



DEUTSCH
LANDSCAPING GROUP

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1.0 Executive Summary

The purpose of this business plan is to secure \$400,000 of capital for the ongoing development and expansion of a landscaping business based in Austin, Texas. Deutsch Landscaping Group LLC (“the Company”) was founded by Matthew Deutsch, and full scale revenue generating operations will commence in the fourth quarter of this year. The Company will provide the entire spectrum of services within the field of landscaping including hardscaping and lawnmowing services.

Operations

The primary revenue center for the company will come from the ongoing landscape contracting services offered by Deutsch Landscaping Group. This will include hardscaping, pathway development, pavers, planting full grown trees, and related landscaping services.

The Company will also provide lawn care maintenance service services. This is a highly important secondary revenue center for the business as it will produce recurring streams of income. The Company will directly employ staff of landscapers that will also engage in lawnmowing services.

The third section of this landscaping business plan will further discuss the operations of the business.

The Financing

At this time, the Company is seeking a \$400,000 loan in order to establish full scale operations. The terms of this financing are to be determined during negotiation. The funds will be primarily used for the following:

- Vehicles for transporting landscaping equipment
- General FF&E
- Working capital

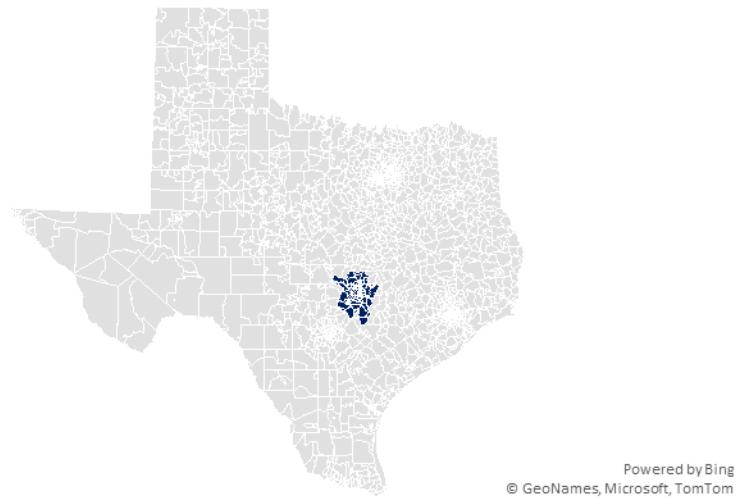
Moving forward, the Company would be an outstanding candidate for additional capital in order to expand operations. Given the substantial population density of the greater Austin area, the company can easily expand its operations to include numerous clients throughout this market. As such, the Company could easily secure a revolving credit facility in order to further expand operations.

The Future

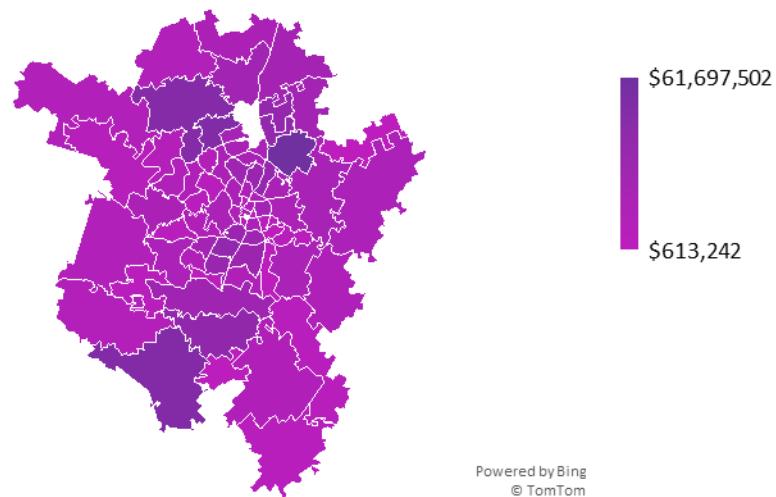
The Company will continue to hire additional landscapers that will be able to render a greater degree of services within the Austin market. Given that the State of Texas is a very large area, the Company could easily leverage its established brand name in order to enter other markets.

