24,806	\$26,047	\$27,349
<b>Net Profit</b>	<b>\$35,380</b>	<b>\$74,874</b>	<b>\$132,439</b>	<b>\$188,346</b>	<b>\$271,501</b>
<b>Profit Margin</b>	<b>4.93%</b>	<b>7.45%</b>	<b>10.54%</b>	<b>12.49%</b>	<b>15.00%</b>

Revenue, Operating Costs, EBITDA



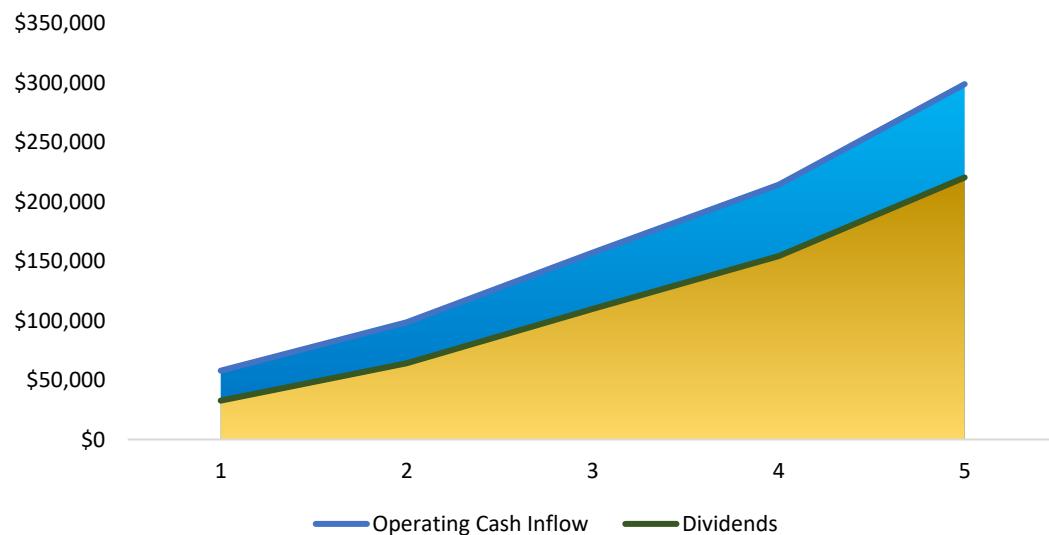
## B) Common Size Income Statement

<b>Proforma Profit and Loss (Common Size)</b>					
Year	1	2	3	4	5
<b>Revenue</b>	100.00%	100.00%	100.00%	100.00%	100.00%
Cost of Revenue	17.86%	17.86%	17.86%	17.86%	17.86%
 <b>Gross Profit</b>	 82.14%	 82.14%	 82.14%	 82.14%	 82.14%
 <b>Expenses</b>	 	 	 	 	 
Payroll	53.95%	53.99%	51.74%	50.38%	48.15%
Facility Costs	2.09%	1.51%	1.22%	1.02%	0.86%
General and Administrative	2.88%	2.88%	2.88%	2.88%	2.88%
Professional Fees and Licensure	1.01%	0.73%	0.59%	0.50%	0.42%
Insurance	2.09%	1.51%	1.22%	1.02%	0.86%
Marketing	1.80%	1.80%	1.80%	1.80%	1.80%
Equipment	1.04%	0.78%	0.66%	0.58%	0.50%
Misc. Costs	0.75%	0.75%	0.75%	0.75%	0.75%
Payroll Taxes	4.13%	4.13%	3.96%	3.85%	3.68%
<b>Total Operating Costs</b>	69.74%	68.08%	64.81%	62.78%	59.91%
 <b>EBITDA</b>	 12.40%	 14.07%	 17.33%	 19.36%	 22.23%
Federal Income Tax	1.64%	2.48%	3.51%	4.16%	5.00%
State Income Tax	0.00%	0.00%	0.00%	0.00%	0.00%
Interest Expense	2.70%	1.79%	1.31%	0.98%	0.72%
Depreciation Expenses	3.13%	2.35%	1.97%	1.73%	1.51%
 <b>Net Profit</b>	 4.93%	 7.45%	 10.54%	 12.49%	 15.00%

