DEUTSCH
MOBILE TACOS

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1.0 Executive Summary

Deutsch Mobile Tacos LLC ("the Company") was founded with the intention of providing a wide range of premium tacos on a mobile basis throughout the greater Seattle metropolitan area. The Company will operate not only within Seattle, but also within other markets in King County as well as Tacoma. At this time, the Founder is seeking a $75,000 business loan in order to establish these operations, which will commence in the fourth quarter of this year. In addition to providing exceptional tacos and related Mexican fare on a mobile basis, the Company will also engage in catering.

Operations

The primary revenue center will come from the unique fusions that will be featured through the Company's taco focused fare. The Company intends to integrate not only traditional Mexican tacos but also cuisines from around the world. This will create a highly unique differentiating factor for the business. Most importantly, the Company intends to price its tacos at a relatively low cost with most items costing $5.00 to $7.00.

The business will also provide a number of traditional Mexican beverages as well as globally sourced drinks that pair with the unique fusions offered.

Beyond these primary revenue streams, the Company will engage in a wide range of catering throughout Seattle as well as Tacoma.

The operations will be further discussed in the third section of this taco truck business plan.

The Financing

The $75,000 of debt capital sought in this document is expected to carry a ten-year term an 8% interest rate. Management will contribute $25,000 towards the venture as an equity investment. Primarily these funds we use for the acquisition of the truck, securing a commissary location, and working capital.

This document assumes that the business will not seek any further capital during the first five years of operation. Only in the event that a second truck is added to the fleet will Management seek to acquire an additional business loan to facilitate this growth.

The Future

The Company, through multiple marketing strategies, intends to become one of the preeminent taco trucks in the greater Seattle area as well as within surrounding markets. Given the significant wealth of this market, as well as its population density, there is an immense opportunity to integrate an additional truck in the coming years.

Market Overview

Target Market Demand

Target Market Household Income

Target Market Population (by Zip Code)

Revenue Forecasts

Proforma Profit and Loss					
Year	1	2	3	4	5
Revenue	$249,774	$267,258	$285,966	$305,984	$327,403
Cost of Revenue	$71,834	$76,862	$82,242	$87,999	$94,159
Gross Profit	$177,941	$190,396	$203,724	$217,985	$233,244
Total Operating Costs	$118,661	$121,858	$125,227	$128,780	$132,530
EBITDA	**$59,279**	**$68,539**	**$78,497**	**$89,205**	**$100,714**

2.0 The Financing

2.1 Funds Required

The equity and debt capital discussed in the executive summary will be used as follows:

Use of Funds	
Taco Truck	$65,000
Commissary Kitchen Fees	$3,500
Initial Marketing	$10,000
Working Capital	$14,500
Professional Fees and Licensure	$5,000
Inventories	$2,000
Total	$100,000

2.2 Management and Investor Equity

The Founder is the 100% owner of Deutsch Mobile Tacos LLC.

2.3 Exit Strategies

There would be a substantial demand for this business once to establishes a highly regarded brand name within its target market. Generally speaking, mobile food service businesses typically have an earnings premium of two times EBITDA. The Company is not expected to be sold for a significant period of time as the Founder intends to establish this is a widely respected mobile culinary business within Seattle.

3.0 Operations

As discussed in the executive summary, Deutsch Mobile Tacos will be actively involved with providing the Seattle and Tacoma general public with a wide range of premium fare from its taco truck. Most importantly, the unique fusions of Mexican food with other types of popular international cuisine will create immense demand given its unique nature.

The Founder has already developed numerous proprietary recipes, which have undergone extensive testing with the general public. The popularity of this cuisine will allow the business to rapidly expand its operations and develop a strong brand name.

In regards to Company's catering operations, this will be primarily conducted through the commissary kitchen, which will be based in Seattle. Here, the Company will make all of the preparations necessary for each event. The actual cooking of the tacos will be done on site so that hot food can be served. As noted earlier, the Company will also offer a wide range of popular beverages that are of Mexican origin as well as domestically produced drinks.

4.0 Overview of the Organization

4.1 Registered Name

Deutsch Mobile Tacos LLC. The Company is registered as a limited liability company in the state of Washington.

4.2 Commencement of Operations

This taco truck will begin his operations in the four quarter of this year.

4.3 Mission Statement

To provide exceptional cuisine with numerous international elements through the Company's taco truck.

4.4 Vision Statement

To become the preeminent taco truck within the greater Seattle area.