Market Overview

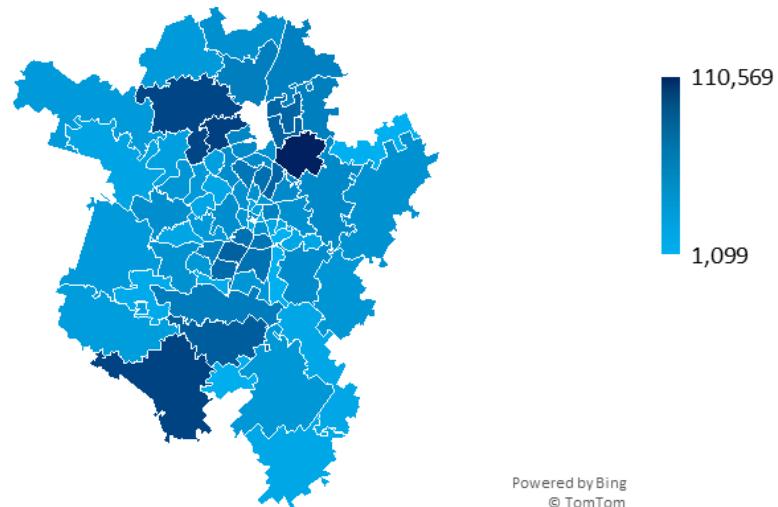
Target Market Area



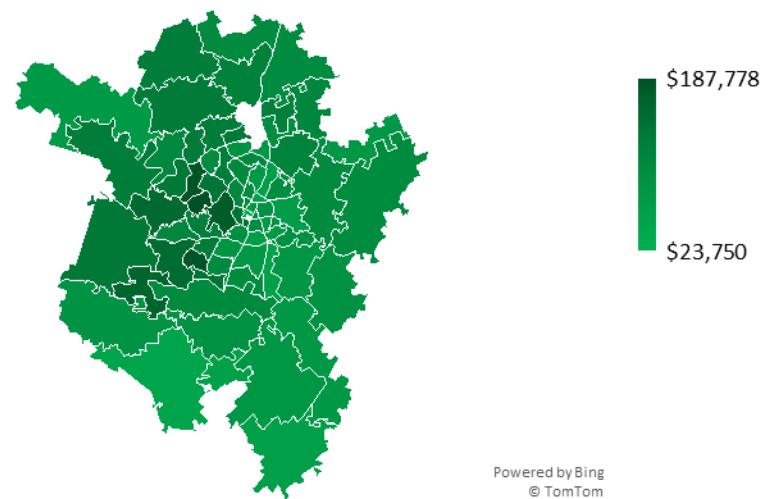
Target Market Area Demand



Target Market Area Population



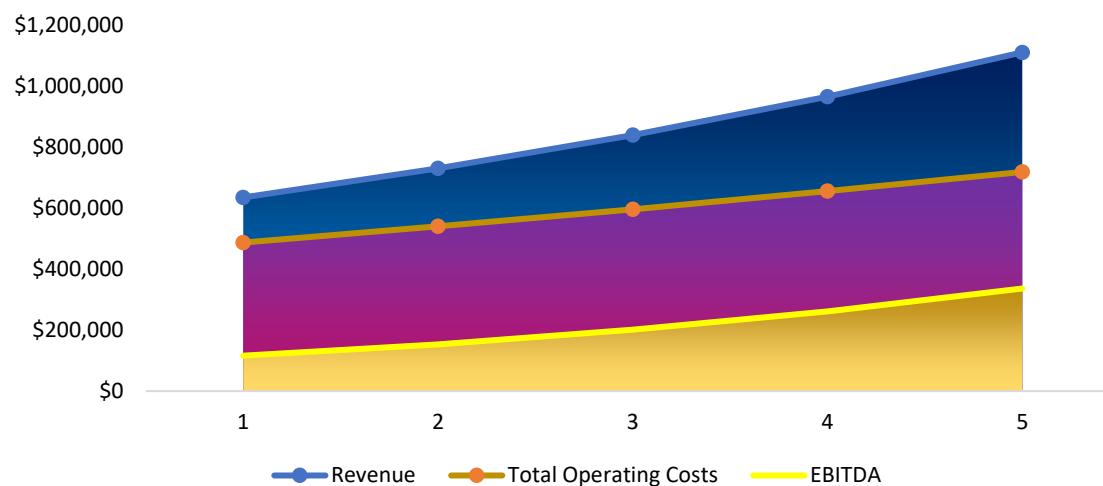
Target Market Area Household Income



Revenue Forecasts

Proforma Profit and Loss		1	2	3	4	5
Year						
Revenue		\$635,250	\$730,538	\$840,118	\$966,136	\$1,111,056
Cost of Revenue		\$31,763	\$36,527	\$42,006	\$48,307	\$55,553
Gross Profit		\$603,488	\$694,011	\$798,112	\$917,829	\$1,055,503
Total Operating Costs		\$487,209	\$540,535	\$596,716	\$656,078	\$718,996
EBITDA		\$116,278	\$153,475	\$201,396	\$261,751	\$336,507

Revenue, Operating Costs, EBITDA



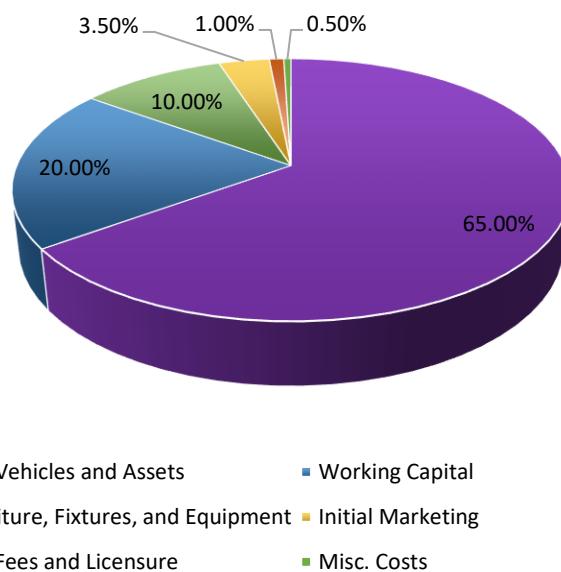
2.0 The Financing

2.1 Funds Required

The \$100,000 of equity capital and \$400,000 of debt capital will be allocated towards the following:

Use of Funds	
Landscaping Vehicles and Assets	\$325,000
Working Capital	\$100,000
General Furniture, Fixtures, and Equipment	\$50,000
Initial Marketing	\$17,500
Professional Fees and Licensure	\$5,000
Misc. Costs	\$2,500
Total	\$500,000

Use of Funds Overview



2.2 Management and Investor Equity

Matthew Deutsch has a 100% ownership interest in the business.

2.3 Exit Strategies

Given the highly recurring streams of revenue produced from lawn maintenance services, as well as substantial profits from landscaping, there would be an immense demand among any third-party enterprises in this field to acquire the operations of Deutsch Landscaping Group. In this event, the Company would coordinate these efforts with a qualified business broker, attorney, and CPA in order to divest the business. A formal valuation would be completed prior to the sale.

3.0 Operations

As noted in the executive summary, Deutsch Landscaping Group will be actively engaged with providing a wide range of landscaping services for both residential properties and commercial property owners. Most importantly, the Company will generate substantial fees from hardscaping engagements that will involve substantial improvements to a client's property. Each aspect engagement is expected to produce \$2,000 to \$25,000 depending on the scope of the client's needs.

The Company's lawn maintenance services will be of extreme importance to the ongoing economic stability of the business. As Austin is a temperate climate, the demand for lawn maintenance remains strong throughout the entire entirety of the year. The Company will typically charge \$50 to \$100 per week for lawnmowing services depending on the size of the property. This highly recurring revenue will allow the Company to further expand its operations in the coming years.

In regards to equipment, the Company will directly purchase its trucks and operating assets with rendering landscaping and lawn maintenance service services. The Company will also directly employ all staff members so that the business maintains full control over their work.

4.0 Overview of the Organization

4.1 Registered Name

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

4.2 Commencement of Operations

The company will commence full scale operations in the fourth quarter of this year.

4.3 Mission Statement

To provide the Austin public with exceptional landscaping and lawn maintenance services at an affordable price.

4.4 Vision Statement

To become recognize as one of the premier landscaping businesses within the Austin area.

4.5 Organizational Objectives

- Properly onboard highly qualified landscapers they will render exceptional services to the Company's residential and commercial property clients.
- Developed ongoing relationships with homeowners' associations, as well as municipal agencies that outsource their lawn care needs.
- Conduct extensive direct outreach with property managers within Austin in order to receive large scale ongoing contracts.
- Implement a wide-ranging marketing strategy that creates significant brand-name awareness among homeowners in Austin.
- Implement fiscally sound operating methods to ensure the ongoing profitability of the business.
- Continue to expand the scope of landscaping in lawn maintenance services that can be sourced through the business.

5.0 Market and Industry Analysis

5.1 External Environmental Analysis

This section of the landscape business plan will document the current economic climate, landscaping industry, customer profile, and the ongoing competition at the business will face.

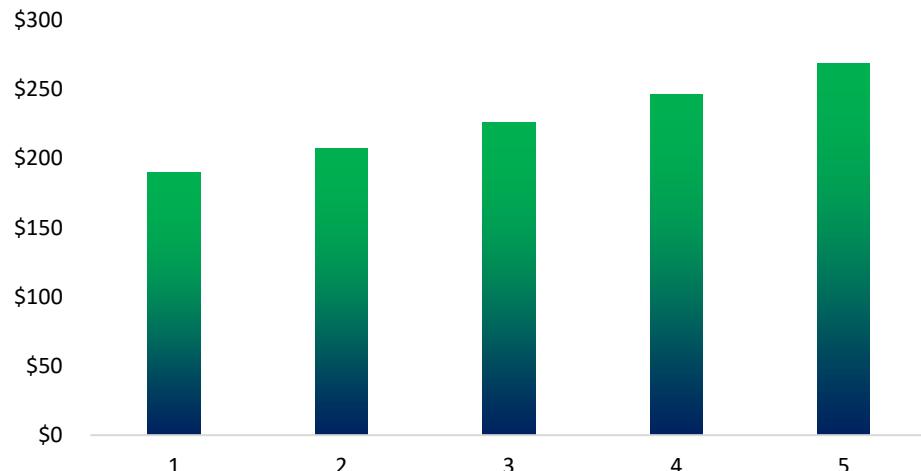
The economic outlook in the within the United States is moderate at this time. As a result of changing trade policies as well as adjustments to overall fiscal policy, there has been a higher degree of inflation than what was initially anticipated over the course of the past twelve months. It should be noted that the Federal Reserve as well as the United States Treasury is taking appropriate measures to reduce the inflation rate, keep unemployment low, and facilitate economic growth.

Any continued issues with the economy will only have a minimal impact on the Company's ability to generate revenue. The Austin market a major market that has a significant number of homeowners. The business will generate substantial contribution margins from all facets of its operation, which will fully support the operations of Deutsch Landscaping Group.