### C) Cash Flow Analysis

Proforma Cash Flow Analysis - Yearly					
Year	1	2	3	4	5
Cash From Operations	\$57,880	\$98,499	\$157,245	\$214,393	\$298,849
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$57,880</b>	<b>\$98,499</b>	<b>\$157,245</b>	<b>\$214,393</b>	<b>\$298,849</b>
<b>Other Cash Inflows</b>					
Equity Investment	\$50,000	\$0	\$0	\$0	\$0
Increased Borrowings	\$250,000	\$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>\$358,880</b>	<b>\$99,549</b>	<b>\$158,348</b>	<b>\$215,550</b>	<b>\$300,065</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$17,013	\$18,425	\$19,954	\$21,611	\$23,404
A/P Decreases	\$700	\$735	\$772	\$810	\$851
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$180,000	\$9,850	\$15,725	\$21,439	\$29,885
Dividends	\$32,693	\$64,059	\$109,833	\$154,226	\$220,356
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$230,406</b>	<b>\$93,069</b>	<b>\$146,283</b>	<b>\$198,086</b>	<b>\$274,496</b>
<b>Net Cash Flow</b>	<b>\$128,473</b>	<b>\$6,480</b>	<b>\$12,064</b>	<b>\$17,464</b>	<b>\$25,569</b>
<b>Cash Balance</b>	<b>\$128,473</b>	<b>\$134,953</b>	<b>\$147,018</b>	<b>\$164,482</b>	<b>\$190,051</b>

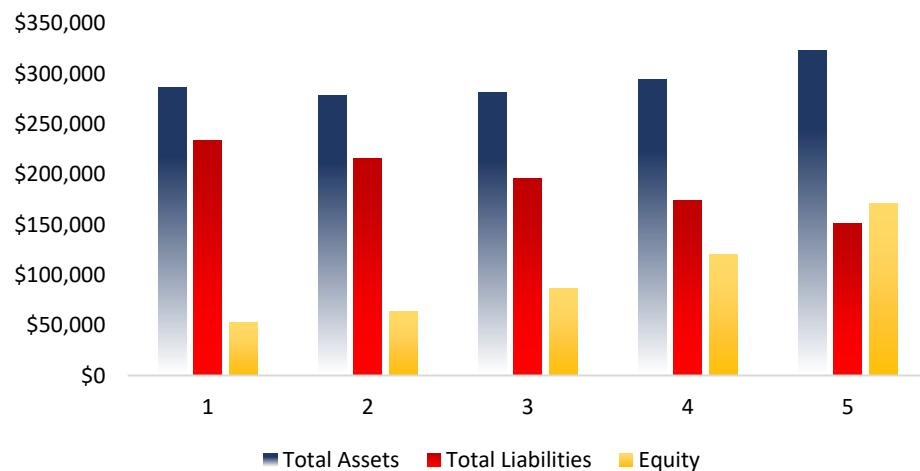
### Cash Flow Analysis



## D) Balance Sheet

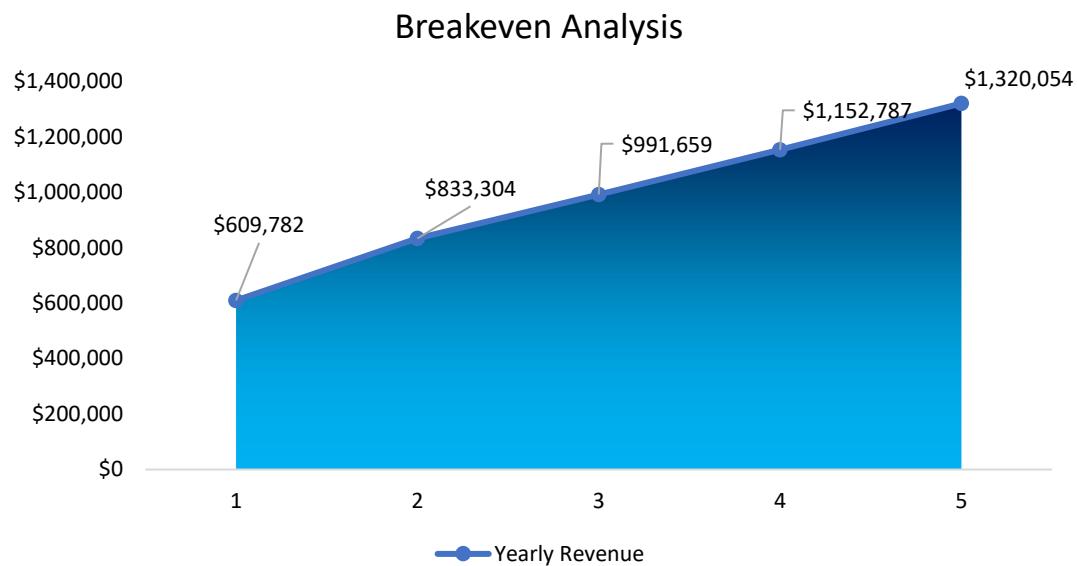
Proforma Balance Sheet - Yearly		1	2	3	4	5
Year						
<b>Assets</b>						
Cash		\$128,473	\$134,953	\$147,018	\$164,482	\$190,051
Fixed Assets		\$180,000	\$189,850	\$205,574	\$227,014	\$256,899
Accumulated Depreciation		(\$22,500)	(\$46,125)	(\$70,931)	(\$96,978)	(\$124,327)
<b>Total Assets</b>		<b>\$285,973</b>	<b>\$278,678</b>	<b>\$281,661</b>	<b>\$294,518</b>	<b>\$322,623</b>
<b>Liabilities and Equity</b>						
Accounts Payable		\$300	\$615	\$946	\$1,293	\$1,658
Long Term Liabilities		\$232,987	\$214,562	\$194,607	\$172,997	\$149,592
Other Liabilities		\$0	\$0	\$0	\$0	\$0
<b>Total Liabilities</b>		<b>\$233,287</b>	<b>\$215,177</b>	<b>\$195,553</b>	<b>\$174,290</b>	<b>\$151,250</b>
<b>Equity</b>		<b>\$52,686</b>	<b>\$63,501</b>	<b>\$86,108</b>	<b>\$120,228</b>	<b>\$171,373</b>
<b>Total Liabilities and Equity</b>		<b>\$285,973</b>	<b>\$278,678</b>	<b>\$281,661</b>	<b>\$294,518</b>	<b>\$322,623</b>