4.5 Organizational Objectives

- Properly secure the taco truck using the capital sought in this document.
- Established ongoing relationships with major venues that will allow the business to serve its tacos at their locations.
- Continue to integrate additional types of international cuisine in order to complement the traditional Mexican tacos offered.
- Hire a qualified assistant that will work not only within the taco truck but also within the Company's commissary kitchen.
- Ensure that the business remains profitable through proper financial management.
- Adhere to all laws and regulatory frameworks regarding the sale of food to the general public.
- Use multiple forms of online tech technologies so that people can track the truck while in route throughout each day.

5.0 Market and Industry Analysis

5.1 External Environmental Analysis

This section of the taco truck business plan will focus on the current economic climate, the demographics, the industry, and the ongoing competition at the business will face.

Inflation has become the primary concern among all businesses within the United States. Over the past twenty-four months, the price of all goods and services have increased significantly. This has been exacerbated by evolving trade policies that have contributed to a greater rate inflation.

It should be noted that these matters will have less impact on Deutsch Mobile Tacos's operations given that the businesses operating in Seattle and Tacoma. As will continue to be one of the themes of document, the risks related to this market or substantially less given the significant wealth of this market.

5.2 Industry Analysis

As of this year, there are 9,000 enterprises in operation that provide food service on a mobile basis or in a catering capacity. Approximately 10% of these businesses operate by providing Mexican cuisine. The industry generates slightly more than $8 billion per year and provides jobs for 122,000 people.

As it relates to mobile food service, the Company will take advantage of many trends that have shaped and streamline that industry over the past ten years. Most importantly, the Company will use mobile payment methods that individuals can pay for their meals with a credit or debit card. The Company will also use GPS technology so that the Company's location can be broadcast to the website on a real-time basis.

5.3 Customer Profile

The love of Mexican food as well as international cuisine spans the entirety of the socioeconomic spectrum. Any individual that has a love of tacos and Mexican fusion food will be a potential customer of the business. As such, it is hard to quantify the demographics of people that will frequently make purchases. The Company will operate among numerous highly populated areas within Seattle and Tacoma.

5.4 Competitive Analysis

The business will face ongoing competition for other established mobile food services businesses in the target market. Most importantly, Deutsch Mobile Tacos will maintain a major differentiating factor given a unique cuisine that is being served which incorporates both Mexican fare as well as fusions of international flavor.

6.0 Key Strategic Issues

6.1 Sustainable Operations

Deutsch Mobile Tacos will have sustainable operations as a result of the following:

- The fusion focused nature of the Company's fare will set the business apart.
- The Company will be able to operate within the entirety of the Seattle and Tacoma market areas.
- The recipes that will be used for the Company's tacos have already been developed and received critical claim.
- The Company will be able to engage in expansive catering operations through the use of its commissary kitchen.

6.2 Basis of Growth

The Company will expand via the following methods:

- Expansion the number of taco trucks that are operated within the Company's fleet.
- Continued expansion of the Company's catering operations as this will produce substantial profits in the coming years.
- Development of satellite operations in other areas of the Pacific Northwest.

7.0 Marketing Plan

7.1 Marketing Objectives

- Affect a substantial amount of proper signage to the taco truck that becomes highly visible to the Seattle in Tacoma public.
- Engage numerous forms of marketing that will promote the Company's catering services.
- Use search engine organization as well as social media in order to provide the real-time location of the business on a daily basis.
- Established ongoing relationships with major event venues, especially those that operate as sports arenas.

7.2 Revenue Forecasts

Yearly Sales Forecast					
Year	**1**	**2**	**3**	**4**	**5**
Taco Sales	$187,800	$200,946	$215,012	$230,063	$246,167
Beverage Sales	$61,974	$66,312	$70,954	$75,921	$81,235
Total	**$249,774**	**$267,258**	**$285,966**	**$305,984**	**$327,403**

Gross Profit					
Year	1	2	3	4	5
Total	**$177,941**	**$190,396**	**$203,724**	**$217,985**	**$233,244**

7.3 Revenue Assumptions

Year 1

- The taco truck will launch its operations in the fourth quarter.
- First year revenue of $249,000 is expected.

Year 2

- The business will expand its relationships with lots and venues.
- Revenue will reach $267,000.

Years 3-5

- Through these years, the Company will focus on the integrating a second taco truck.
- In Year 5, aggregate revenue will reach $327,000.