5.2 Industry Analysis

As of this year, landscaping companies produce \$190 billion revenue. There are 700,000 companies that operate within this capacity, and the industry employees one million people.

Landscaping Industry Revenues (billions)



One of the common trends within this industry is to operate as an end-to-end service provider by encompassing landscaping, hardscaping, and lawn maintenance services. Deutsch Landscaping Group will capitalize on this trend throughout the life of the business.

5.3 Customer Profile

Management will use the following demographics:

- Household income of \$75,000 to \$150,000+
- Will spend \$50 to \$100 per week on lawn care
- Will spend \$2,000 to \$25,000+ on landscaping and hardscaping services
- Is located within 25 miles of the Company's Austin location.

5.4 Competitive Analysis

The ongoing competition that the business will face within the Austin market is substantial. As it relates to lawn maintenance, these services have become very commoditized. Most importantly, the Company will be able to effectively compete on a pricing basis, given the streamlined operations that Management is implementing. In regards to landscape services, the Company will showcase an extensive portfolio of beautifully designed and implemented installations.

6.0 Key Strategic Issues

6.1 Sustainable Operations

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

- The ability to provide both landscaping as well as lawn maintenance will provide a strong differentiating factor for the company.
- Matthew Deutsch is a highly experienced entrepreneur that has extensive experience in the field of landscape contracting.
- Highly recurring reams of revenue from lawn maintenance services will support the financial obligation to the business.

6.2 Basis of Growth

The Company will expand via the following methods:

- The company can easily scale into other markets throughout Texas.
- Continued development with homeowners' associations throughout Austin that will provide commercial contract to the business.
- Expansion of the Company's operational asset base in order to provide services for larger scale commercial engagements.
- Potential development of satellite locations in other economically viable markets in Texas.

7.0 Marketing Plan

7.1 Marketing Objectives

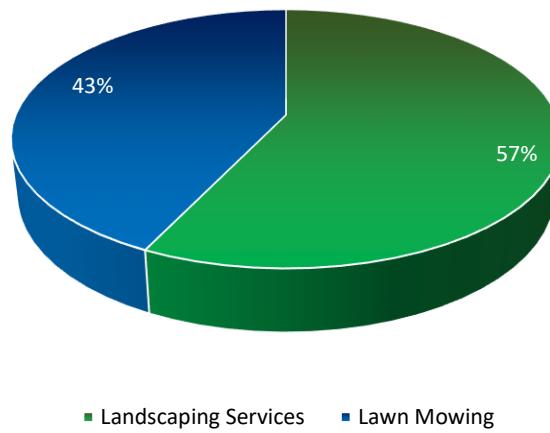
- Conduct extensive direct outreach with commercial property owners throughout the target market area.
- Maintain an expensive online presence so that residential property owners in Austin can quickly find the business.
- Bid on municipal and state-based contracts that outsourced landscaping and lawn maintenance to third parties like Deutsch Landscaping Group.

7.2 Revenue Forecasts

Yearly Sales Forecast					
Year	1	2	3	4	5
Landscaping Services	\$363,000	\$417,450	\$480,068	\$552,078	\$634,889
Lawn Mowing	\$272,250	\$313,088	\$360,051	\$414,058	\$476,167
Totals	\$635,250	\$730,538	\$840,118	\$966,136	\$1,111,056

Gross Profit					
Year	1	2	3	4	5
Total	\$603,488	\$694,011	\$798,112	\$917,829	\$1,055,503

Revenue Generation



7.3 Revenue Assumptions

Year 1

- The business will establish its operations in Austin.
- Revenue will reach \$635,000.

Year 2

- The Company will expand the contracts that it maintains with homeowners associations and commercial property management firms.
- Revenue will reach \$730,000.

Years 3-5

- By Year 5, total revenue will reach \$1.1 million from both landscaping and lawn maintenance.
- The business may enter other markets in Texas at this time.

7.4 Marketing Strategies

Management will use a number of marketing strategies that will create significant brand-name awareness for the Company in the coming years. As it relates to direct outreach, the Company will work with homeowners' associations as well as commercial property management firms that outsource their lawn maintenance and landscaping needs to third parties like Deutsch Landscaping Group.

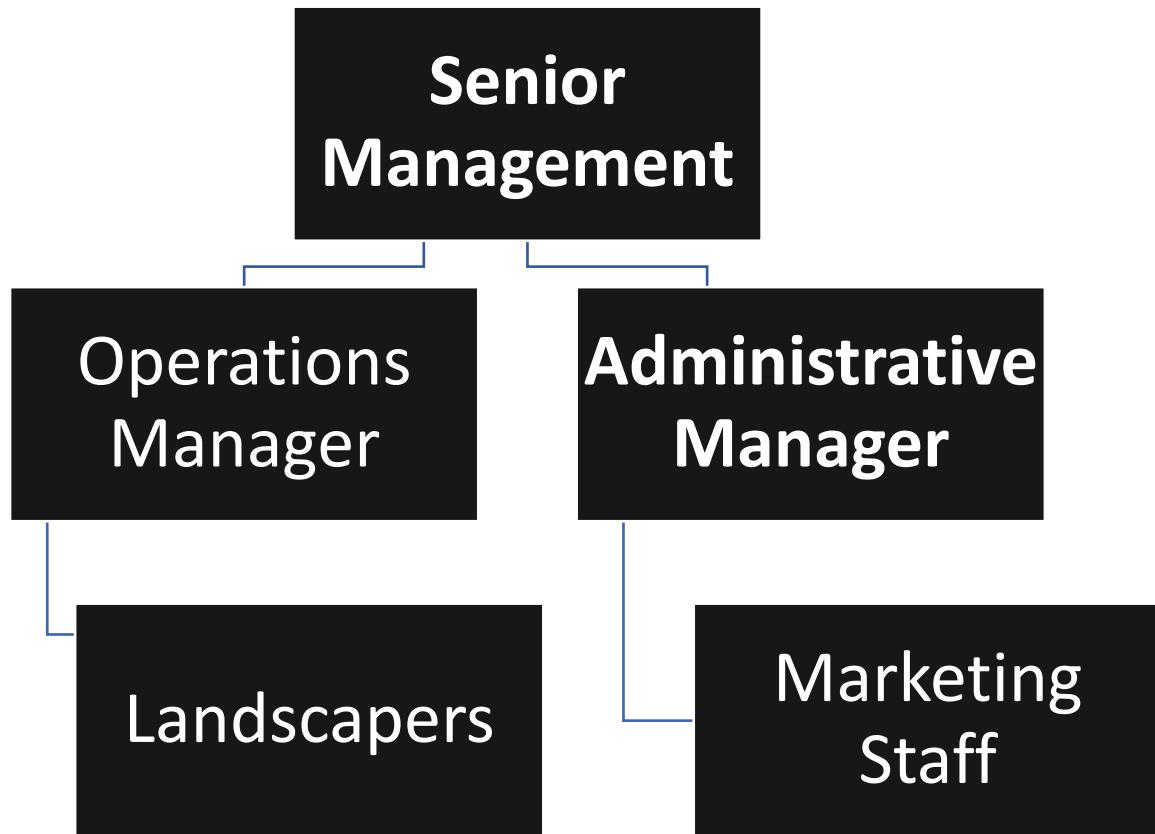
For the Company's website, this platform will undergo significant search engine optimization specific for the Austin market. The platform will feature information regarding the full scope of landscaping and lawn maintenance services offered by the business while also showcasing images of completed work. The Company will continually update the website with new content regarding proper lawn care and landscape maintenance instructions in order to position the platform as an educational resource. This will further elevate the visibility of the website.