Balance Sheet



## 9.6 Breakeven Analysis

Break Even Analysis		1	2	3	4	5
Year	Monthly Revenue	\$50,815	\$69,442	\$82,638	\$96,066	\$110,005
	Yearly Revenue	\$609,782	\$833,304	\$991,659	\$1,152,787	\$1,320,054



## 9.7 Business Ratios

Business Ratios - Yearly		1	2	3	4	5
	Year	1	2	3	4	5
<b>Revenue</b>						
Sales Growth		0.0%	40.0%	25.0%	20.0%	20.0%
Gross Margin		82.1%	82.1%	82.1%	82.1%	82.1%
<b>Financials</b>						
Profit Margin		4.93%	7.45%	10.54%	12.49%	15.00%
Assets to Liabilities		1.23	1.30	1.44	1.69	2.13
Equity to Liabilities		0.23	0.30	0.44	0.69	1.13
Assets to Equity		5.43	4.39	3.27	2.45	1.88
<b>Liquidity</b>						
Acid Test		0.55	0.63	0.75	0.94	1.26
Cash to Assets		0.45	0.48	0.52	0.56	0.59

## Appendix A – SWOT Analysis

### Strengths

- The unique facilities management services niche within the field of data centers will provide an advantage for the Company.
- A Founder and CEO, Matthew Deutsch, that already has extensive relationships with businesses that will use the Company's services.
- The Company will be able to properly scale its operations to include a greater number of facilities management services contracts with technology businesses, as well as healthcare enterprises.

### Weaknesses

- This is a highly complex business given the number of services rendered and the number of employees required.
- This is a highly competitive industry.

### Opportunities

- Expansion of operations include services that are specific for the needs of other types of economically stable enterprises.
- Expansion to include several satellite offices throughout the State of Texas as well as selected markets in the Midwestern United States.
- The Company can easily acquire existing facilities management and maintenance businesses that can be integrated into its service architecture.

### Threats

- The ongoing issues with inflation can cause the operating costs of the business to increase especially as it relates to both marketing and labor.

## Appendix B – Critical Risks

### Development Risk – Low

The facilities maintenance service architecture specifically for needs of commercial, technology, and industrial enterprises has been developed. The primary matter that needs to be addressed is securing the revolving credit facility discussed in this document.

### Financing Risk – Low/Moderate

The \$250,000 credit line will be principal use for the acquisition of operating assets as well as for early working capital purposes. These risks are reduced by the highly recurring streams of revenue that the Company will produce from facilities management engagements.

### Marketing Risk – Low

Direct outreach will be this primary component for establishing ongoing relationships with data center operators, commercial building operators, and industrial building owners. This will be complemented through the use of numerous secondary forms of marketing to increase brand-name visibility.

### Management Risk – Low

Matthew Deutsch is a highly experienced facilities maintenance entrepreneur that has more than 20 years and industry.

### Valuation Risk – Low

The valuation risk is offset by:

- Highly recurring income from ongoing management and maintenance contracts.
- The Company's specialized niche for providing services to data centers will provide a strong competitive advantage.
- The Company can scale its operations as new contracts are acquired.