7.4 Marketing Strategies

Foremost, the taco truck that will be operated by the business will have immensely bright colors with a substantial amount of signage that showcases the traditional Mexican fare as well as the international fusions of a cuisine. Throughout the life of the business, it is expected that the truck will be becoming a widely known enterprise given the quality of its food and its unique approach to tacos.

Real time tracking will be a major component of the Company's overarching marketing campaign. Through the Company's website, individuals will be able to see where the truck is at all times through GPS tracking technology. As the business gains a greater following, it is fully expected that many people will check the website on a daily basis in order to meet the truck to make a purchase. It should be noted that the Company will typically maintain a highly predictable schedule so that people are aware of the location on any given day.

Social media is also a significant importance of the business as many people are expected to share images, videos, and reviews of Deutsch Mobile Tacos as the business gain popularity. This will further increased brand visibility throughout the Seattle and Tacoma market area.

Finally, the Company intends to establish ongoing relationships with venues that allow trucks to be parked at their locations. This will include establishing relationships with music and sporting venues throughout the target market area.

8.0 Organizational Plan

8.1 Organizational Hierarchy

8.2 Personnel Costs

Personnel Plan - Yearly					
Year	1	2	3	4	5
Owner	$40,000	$40,400	$40,804	$41,212	$41,624
Taco Truck Staff	$17,500	$17,675	$17,852	$18,030	$18,211
Bookkeeper (P/T)	$12,000	$12,120	$12,241	$12,364	$12,487
Total	**$69,500**	**$70,195**	**$70,897**	**$71,606**	**$72,322**

Numbers of Personnel (Year End Headcount)					
Year	1	2	3	4	5
Owner	1	1	1	1	1
Taco Truck Staff	1	1	1	1	1
Bookkeeper (P/T)	1	1	1	1	1
Total	**3**	**3**	**3**	**3**	**3**

9.0 Financial Plan

9.1 Underlying Assumptions

- Deutsch Mobile Tacos will have a compounded annual growth rate of 7%.
- The Company will acquire a $75,000 loan to establish its taco truck operations.
- The Founder will invest $25,000 towards a venture.

9.2 Financial Highlights

- The Company will achieve contribution margins of 80% on all food sales.
- Beverage sales will carry contribution margins of 75%.

9.3 Sensitivity Analysis

As a business is operating in both Seattle in Tacoma, the significant population density of this market will ensure that the Company finds an immense audience of people that have a deep love of Mexican tacos as well as international cuisine. The Company will have very low operating costs as well as substantial contribution margins which will ensure profitability is achieved quickly.

9.4 Source of Funds

Financing	
Equity	
Equity Capitalization	$25,000.00
Total Equity Financing	$25,000.00
Banks and Lenders	
Business Loan	$75,000.00
Total Debt Financing	$75,000.00
Total Financing	**$100,000.00**

9.5 Financial Proformas

A) Profit and Loss Statement

Proforma Profit and Loss					
Year	1	2	3	4	5
Revenue	$249,774	$267,258	$285,966	$305,984	$327,403
Cost of Revenue	$71,834	$76,862	$82,242	$87,999	$94,159
Gross Margin	71.24%	71.24%	71.24%	71.24%	71.24%
Gross Profit	$177,941	$190,396	$203,724	$217,985	$233,244
Expenses					
Payroll	$69,500	$70,195	$70,897	$71,606	$72,322
Facility Costs	$4,600	$4,646	$4,692	$4,739	$4,787
General and Administrative	$4,746	$5,078	$5,433	$5,814	$6,221
Professional Fees and Licensure	$2,500	$2,525	$2,550	$2,576	$2,602
Insurance	$3,250	$3,283	$3,315	$3,348	$3,382
Marketing	$4,396	$4,704	$5,033	$5,385	$5,762
Vehicle	$22,480	$24,053	$25,737	$27,539	$29,466
Misc. Costs	$1,873	$2,004	$2,145	$2,295	$2,456
Payroll Taxes	$5,317	$5,370	$5,424	$5,478	$5,533
Total Operating Costs	**$118,661**	**$121,858**	**$125,227**	**$128,780**	**$132,530**
EBITDA	**$59,279**	**$68,539**	**$78,497**	**$89,205**	**$100,714**
Federal Income Tax	$12,359	$14,689	$17,197	$19,895	$22,796
State Income Tax	$2,472	$2,938	$3,439	$3,979	$4,559
Interest Expense	$6,318	$6,186	$6,042	$5,886	$5,716
Depreciation Expenses	$3,525	$3,596	$3,667	$3,741	$3,816
Net Profit	**$34,605**	**$41,130**	**$48,151**	**$55,705**	**$63,828**
Profit Margin	**13.85%**	**15.39%**	**16.84%**	**18.21%**	**19.50%**