Concurrent to the Company's proprietary website, the business will maintain an expense or present among all social media pages. This will include images and videos of the Company's prior work. Contact information will be shown on all social media pages maintained by the business.

The Company will also distribute print-based advertisements, including mailers in order to further increase brand visibility within the Austin market. The Company will provide discounts on initial lawn maintenance engagements in order to drive an ongoing client base.

8.0 Organizational Plan

8.1 Organizational Hierarchy

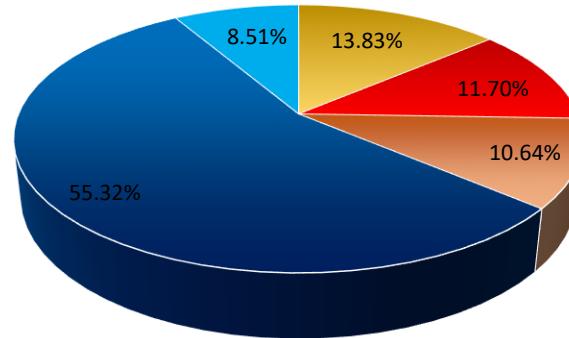


8.2 Personnel Costs

Personnel Plan - Yearly		1	2	3	4	5
Year						
Senior Management		\$65,000	\$65,650	\$66,307	\$66,970	\$67,639
Operations Manager		\$55,000	\$55,550	\$56,106	\$56,667	\$57,233
Administrative Manager		\$50,000	\$50,500	\$51,005	\$51,515	\$52,030
Landscapers		\$130,000	\$164,125	\$198,920	\$234,393	\$270,557
Marketing Staff		\$40,000	\$40,400	\$40,804	\$41,212	\$41,624
Total		\$340,000	\$376,225	\$413,141	\$450,757	\$489,084

Numbers of Personnel (Year End Headcount)						
Year		1	2	3	4	5
Senior Management		1	1	1	1	1
Operations Manager		1	1	1	1	1
Administrative Manager		1	1	1	1	1
Landscapers		4	5	6	7	8
Marketing Staff		1	1	1	1	1
Total		8	9	10	11	12

Personnel Summary



- Senior Management ■ Operations Manager
- Administrative Manager ■ Landscapers
- Marketing Staff

9.0 Financial Plan

9.1 Underlying Assumptions

- Matthew Deutsch will contribute \$100,000 towards the development of Deutsch Landscaping Group.
- The Company will acquire \$400,000 of debt capital to establish operations.
- Deutsch Landscaping Group will have a compounded annual growth rate of 1%.

9.2 Financial Highlights

- Highly recurring streams of revenue from the Company's lawn maintenance services.
- Substantial profits generated from major landscape engagements.

9.3 Sensitivity Analysis

In the event of extremely severe economic recession, the demand for large scale landscaping engagements may decline slightly. However, the Company will produce highly recurring revenue from ongoing law maintenance, maintenance and lawn mowing service services. As has been noted throughout throughout this document, this will be one of the primary ways that the business maintains the economic liability.

9.4 Source of Funds

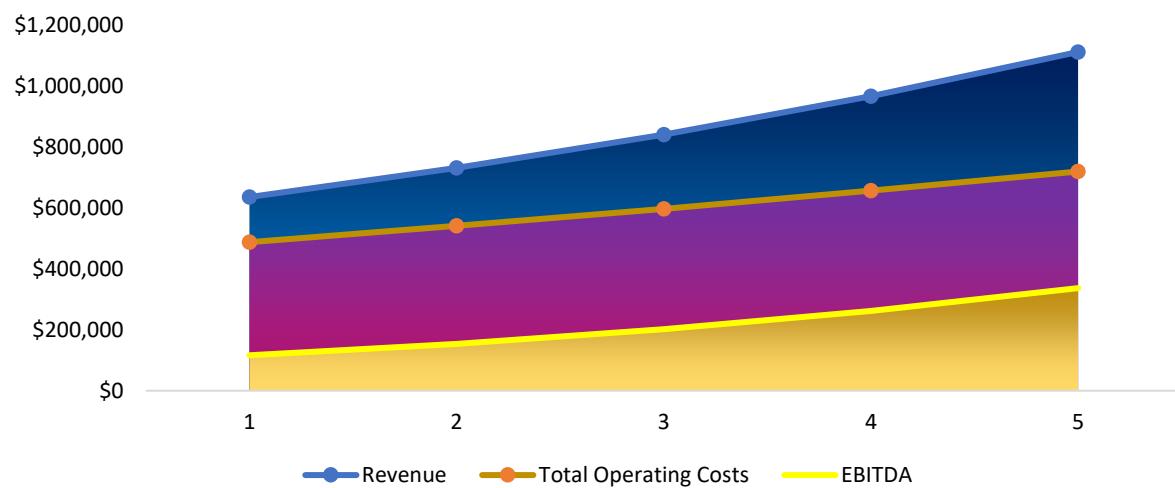
Financing	
Equity	
Equity Capitalization	\$100,000.00
Total Equity Financing	\$100,000.00
Banks and Lenders	
Business Loan	\$400,000.00
Total Debt Financing	\$400,000.00
Total Financing	\$500,000.00

9.5 Financial Proformas

A) Profit and Loss Statement

Proforma Profit and Loss		1	2	3	4	5
	Year					
Revenue		\$635,250	\$730,538	\$840,118	\$966,136	\$1,111,056
Cost of Revenue		\$31,763	\$36,527	\$42,006	\$48,307	\$55,553
Gross Margin		95.00%	95.00%	95.00%	95.00%	95.00%
Gross Profit		\$603,488	\$694,011	\$798,112	\$917,829	\$1,055,503
Expenses						
Payroll		\$340,000	\$376,225	\$413,141	\$450,757	\$489,084
Facility Costs		\$15,000	\$15,150	\$15,302	\$15,455	\$15,609
General and Administrative		\$12,705	\$14,611	\$16,802	\$19,323	\$22,221
Professional Fees and Licensure		\$5,000	\$5,050	\$5,101	\$5,152	\$5,203
Insurance		\$7,500	\$7,575	\$7,651	\$7,727	\$7,805
Marketing		\$31,763	\$36,527	\$42,006	\$48,307	\$55,553
Vehicle Costs		\$44,468	\$51,138	\$58,808	\$67,630	\$77,774
Misc. Costs		\$4,764	\$5,479	\$6,301	\$7,246	\$8,333
Payroll Taxes		\$26,010	\$28,781	\$31,605	\$34,483	\$37,415
Total Operating Costs		\$487,209	\$540,535	\$596,716	\$656,078	\$718,996
EBITDA		\$116,278	\$153,475	\$201,396	\$261,751	\$336,507
Federal Income Tax		\$16,896	\$26,184	\$38,158	\$53,249	\$71,948
State Income Tax		\$0	\$0	\$0	\$0	\$0
Interest Expense		\$33,695	\$32,991	\$32,225	\$31,391	\$30,484
Depreciation Expenses		\$15,000	\$15,750	\$16,538	\$17,364	\$18,233
Net Profit		\$50,688	\$78,551	\$114,475	\$159,746	\$215,843
Profit Margin		7.98%	10.75%	13.63%	16.53%	19.43%