### Exit Risk - Low

There would be an immense demand among numerous businesses to acquire the operations of Deutsch Facilities Group. While there are no long-term plans to sell this business, the Company could easily find a buyer once a formal valuation is completed. This event is not expected to occur for a minimum of 15 years.

## 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>\$56,000</b>	<b>\$56,700</b>	<b>\$57,400</b>	<b>\$58,100</b>	<b>\$58,800</b>	<b>\$59,500</b>	<b>\$60,200</b>
Cost of Revenue	\$10,000	\$10,125	\$10,250	\$10,375	\$10,500	\$10,625	\$10,750
<b>Gross Profit</b>	<b>\$46,000</b>	<b>\$46,575</b>	<b>\$47,150</b>	<b>\$47,725</b>	<b>\$48,300</b>	<b>\$48,875</b>	<b>\$49,450</b>
<b>Expenses</b>							
Payroll	\$32,292	\$32,292	\$32,292	\$32,292	\$32,292	\$32,292	\$32,292
Facility Costs	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
General and Administrative	\$1,724	\$1,724	\$1,724	\$1,724	\$1,724	\$1,724	\$1,724
Professional Fees and Licensure	\$604	\$604	\$604	\$604	\$604	\$604	\$604
Insurance	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
Marketing	\$1,077	\$1,077	\$1,077	\$1,077	\$1,077	\$1,077	\$1,077
Equipment	\$625	\$625	\$625	\$625	\$625	\$625	\$625
Misc. Costs	\$449	\$449	\$449	\$449	\$449	\$449	\$449
Payroll Taxes	\$2,470	\$2,470	\$2,470	\$2,470	\$2,470	\$2,470	\$2,470
<b>Total Operating Costs</b>	<b>\$41,741</b>						
<b>EBITDA</b>	<b>\$4,259</b>	<b>\$4,834</b>	<b>\$5,409</b>	<b>\$5,984</b>	<b>\$6,559</b>	<b>\$7,134</b>	<b>\$7,709</b>
Federal Income Tax	\$920	\$931	\$943	\$954	\$966	\$977	\$989
State Income Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest Expense	\$1,667	\$1,658	\$1,648	\$1,639	\$1,630	\$1,621	\$1,611
Depreciation Expenses	\$1,875	\$1,875	\$1,875	\$1,875	\$1,875	\$1,875	\$1,875
<b>Net Profit</b>	<b>-\$202</b>	<b>\$370</b>	<b>\$943</b>	<b>\$1,516</b>	<b>\$2,089</b>	<b>\$2,661</b>	<b>\$3,234</b>

<b>Profit and Loss Statement (First Year Cont.)</b>						
Month	8	9	10	11	12	Year 1
<b>Revenue</b>	<b>\$60,900</b>	<b>\$61,600</b>	<b>\$62,300</b>	<b>\$63,000</b>	<b>\$63,700</b>	<b>\$718,200</b>
Cost of Revenue	\$10,875	\$11,000	\$11,125	\$11,250	\$11,375	\$128,250
<b>Gross Profit</b>	<b>\$50,025</b>	<b>\$50,600</b>	<b>\$51,175</b>	<b>\$51,750</b>	<b>\$52,325</b>	<b>\$589,950</b>
<b>Expenses</b>						
Payroll	\$32,292	\$32,292	\$32,292	\$32,292	\$32,292	\$387,500
Facility Costs	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$15,000
General and Administrative	\$1,724	\$1,724	\$1,724	\$1,724	\$1,724	\$20,684
Professional Fees and Licensure	\$604	\$604	\$604	\$604	\$604	\$7,250
Insurance	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$15,000
Marketing	\$1,077	\$1,077	\$1,077	\$1,077	\$1,077	\$12,928
Equipment	\$625	\$625	\$625	\$625	\$625	\$7,500
Misc. Costs	\$449	\$449	\$449	\$449	\$449	\$5,387
Payroll Taxes	\$2,470	\$2,470	\$2,470	\$2,470	\$2,470	\$29,644
<b>Total Operating Costs</b>	<b>\$41,741</b>	<b>\$41,741</b>	<b>\$41,741</b>	<b>\$41,741</b>	<b>\$41,741</b>	<b>\$500,892</b>
<b>EBITDA</b>	<b>\$8,284</b>	<b>\$8,859</b>	<b>\$9,434</b>	<b>\$10,009</b>	<b>\$10,584</b>	<b>\$89,058</b>
Federal Income Tax	\$1,000	\$1,012	\$1,023	\$1,034	\$1,046	\$11,793
State Income Tax	\$0	\$0	\$0	\$0	\$0	\$0
Interest Expense	\$1,602	\$1,592	\$1,582	\$1,573	\$1,563	\$19,385
Depreciation Expenses	\$1,875	\$1,875	\$1,875	\$1,875	\$1,875	\$22,500
<b>Net Profit</b>	<b>\$3,807</b>	<b>\$4,380</b>	<b>\$4,954</b>	<b>\$5,527</b>	<b>\$6,100</b>	<b>\$35,380</b>

Profit and Loss Statement (Second Year)					
Quarter	Year 2				
	Q1	Q2	Q3	Q4	Year 2
<b>Revenue</b>	\$243,829	\$248,856	\$253,884	\$258,911	\$1,005,480
Cost of Revenue	\$43,541	\$44,439	\$45,336	\$46,234	\$179,550
<b>Gross Profit</b>	<b>\$200,288</b>	<b>\$204,418</b>	<b>\$208,547</b>	<b>\$212,677</b>	<b>\$825,930</b>
<b>Expenses</b>					
Payroll	\$135,719	\$135,719	\$135,719	\$135,719	\$542,875
Facility Costs	\$3,788	\$3,788	\$3,788	\$3,788	\$15,150
General and Administrative	\$7,022	\$7,167	\$7,312	\$7,457	\$28,958
Professional Fees and Licensure	\$1,776	\$1,812	\$1,849	\$1,886	\$7,323
Insurance	\$3,788	\$3,788	\$3,788	\$3,788	\$15,150
Marketing	\$4,389	\$4,479	\$4,570	\$4,660	\$18,099
Equipment	\$1,969	\$1,969	\$1,969	\$1,969	\$7,875
Misc. Costs	\$1,829	\$1,866	\$1,904	\$1,942	\$7,541
Payroll Taxes	\$10,071	\$10,279	\$10,486	\$10,694	\$41,530
<b>Total Operating Costs</b>	<b>\$170,349</b>	<b>\$170,866</b>	<b>\$171,384</b>	<b>\$171,901</b>	<b>\$684,500</b>
<b>EBITDA</b>	<b>\$29,939</b>	<b>\$33,551</b>	<b>\$37,164</b>	<b>\$40,776</b>	<b>\$141,430</b>
Federal Income Tax	\$6,052	\$6,177	\$6,302	\$6,427	\$24,958
State Income Tax	\$0	\$0	\$0	\$0	\$0
Interest Expense	\$4,630	\$4,540	\$4,448	\$4,355	\$17,973
Depreciation Expenses	\$5,906	\$5,906	\$5,906	\$5,906	\$23,625
<b>Net Profit</b>	<b>\$13,350</b>	<b>\$16,928</b>	<b>\$20,507</b>	<b>\$24,089</b>	<b>\$74,874</b>

Profit and Loss Statement (Third Year)					
Quarter	Year 3				
	Q1	Q2	Q3	Q4	Year 3
<b>Revenue</b>	\$304,786	\$311,070	\$317,355	\$323,639	\$1,256,850
Cost of Revenue	\$54,426	\$55,548	\$56,670	\$57,793	\$224,438
<b>Gross Profit</b>	<b>\$250,360</b>	<b>\$255,522</b>	<b>\$260,684</b>	<b>\$265,846</b>	<b>\$1,032,413</b>
<b>Expenses</b>					
Payroll	\$162,578	\$162,578	\$162,578	\$162,578	\$650,314
Facility Costs	\$3,825	\$3,825	\$3,825	\$3,825	\$15,302
General and Administrative	\$8,778	\$8,959	\$9,140	\$9,321	\$36,197
Professional Fees and Licensure	\$1,793	\$1,830	\$1,867	\$1,904	\$7,396
Insurance	\$3,825	\$3,825	\$3,825	\$3,825	\$15,302
Marketing	\$5,486	\$5,599	\$5,712	\$5,825	\$22,623
Equipment	\$2,067	\$2,067	\$2,067	\$2,067	\$8,269
Misc. Costs	\$2,286	\$2,333	\$2,380	\$2,427	\$9,426
Payroll Taxes	\$12,437	\$12,437	\$12,437	\$12,437	\$49,749
<b>Total Operating Costs</b>	<b>\$203,077</b>	<b>\$203,455</b>	<b>\$203,833</b>	<b>\$204,212</b>	<b>\$814,577</b>
<b>EBITDA</b>	<b>\$47,283</b>	<b>\$52,067</b>	<b>\$56,851</b>	<b>\$61,635</b>	<b>\$217,835</b>
Federal Income Tax	\$10,705	\$10,926	\$11,147	\$11,368	\$44,146
State Income Tax	\$0	\$0	\$0	\$0	\$0
Interest Expense	\$4,259	\$4,162	\$4,062	\$3,961	\$16,444
Depreciation Expenses	\$6,202	\$6,202	\$6,202	\$6,202	\$24,806
<b>Net Profit</b>	<b>\$26,117</b>	<b>\$30,777</b>	<b>\$35,440</b>	<b>\$40,105</b>	<b>\$132,439</b>