Revenue, Operating Costs, EBITDA



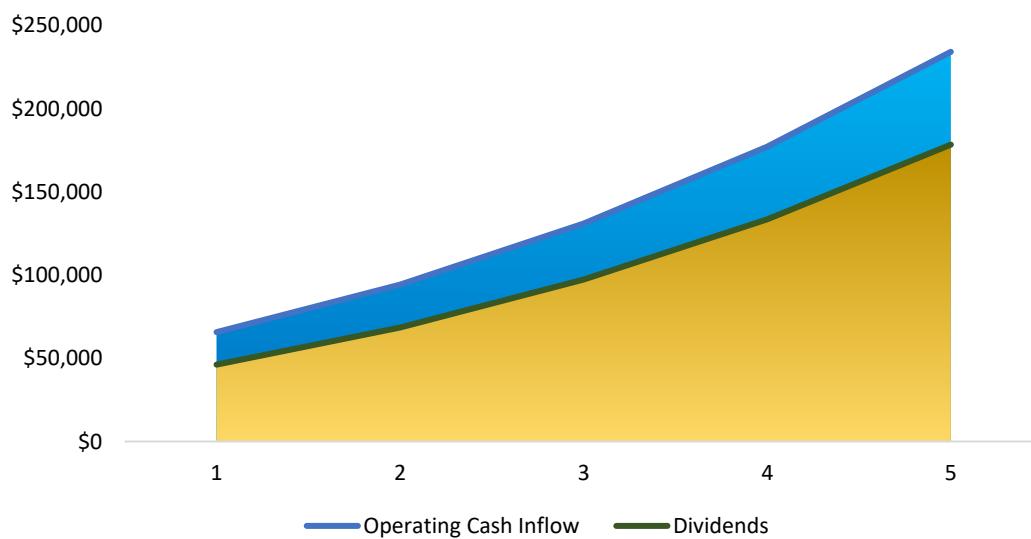
B) Common Size Income Statement

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	5.00%	5.00%	5.00%	5.00%	5.00%
 Gross Profit	 95.00%	 95.00%	 95.00%	 95.00%	 95.00%
 Expenses	 	 	 	 	
Payroll	53.52%	51.50%	49.18%	46.66%	44.02%
Facility Costs	2.36%	2.07%	1.82%	1.60%	1.40%
General and Administrative	2.00%	2.00%	2.00%	2.00%	2.00%
Professional Fees and Licensure	0.79%	0.69%	0.61%	0.53%	0.47%
Insurance	1.18%	1.04%	0.91%	0.80%	0.70%
Marketing	5.00%	5.00%	5.00%	5.00%	5.00%
Vehicle Costs	7.00%	7.00%	7.00%	7.00%	7.00%
Misc. Costs	0.75%	0.75%	0.75%	0.75%	0.75%
Payroll Taxes	4.09%	3.94%	3.76%	3.57%	3.37%
Total Operating Costs	76.70%	73.99%	71.03%	67.91%	64.71%
 EBITDA	 18.30%	 21.01%	 23.97%	 27.09%	 30.29%
Federal Income Tax	2.66%	3.58%	4.54%	5.51%	6.48%
State Income Tax	0.00%	0.00%	0.00%	0.00%	0.00%
Interest Expense	5.30%	4.52%	3.84%	3.25%	2.74%
Depreciation Expenses	2.36%	2.16%	1.97%	1.80%	1.64%
 Net Profit	 7.98%	 10.75%	 13.63%	 16.53%	 19.43%

C) Cash Flow Analysis

Proforma Cash Flow Analysis - Yearly					
Year	1	2	3	4	5
Cash From Operations	\$65,688	\$94,301	\$131,013	\$177,111	\$234,075
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
Operating Cash Inflow	\$65,688	\$94,301	\$131,013	\$177,111	\$234,075
Other Cash Inflows					
Equity Investment	\$100,000	\$0	\$0	\$0	\$0
Increased Borrowings	\$400,000	\$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	\$501,000	\$1,050	\$1,103	\$1,158	\$1,216
Total Cash Inflow	\$566,688	\$95,351	\$132,115	\$178,268	\$235,291
Cash Outflows					
Repayment of Principal	\$7,961	\$8,665	\$9,430	\$10,264	\$11,171
A/P Decreases	\$700	\$735	\$772	\$810	\$851
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$375,000	\$4,715	\$6,551	\$8,856	\$11,704
Dividends	\$46,181	\$68,509	\$97,266	\$133,477	\$178,323
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
Total Cash Outflows	\$429,842	\$82,623	\$114,019	\$153,407	\$202,049
Net Cash Flow	\$136,845	\$12,727	\$18,097	\$24,861	\$33,242
Cash Balance	\$136,845	\$149,573	\$167,669	\$192,530	\$225,772

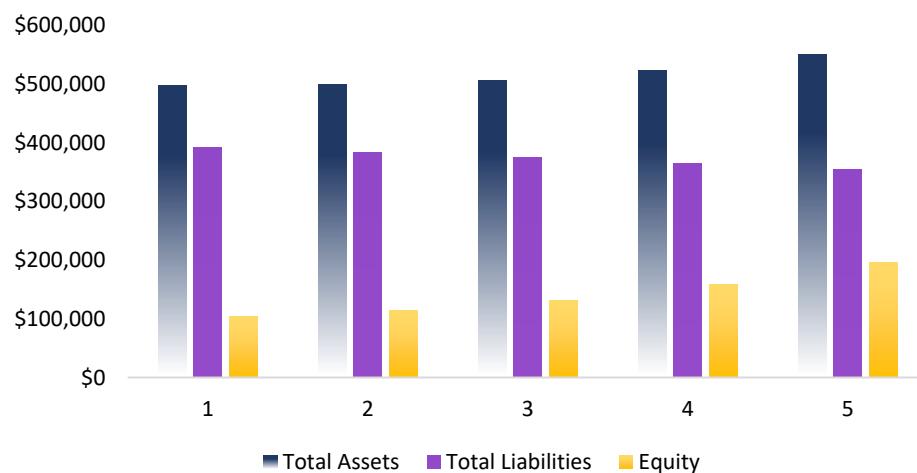
Cash Flow Analysis



D) Balance Sheet

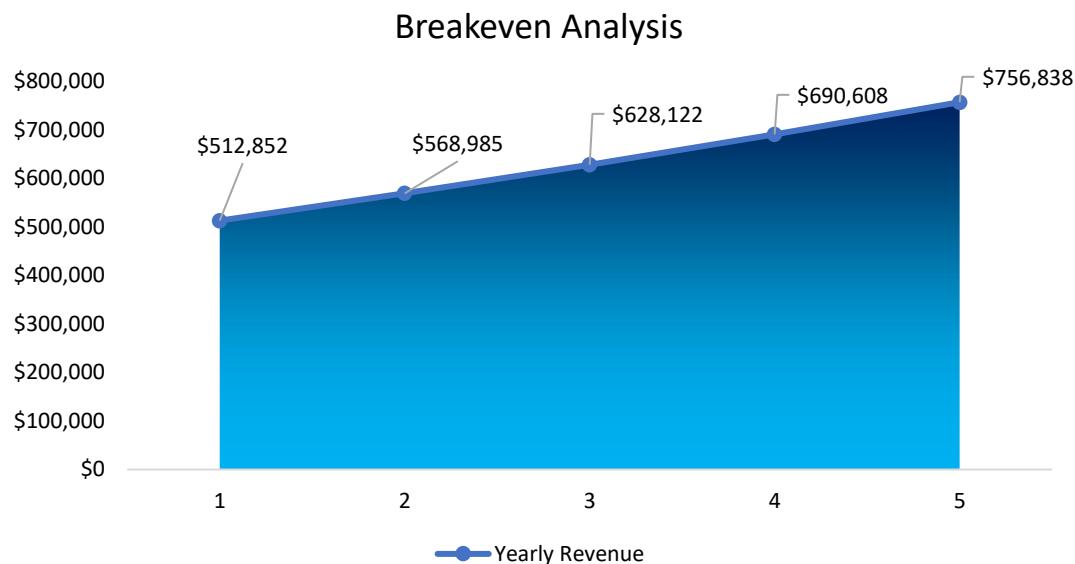
Proforma Balance Sheet - Yearly		1	2	3	4	5
Year						
Assets						
Cash		\$136,845	\$149,573	\$167,669	\$192,530	\$225,772
Fixed Assets		\$375,000	\$379,715	\$386,266	\$395,121	\$406,825
Accumulated Depreciation		(\$15,000)	(\$30,750)	(\$47,288)	(\$64,652)	(\$82,884)
Total Assets		\$496,845	\$498,538	\$506,647	\$523,000	\$549,712
Liabilities and Equity						
Accounts Payable		\$300	\$615	\$946	\$1,293	\$1,658
Long Term Liabilities		\$392,039	\$383,374	\$373,944	\$363,680	\$352,509
Other Liabilities		\$0	\$0	\$0	\$0	\$0
Total Liabilities		\$392,339	\$383,989	\$374,890	\$364,973	\$354,166
Equity		\$104,506	\$114,548	\$131,757	\$158,027	\$195,546
Total Liabilities and Equity		\$496,845	\$498,538	\$506,647	\$523,000	\$549,712