Profit and Loss Statement (Fourth Year)					
Quarter	Year 4				
	Q1	Q2	Q3	Q4	Year 4
<b>Revenue</b>	\$365,743	\$373,284	\$380,826	\$388,367	\$1,508,220
Cost of Revenue	\$65,311	\$66,658	\$68,005	\$69,351	\$269,325
<b>Gross Profit</b>	<b>\$300,432</b>	<b>\$306,627</b>	<b>\$312,821</b>	<b>\$319,015</b>	<b>\$1,238,895</b>
<b>Expenses</b>					
Payroll	\$189,962	\$189,962	\$189,962	\$189,962	\$759,847
Facility Costs	\$3,864	\$3,864	\$3,864	\$3,864	\$15,455
General and Administrative	\$10,533	\$10,751	\$10,968	\$11,185	\$43,437
Professional Fees and Licensure	\$1,811	\$1,849	\$1,886	\$1,923	\$7,470
Insurance	\$3,864	\$3,864	\$3,864	\$3,864	\$15,455
Marketing	\$6,583	\$6,719	\$6,855	\$6,991	\$27,148
Equipment	\$2,171	\$2,171	\$2,171	\$2,171	\$8,682
Misc. Costs	\$2,743	\$2,800	\$2,856	\$2,913	\$11,312
Payroll Taxes	\$14,532	\$14,532	\$14,532	\$14,532	\$58,128
<b>Total Operating Costs</b>	<b>\$236,063</b>	<b>\$236,510</b>	<b>\$236,957</b>	<b>\$237,403</b>	<b>\$946,933</b>
<b>EBITDA</b>	<b>\$64,369</b>	<b>\$70,117</b>	<b>\$75,864</b>	<b>\$81,612</b>	<b>\$291,962</b>
Federal Income Tax	\$15,225	\$15,539	\$15,852	\$16,166	\$62,782
State Income Tax	\$0	\$0	\$0	\$0	\$0
Interest Expense	\$3,857	\$3,752	\$3,644	\$3,534	\$14,788
Depreciation Expenses	\$6,512	\$6,512	\$6,512	\$6,512	\$26,047
<b>Net Profit</b>	<b>\$38,776</b>	<b>\$44,315</b>	<b>\$49,856</b>	<b>\$55,400</b>	<b>\$188,346</b>