Balance Sheet



9.6 Breakeven Analysis

Break Even Analysis		1	2	3	4	5
Year	Monthly Revenue	\$42,738	\$47,415	\$52,344	\$57,551	\$63,070
	Yearly Revenue	\$512,852	\$568,985	\$628,122	\$690,608	\$756,838



9.7 Business Ratios

Business Ratios - Yearly		1	2	3	4	5
	Year	1	2	3	4	5
Revenue						
Sales Growth		0.0%	15.0%	15.0%	15.0%	15.0%
Gross Margin		95.0%	95.0%	95.0%	95.0%	95.0%
Financials						
Profit Margin		7.98%	10.75%	13.63%	16.53%	19.43%
Assets to Liabilities		1.27	1.30	1.35	1.43	1.55
Equity to Liabilities		0.27	0.30	0.35	0.43	0.55
Assets to Equity		4.75	4.35	3.85	3.31	2.81
Liquidity						
Acid Test		0.35	0.39	0.45	0.53	0.64
Cash to Assets		0.28	0.30	0.33	0.37	0.41

Appendix A – SWOT Analysis

Strengths

- The Company can easily scale operations to include multiple markets within the greater Austin metropolitan area.
- Ability to provide landscaping, hardscaping, and lawn care will provide a strong differentiating factor for Deutsch Landscaping Group.
- The business will have ongoing access to expansion capital on an as-needed basis.

Weaknesses

- Ongoing competition from highly established landscape contracting businesses within the Austin area.
- Moderately high costs related to vehicle maintenance and equipment.

Opportunities

- Continued hiring of additional landscapers in order to take on larger scale residential and commercial engagements.
- Expansion of operations to include other markets outside of Austin.
- Integration of additional units that complement the Company's primary service architecture.

Threats

- Substantial increases in energy pricing can cause the operating cost of the business to increase.

Appendix B – Critical Risks

Development Risk – Low

The service protocols in architecture that will be implemented by Deutsch Landscaping Group have already been developed. The primary matter that needs to be addressed as securing the funding sought in this document.

Financing Risk – Low/Moderate

The \$400,000 of debt capital will be principally used for vehicle vehicles, landscaping, equipment and lawnmower equipment. The financing risks are reduced by the fact that the business will produce highly recurring revenue from its operations.

Marketing Risk – Low/Moderate

The business will use an expand upon the marketing strategies discussed earlier in this landscape business plan. Most importantly, the company intends to conducting intensive direct outreach with homeowners' associations and commercial property management firms to develop contractual relationships.

Management Risk – Low

Matthew Deutsch is a highly experienced entrepreneur that has operated several landscaping and lawn maintenance businesses in the past. He will use this knowledge and expertise to develop operations of Deutsch Landscaping Group in the coming years.

Valuation Risk – Low

The valuation risk is offset by:

- Recurring income from lawn maintenance services.
- Significant demand in Austin given the wealth of this market.
- The business can acquire additional capital and operating assets as needed.

Exit Risk - Low

There are no long ranging plans to sell Deutsch Landscaping Group to a third-party given that Mr. Deutsch wishes to aggressively expand this business within the Austin market. In the event of the business is to be sold, qualified business sales professionals will be retained to manage the transition to a third-party.

Appendix C – Expanded Profit and Loss Statements

Profit and Loss Statement (First Year)							
Months	1	2	3	4	5	6	7
Revenue	\$48,125	\$49,000	\$49,875	\$50,750	\$51,625	\$52,500	\$53,375
Cost of Revenue	\$2,406	\$2,450	\$2,494	\$2,538	\$2,581	\$2,625	\$2,669
Gross Profit	\$45,719	\$46,550	\$47,381	\$48,213	\$49,044	\$49,875	\$50,706
Expenses							
Payroll	\$28,333	\$28,333	\$28,333	\$28,333	\$28,333	\$28,333	\$28,333
Facility Costs	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
General and Administrative	\$1,059	\$1,059	\$1,059	\$1,059	\$1,059	\$1,059	\$1,059
Professional Fees and Licensure	\$417	\$417	\$417	\$417	\$417	\$417	\$417
Insurance	\$625	\$625	\$625	\$625	\$625	\$625	\$625
Marketing	\$2,647	\$2,647	\$2,647	\$2,647	\$2,647	\$2,647	\$2,647
Vehicle Costs	\$3,706	\$3,706	\$3,706	\$3,706	\$3,706	\$3,706	\$3,706
Misc. Costs	\$397	\$397	\$397	\$397	\$397	\$397	\$397
Payroll Taxes	\$2,168	\$2,168	\$2,168	\$2,168	\$2,168	\$2,168	\$2,168
Total Operating Costs	\$40,601						
EBITDA	\$5,118	\$5,949	\$6,780	\$7,612	\$8,443	\$9,274	\$10,105
Federal Income Tax	\$1,280	\$1,303	\$1,327	\$1,350	\$1,373	\$1,396	\$1,420
State Income Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest Expense	\$2,833	\$2,829	\$2,824	\$2,820	\$2,815	\$2,810	\$2,806
Depreciation Expenses	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
Net Profit	-\$245	\$567	\$1,380	\$2,192	\$3,005	\$3,817	\$4,630

Profit and Loss Statement (First Year Cont.)						
Month	8	9	10	11	12	Year 1
Revenue	\$54,250	\$55,125	\$56,000	\$56,875	\$57,750	\$635,250
Cost of Revenue	\$2,713	\$2,756	\$2,800	\$2,844	\$2,888	\$31,763
Gross Profit	\$51,538	\$52,369	\$53,200	\$54,031	\$54,863	\$603,488
Expenses						
Payroll	\$28,333	\$28,333	\$28,333	\$28,333	\$28,333	\$340,000
Facility Costs	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$15,000
General and Administrative	\$1,059	\$1,059	\$1,059	\$1,059	\$1,059	\$12,705
Professional Fees and Licensure	\$417	\$417	\$417	\$417	\$417	\$5,000
Insurance	\$625	\$625	\$625	\$625	\$625	\$7,500
Marketing	\$2,647	\$2,647	\$2,647	\$2,647	\$2,647	\$31,763
Vehicle Costs	\$3,706	\$3,706	\$3,706	\$3,706	\$3,706	\$44,468
Misc. Costs	\$397	\$397	\$397	\$397	\$397	\$4,764
Payroll Taxes	\$2,168	\$2,168	\$2,168	\$2,168	\$2,168	\$26,010
Total Operating Costs	\$40,601	\$40,601	\$40,601	\$40,601	\$40,601	\$487,209
EBITDA	\$10,937	\$11,768	\$12,599	\$13,430	\$14,262	\$116,278
Federal Income Tax	\$1,443	\$1,466	\$1,489	\$1,513	\$1,536	\$16,896
State Income Tax	\$0	\$0	\$0	\$0	\$0	\$0
Interest Expense	\$2,801	\$2,796	\$2,791	\$2,787	\$2,782	\$33,695
Depreciation Expenses	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$15,000
Net Profit	\$5,443	\$6,256	\$7,068	\$7,881	\$8,694	\$50,688

Profit and Loss Statement (Second Year)					
Quarter	Year 2				
	Q1	Q2	Q3	Q4	Year 2
Revenue	\$177,155	\$180,808	\$184,461	\$188,113	\$730,538
Cost of Revenue	\$8,858	\$9,040	\$9,223	\$9,406	\$36,527
Gross Profit	\$168,298	\$171,768	\$175,238	\$178,708	\$694,011
Expenses					
Payroll	\$94,056	\$94,056	\$94,056	\$94,056	\$376,225
Facility Costs	\$3,788	\$3,788	\$3,788	\$3,788	\$15,150
General and Administrative	\$3,543	\$3,616	\$3,689	\$3,762	\$14,611
Professional Fees and Licensure	\$1,225	\$1,250	\$1,275	\$1,300	\$5,050
Insurance	\$1,894	\$1,894	\$1,894	\$1,894	\$7,575
Marketing	\$8,858	\$9,040	\$9,223	\$9,406	\$36,527
Vehicle Costs	\$12,784	\$12,784	\$12,784	\$12,784	\$51,138
Misc. Costs	\$1,329	\$1,356	\$1,383	\$1,411	\$5,479
Payroll Taxes	\$6,979	\$7,123	\$7,267	\$7,411	\$28,781
Total Operating Costs	\$134,456	\$134,908	\$135,360	\$135,812	\$540,535
EBITDA	\$33,842	\$36,860	\$39,878	\$42,896	\$153,475
Federal Income Tax	\$6,350	\$6,480	\$6,611	\$6,742	\$26,184
State Income Tax	\$0	\$0	\$0	\$0	\$0
Interest Expense	\$8,316	\$8,271	\$8,225	\$8,178	\$32,991
Depreciation Expenses	\$3,938	\$3,938	\$3,938	\$3,938	\$15,750
Net Profit	\$15,239	\$18,171	\$21,104	\$24,037	\$78,551

Profit and Loss Statement (Third Year)					
Quarter	Year 3				
	Q1	Q2	Q3	Q4	Year 3
Revenue	\$203,729	\$207,929	\$212,130	\$216,330	\$840,118
Cost of Revenue	\$10,186	\$10,396	\$10,606	\$10,817	\$42,006
Gross Profit	\$193,542	\$197,533	\$201,523	\$205,514	\$798,112
Expenses					
Payroll	\$103,285	\$103,285	\$103,285	\$103,285	\$413,141
Facility Costs	\$3,825	\$3,825	\$3,825	\$3,825	\$15,302
General and Administrative	\$4,075	\$4,159	\$4,243	\$4,327	\$16,802
Professional Fees and Licensure	\$1,237	\$1,262	\$1,288	\$1,313	\$5,101
Insurance	\$1,913	\$1,913	\$1,913	\$1,913	\$7,651
Marketing	\$10,186	\$10,396	\$10,606	\$10,817	\$42,006
Vehicle Costs	\$14,702	\$14,702	\$14,702	\$14,702	\$58,808
Misc. Costs	\$1,528	\$1,559	\$1,591	\$1,622	\$6,301
Payroll Taxes	\$7,901	\$7,901	\$7,901	\$7,901	\$31,605
Total Operating Costs	\$148,652	\$149,003	\$149,355	\$149,706	\$596,716
EBITDA	\$44,890	\$48,529	\$52,169	\$55,808	\$201,396
Federal Income Tax	\$9,253	\$9,444	\$9,635	\$9,826	\$38,158
State Income Tax	\$0	\$0	\$0	\$0	\$0
Interest Expense	\$8,131	\$8,082	\$8,032	\$7,981	\$32,225
Depreciation Expenses	\$4,134	\$4,134	\$4,134	\$4,134	\$16,538
Net Profit	\$23,371	\$26,869	\$30,368	\$33,867	\$114,475

Profit and Loss Statement (Fourth Year)

Quarter	Year 4				
	Q1	Q2	Q3	Q4	Year 4
Revenue	\$234,288	\$239,119	\$243,949	\$248,780	\$966,136
Cost of Revenue	\$11,714	\$11,956	\$12,197	\$12,439	\$48,307
Gross Profit	\$222,574	\$227,163	\$231,752	\$236,341	\$917,829
Expenses					
Payroll	\$112,689	\$112,689	\$112,689	\$112,689	\$450,757
Facility Costs	\$3,864	\$3,864	\$3,864	\$3,864	\$15,455
General and Administrative	\$4,686	\$4,782	\$4,879	\$4,976	\$19,323
Professional Fees and Licensure	\$1,249	\$1,275	\$1,301	\$1,327	\$5,152
Insurance	\$1,932	\$1,932	\$1,932	\$1,932	\$7,727
Marketing	\$11,714	\$11,956	\$12,197	\$12,439	\$48,307
Vehicle Costs	\$16,907	\$16,907	\$16,907	\$16,907	\$67,630
Misc. Costs	\$1,757	\$1,793	\$1,830	\$1,866	\$7,246
Payroll Taxes	\$8,621	\$8,621	\$8,621	\$8,621	\$34,483
Total Operating Costs	\$163,419	\$163,819	\$164,220	\$164,620	\$656,078
EBITDA	\$59,154	\$63,343	\$67,532	\$71,721	\$261,751
Federal Income Tax	\$12,913	\$13,179	\$13,445	\$13,712	\$53,249
State Income Tax	\$0	\$0	\$0	\$0	\$0
Interest Expense	\$7,929	\$7,876	\$7,821	\$7,766	\$31,391
Depreciation Expenses	\$4,341	\$4,341	\$4,341	\$4,341	\$17,364
Net Profit	\$33,972	\$37,947	\$41,925	\$45,903	\$159,746

Profit and Loss Statement (Fifth Year)