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

Quarter	Year 5				
	Q1	Q2	Q3	Q4	Year 5
<b>Revenue</b>	\$438,892	\$447,941	\$456,991	\$466,040	\$1,809,864
Cost of Revenue	\$78,374	\$79,990	\$81,605	\$83,221	\$323,190
<b>Gross Profit</b>	<b>\$360,518</b>	<b>\$367,952</b>	<b>\$375,385</b>	<b>\$382,819</b>	<b>\$1,486,674</b>
<b>Expenses</b>					
Payroll	\$217,876	\$217,876	\$217,876	\$217,876	\$871,506
Facility Costs	\$3,902	\$3,902	\$3,902	\$3,902	\$15,609
General and Administrative	\$12,640	\$12,901	\$13,161	\$13,422	\$52,124
Professional Fees and Licensure	\$1,830	\$1,867	\$1,905	\$1,943	\$7,544
Insurance	\$3,902	\$3,902	\$3,902	\$3,902	\$15,609
Marketing	\$7,900	\$8,063	\$8,226	\$8,389	\$32,578
Equipment	\$2,279	\$2,279	\$2,279	\$2,279	\$9,116
Misc. Costs	\$3,292	\$3,360	\$3,427	\$3,495	\$13,574
Payroll Taxes	\$16,668	\$16,668	\$16,668	\$16,668	\$66,670
<b>Total Operating Costs</b>	<b>\$270,289</b>	<b>\$270,818</b>	<b>\$271,347</b>	<b>\$271,876</b>	<b>\$1,084,330</b>
<b>EBITDA</b>	<b>\$90,229</b>	<b>\$97,134</b>	<b>\$104,038</b>	<b>\$110,942</b>	<b>\$402,344</b>
Federal Income Tax	\$21,946	\$22,399	\$22,851	\$23,304	\$90,500
State Income Tax	\$0	\$0	\$0	\$0	\$0
Interest Expense	\$3,422	\$3,308	\$3,191	\$3,072	\$12,994
Depreciation Expenses	\$6,837	\$6,837	\$6,837	\$6,837	\$27,349
<b>Net Profit</b>	<b>\$58,024</b>	<b>\$64,590</b>	<b>\$71,158</b>	<b>\$77,729</b>	<b>\$271,501</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	\$1,673	\$2,245	\$2,818	\$3,391	\$3,964	\$4,536	\$5,109	\$5,682
Cash From Receivables	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$1,673</b>	<b>\$2,245</b>	<b>\$2,818</b>	<b>\$3,391</b>	<b>\$3,964</b>	<b>\$4,536</b>	<b>\$5,109</b>	<b>\$5,682</b>
<b>Other Cash Inflows</b>								
Equity Investment	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increased Borrowings	\$250,000	\$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>Total Cash Inflow</b>	<b>\$301,756</b>	<b>\$2,329</b>	<b>\$2,901</b>	<b>\$3,474</b>	<b>\$4,047</b>	<b>\$4,620</b>	<b>\$5,193</b>	<b>\$5,766</b>
<b>Cash Outflows</b>								
Repayment of Principal	\$1,367	\$1,376	\$1,385	\$1,394	\$1,403	\$1,413	\$1,422	\$1,432
A/P Decreases	\$58	\$58	\$58	\$58	\$58	\$58	\$58	\$58
A/R Increases	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$180,000	\$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>\$181,425</b>	<b>\$1,434</b>	<b>\$1,443</b>	<b>\$1,452</b>	<b>\$1,462</b>	<b>\$1,471</b>	<b>\$1,480</b>	<b>\$1,490</b>
<b>Net Cash Flow</b>	<b>\$120,331</b>	<b>\$895</b>	<b>\$1,458</b>	<b>\$2,022</b>	<b>\$2,585</b>	<b>\$3,149</b>	<b>\$3,712</b>	<b>\$4,276</b>
<b>Cash Balance</b>	<b>\$120,331</b>	<b>\$121,226</b>	<b>\$122,684</b>	<b>\$124,706</b>	<b>\$127,291</b>	<b>\$130,440</b>	<b>\$134,152</b>	<b>\$138,428</b>

<b>Cash Flow Analysis (First Year Cont.)</b>					
Month	9	10	11	12	Year 1
Cash From Operations	\$6,255	\$6,829	\$7,402	\$7,975	\$57,880
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$6,255</b>	<b>\$6,829</b>	<b>\$7,402</b>	<b>\$7,975</b>	<b>\$57,880</b>
<b>Other Cash Inflows</b>					
Equity Investment	\$0	\$0	\$0	\$0	\$50,000
Increased Borrowings	\$0	\$0	\$0	\$0	\$250,000
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>\$6,339</b>	<b>\$6,912</b>	<b>\$7,485</b>	<b>\$8,058</b>	<b>\$358,880</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$1,441	\$1,451	\$1,460	\$1,470	\$17,013
A/P Decreases	\$58	\$58	\$58	\$58	\$700
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$0	\$0	\$0	\$0	\$180,000
Dividends	\$0	\$0	\$0	\$32,693	\$32,693
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$1,499</b>	<b>\$1,509</b>	<b>\$1,519</b>	<b>\$34,222</b>	<b>\$230,406</b>
<b>Net Cash Flow</b>	<b>\$4,839</b>	<b>\$5,403</b>	<b>\$5,966</b>	<b>-\$26,163</b>	<b>\$128,473</b>
<b>Cash Balance</b>	<b>\$143,268</b>	<b>\$148,670</b>	<b>\$154,637</b>	<b>\$128,473</b>	<b>\$128,473</b>