Quarter	Year 5				
	Q1	Q2	Q3	Q4	Year 5
Revenue	\$269,431	\$274,986	\$280,542	\$286,097	\$1,111,056
Cost of Revenue	\$13,472	\$13,749	\$14,027	\$14,305	\$55,553
Gross Profit	\$255,960	\$261,237	\$266,515	\$271,792	\$1,055,503
Expenses					
Payroll	\$122,271	\$122,271	\$122,271	\$122,271	\$489,084
Facility Costs	\$3,902	\$3,902	\$3,902	\$3,902	\$15,609
General and Administrative	\$5,389	\$5,500	\$5,611	\$5,722	\$22,221
Professional Fees and Licensure	\$1,262	\$1,288	\$1,314	\$1,340	\$5,203
Insurance	\$1,951	\$1,951	\$1,951	\$1,951	\$7,805
Marketing	\$13,472	\$13,749	\$14,027	\$14,305	\$55,553
Vehicle Costs	\$19,443	\$19,443	\$19,443	\$19,443	\$77,774
Misc. Costs	\$2,021	\$2,062	\$2,104	\$2,146	\$8,333
Payroll Taxes	\$9,354	\$9,354	\$9,354	\$9,354	\$37,415
Total Operating Costs	\$179,064	\$179,521	\$179,977	\$180,434	\$718,996
EBITDA	\$76,895	\$81,716	\$86,537	\$91,358	\$336,507
Federal Income Tax	\$17,447	\$17,807	\$18,167	\$18,527	\$71,948
State Income Tax	\$0	\$0	\$0	\$0	\$0
Interest Expense	\$7,709	\$7,651	\$7,592	\$7,532	\$30,484
Depreciation Expenses	\$4,558	\$4,558	\$4,558	\$4,558	\$18,233
Net Profit	\$47,181	\$51,700	\$56,220	\$60,742	\$215,843

Appendix D – Expanded Cash Flow Analysis

Cash Flow Analysis (First Year)								
Month	1	2	3	4	5	6	7	8
Cash From Operations	\$1,005	\$1,817	\$2,630	\$3,442	\$4,255	\$5,067	\$5,880	\$6,693
Cash From Receivables	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Cash Inflow	\$1,005	\$1,817	\$2,630	\$3,442	\$4,255	\$5,067	\$5,880	\$6,693
Other Cash Inflows								
Equity Investment	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increased Borrowings	\$400,000	\$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	\$500,083	\$83						
Total Cash Inflow	\$501,088	\$1,900	\$2,713	\$3,526	\$4,338	\$5,151	\$5,963	\$6,776
Cash Outflows								
Repayment of Principal	\$638	\$642	\$647	\$652	\$656	\$661	\$666	\$670
A/P Decreases	\$58	\$58	\$58	\$58	\$58	\$58	\$58	\$58
A/R Increases	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$375,000	\$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	\$375,696	\$701	\$705	\$710	\$715	\$719	\$724	\$729
Net Cash Flow	\$125,392	\$1,200	\$2,008	\$2,816	\$3,624	\$4,432	\$5,240	\$6,048
Cash Balance	\$125,392	\$126,591	\$128,599	\$131,415	\$135,038	\$139,470	\$144,709	\$150,757

Cash Flow Analysis (First Year Cont.)					
Month	9	10	11	12	Year 1
Cash From Operations	\$7,506	\$8,318	\$9,131	\$9,944	\$65,688
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
Operating Cash Inflow	\$7,506	\$8,318	\$9,131	\$9,944	\$65,688
Other Cash Inflows					
Equity Investment	\$0	\$0	\$0	\$0	\$100,000
Increased Borrowings	\$0	\$0	\$0	\$0	\$400,000
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	\$501,000
Total Cash Inflow	\$7,589	\$8,402	\$9,214	\$10,027	\$566,688
Cash Outflows					
Repayment of Principal	\$675	\$680	\$685	\$689	\$7,961
A/P Decreases	\$58	\$58	\$58	\$58	\$700
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$0	\$0	\$0	\$0	\$375,000
Dividends	\$0	\$0	\$0	\$46,181	\$46,181
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
Total Cash Outflows	\$733	\$738	\$743	\$46,929	\$429,842
Net Cash Flow	\$6,856	\$7,663	\$8,471	-\$36,902	\$136,845
Cash Balance	\$157,612	\$165,276	\$173,747	\$136,845	\$136,845

Cash Flow Analysis (Second Year)					
Quarter	Year 2				
	Q1	Q2	Q3	Q4	Year 2
Cash From Operations	\$19,177	\$22,108	\$25,041	\$27,975	\$94,301
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
Operating Cash Inflow	\$19,177	\$22,108	\$25,041	\$27,975	\$94,301
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	\$19,431	\$22,368	\$25,306	\$28,245	\$95,351
Cash Outflows					
Repayment of Principal	\$2,098	\$2,143	\$2,189	\$2,235	\$8,665
A/P Decreases	\$178	\$182	\$186	\$189	\$735
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$4,715	\$0	\$0	\$0	\$4,715
Dividends	\$0	\$0	\$0	\$68,509	\$68,509
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
Total Cash Outflows	\$6,991	\$2,325	\$2,374	\$70,934	\$82,623
Net Cash Flow	\$12,440	\$20,044	\$22,932	-\$42,688	\$12,727
Cash Balance	\$149,285	\$169,329	\$192,261	\$149,573	\$149,573

Cash Flow Analysis (Third Year)					
Quarter	Year 3				
	Q1	Q2	Q3	Q4	Year 3
Cash From Operations	\$27,506	\$31,003	\$34,502	\$38,002	\$131,013
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
Operating Cash Inflow	\$27,506	\$31,003	\$34,502	\$38,002	\$131,013
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	\$27,773	\$31,276	\$34,780	\$38,286	\$132,115
Cash Outflows					
Repayment of Principal	\$2,283	\$2,332	\$2,382	\$2,433	\$9,430
A/P Decreases	\$187	\$191	\$195	\$199	\$772
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$6,551	\$0	\$0	\$0	\$6,551
Dividends	\$0	\$0	\$0	\$97,266	\$97,266
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
Total Cash Outflows	\$9,021	\$2,523	\$2,577	\$99,898	\$114,019
Net Cash Flow	\$18,752	\$28,753	\$32,203	-\$61,612	\$18,097
Cash Balance	\$168,325	\$197,078	\$229,281	\$167,669	\$167,669

Cash Flow Analysis (Fourth Year)					
Quarter	Year 4				
	Q1	Q2	Q3	Q4	Year 4
Cash From Operations	\$38,313	\$42,289	\$46,266	\$50,244	\$177,111
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
Operating Cash Inflow	\$38,313	\$42,289	\$46,266	\$50,244	\$177,111
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	\$38,593	\$42,575	\$46,558	\$50,542	\$178,268
Cash Outflows					
Repayment of Principal	\$2,485	\$2,538	\$2,593	\$2,648	\$10,264
A/P Decreases	\$197	\$201	\$205	\$209	\$810
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$8,856	\$0	\$0	\$0	\$8,856
Dividends	\$0	\$0	\$0	\$133,477	\$133,477
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
Total Cash Outflows	\$11,537	\$2,739	\$2,797	\$136,334	\$153,407
Net Cash Flow	\$27,056	\$39,836	\$43,761	-\$85,792	\$24,861
Cash Balance	\$194,725	\$234,562	\$278,322	\$192,530	\$192,530

Cash Flow Analysis (Fifth Year)					
Quarter	Year 5				
	Q1	Q2	Q3	Q4	Year 5
Cash From Operations	\$51,739	\$56,258	\$60,778	\$65,300	\$234,075
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
Operating Cash Inflow	\$51,739	\$56,258	\$60,778	\$65,300	\$234,075
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	\$52,034	\$56,559	\$61,085	\$65,613	\$235,291
Cash Outflows					
Repayment of Principal	\$2,705	\$2,763	\$2,822	\$2,882	\$11,171
A/P Decreases	\$206	\$211	\$215	\$219	\$851
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$11,704	\$0	\$0	\$0	\$11,704
Dividends	\$0	\$0	\$0	\$178,323	\$178,323
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
Total Cash Outflows	\$14,615	\$2,973	\$3,037	\$181,425	\$202,049
Net Cash Flow	\$37,419	\$53,586	\$58,049	-\$115,812	\$33,242
Cash Balance	\$229,949	\$283,535	\$341,583	\$225,772	\$225,772