Cash Flow Analysis (Second Year)					
Quarter	Year 2				
	Q1	Q2	Q3	Q4	Year 2
Cash From Operations	\$19,257	\$22,834	\$26,414	\$29,995	\$98,499
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$19,257</b>	<b>\$22,834</b>	<b>\$26,414</b>	<b>\$29,995</b>	<b>\$98,499</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>\$19,511</b>	<b>\$23,094</b>	<b>\$26,679</b>	<b>\$30,265</b>	<b>\$99,549</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$4,469	\$4,559	\$4,651	\$4,745	\$18,425
A/P Decreases	\$178	\$182	\$186	\$189	\$735
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$9,850	\$0	\$0	\$0	\$9,850
Dividends	\$0	\$0	\$0	\$64,059	\$64,059
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$14,498</b>	<b>\$4,741</b>	<b>\$4,837</b>	<b>\$68,993</b>	<b>\$93,069</b>
<b>Net Cash Flow</b>	<b>\$5,014</b>	<b>\$18,353</b>	<b>\$21,842</b>	<b>-\$38,728</b>	<b>\$6,480</b>
<b>Cash Balance</b>	<b>\$133,487</b>	<b>\$151,839</b>	<b>\$173,681</b>	<b>\$134,953</b>	<b>\$134,953</b>

**Cash Flow Analysis (Third Year)**

Quarter	Year 3				
	Q1	Q2	Q3	Q4	Year 3
Cash From Operations	\$32,318	\$36,979	\$41,642	\$46,306	\$157,245
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$32,318</b>	<b>\$36,979</b>	<b>\$41,642</b>	<b>\$46,306</b>	<b>\$157,245</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>\$32,586</b>	<b>\$37,252</b>	<b>\$41,920</b>	<b>\$46,590</b>	<b>\$158,348</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$4,840	\$4,938	\$5,037	\$5,139	\$19,954
A/P Decreases	\$187	\$191	\$195	\$199	\$772
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$15,725	\$0	\$0	\$0	\$15,725
Dividends	\$0	\$0	\$0	\$109,833	\$109,833
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$20,752</b>	<b>\$5,129</b>	<b>\$5,232</b>	<b>\$115,170</b>	<b>\$146,283</b>
<b>Net Cash Flow</b>	<b>\$11,834</b>	<b>\$32,123</b>	<b>\$36,688</b>	<b>-\$68,580</b>	<b>\$12,064</b>
<b>Cash Balance</b>	<b>\$146,787</b>	<b>\$178,910</b>	<b>\$215,598</b>	<b>\$147,018</b>	<b>\$147,018</b>

Cash Flow Analysis (Fourth Year)					
Quarter	Year 4				
	Q1	Q2	Q3	Q4	Year 4
Cash From Operations	\$45,287	\$50,826	\$56,368	\$61,911	\$214,393
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$45,287</b>	<b>\$50,826</b>	<b>\$56,368</b>	<b>\$61,911</b>	<b>\$214,393</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>\$45,568</b>	<b>\$51,113</b>	<b>\$56,660</b>	<b>\$62,209</b>	<b>\$215,550</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$5,242	\$5,348	\$5,455	\$5,565	\$21,611
A/P Decreases	\$197	\$201	\$205	\$209	\$810
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$21,439	\$0	\$0	\$0	\$21,439
Dividends	\$0	\$0	\$0	\$154,226	\$154,226
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$26,878</b>	<b>\$5,548</b>	<b>\$5,660</b>	<b>\$160,000</b>	<b>\$198,086</b>
<b>Net Cash Flow</b>	<b>\$18,690</b>	<b>\$45,565</b>	<b>\$51,000</b>	<b>-\$97,790</b>	<b>\$17,464</b>
<b>Cash Balance</b>	<b>\$165,707</b>	<b>\$211,272</b>	<b>\$262,272</b>	<b>\$164,482</b>	<b>\$164,482</b>

Cash Flow Analysis (Fifth Year)					
Quarter	Year 5				
	Q1	Q2	Q3	Q4	Year 5
Cash From Operations	\$64,861	\$71,427	\$77,995	\$84,566	\$298,849
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$64,861</b>	<b>\$71,427</b>	<b>\$77,995</b>	<b>\$84,566</b>	<b>\$298,849</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>\$65,156</b>	<b>\$71,728</b>	<b>\$78,302</b>	<b>\$84,879</b>	<b>\$300,065</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$5,677	\$5,792	\$5,908	\$6,027	\$23,404
A/P Decreases	\$206	\$211	\$215	\$219	\$851
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$29,885	\$0	\$0	\$0	\$29,885
Dividends	\$0	\$0	\$0	\$220,356	\$220,356
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$35,769</b>	<b>\$6,002</b>	<b>\$6,123</b>	<b>\$226,602</b>	<b>\$274,496</b>
<b>Net Cash Flow</b>	<b>\$29,387</b>	<b>\$65,726</b>	<b>\$72,179</b>	<b>-\$141,723</b>	<b>\$25,569</b>
<b>Cash Balance</b>	<b>\$193,869</b>	<b>\$259,595</b>	<b>\$331,774</b>	<b>\$190,051</b>	<b>\$190,051</b>