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	28.76%	28.76%	28.76%	28.76%	28.76%
Gross Profit	71.24%	71.24%	71.24%	71.24%	71.24%
Expenses					
Payroll	27.83%	26.26%	24.79%	23.40%	22.09%
Facility Costs	1.84%	1.74%	1.64%	1.55%	1.46%
General and Administrative	1.90%	1.90%	1.90%	1.90%	1.90%
Professional Fees and Licensure	1.00%	0.94%	0.89%	0.84%	0.79%
Insurance	1.30%	1.23%	1.16%	1.09%	1.03%
Marketing	1.76%	1.76%	1.76%	1.76%	1.76%
Vehicle	9.00%	9.00%	9.00%	9.00%	9.00%
Misc. Costs	0.75%	0.75%	0.75%	0.75%	0.75%
Payroll Taxes	2.13%	2.01%	1.90%	1.79%	1.69%
Total Operating Costs	47.51%	45.60%	43.79%	42.09%	40.48%
EBITDA	23.73%	25.65%	27.45%	29.15%	30.76%
Federal Income Tax	4.95%	5.50%	6.01%	6.50%	6.96%
State Income Tax	0.99%	1.10%	1.20%	1.30%	1.39%
Interest Expense	2.53%	2.31%	2.11%	1.92%	1.75%
Depreciation Expenses	1.41%	1.35%	1.28%	1.22%	1.17%
Net Profit	13.85%	15.39%	16.84%	18.21%	19.50%

C) Cash Flow Analysis

Proforma Cash Flow Analysis - Yearly					
Year	1	2	3	4	5
Cash From Operations	$38,130	$44,726	$51,819	$59,446	$67,644
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$38,130**	**$44,726**	**$51,819**	**$59,446**	**$67,644**
Other Cash Inflows					
Equity Investment	$25,000	$0	$0	$0	$0
Increased Borrowings	$75,000	$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	**$101,000**	**$1,050**	**$1,103**	**$1,158**	**$1,216**
Total Cash Inflow	**$139,130**	**$45,776**	**$52,921**	**$60,603**	**$68,859**
Cash Outflows					
Repayment of Principal	$1,493	$1,625	$1,768	$1,925	$2,095
A/P Decreases	$700	$735	$772	$810	$851
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$70,500	$1,342	$1,555	$1,783	$2,029
Dividends	$21,983	$25,861	$30,030	$34,513	$39,329
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$94,675**	**$29,562**	**$34,125**	**$39,031**	**$44,304**
Net Cash Flow	**$44,455**	**$16,214**	**$18,796**	**$21,572**	**$24,555**
Cash Balance	**$44,455**	**$60,669**	**$79,465**	**$101,038**	**$125,592**

D) Balance Sheet

Proforma Balance Sheet - Yearly					
Year	1	2	3	4	5
Assets					
Cash	$44,455	$60,669	$79,465	$101,038	$125,592
Fixed Assets	$70,500	$71,842	$73,396	$75,180	$77,209
Accumulated Depreciation	($3,525)	($7,121)	($10,788)	($14,529)	($18,344)
Total Assets	**$111,430**	**$125,390**	**$142,074**	**$161,689**	**$184,457**
Liabilities and Equity					
Accounts Payable	$300	$615	$946	$1,293	$1,658
Long Term Liabilities	$73,507	$71,883	$70,115	$68,190	$66,095
Other Liabilities	$0	$0	$0	$0	$0
Total Liabilities	**$73,807**	**$72,498**	**$71,060**	**$69,483**	**$67,753**
Equity	**$37,623**	**$52,892**	**$71,013**	**$92,206**	**$116,704**
Total Liabilities and Equity	**$111,430**	**$125,390**	**$142,074**	**$161,689**	**$184,457**

9.6 Breakeven Analysis

Break Even Analysis					
Year	1	2	3	4	5
Monthly Revenue	$13,880	$14,254	$14,648	$15,064	$15,503
Yearly Revenue	$166,564	$171,051	$175,780	$180,767	$186,031

9.7 Business Ratios

Business Ratios - Yearly					
Year	1	2	3	4	5
Revenue					
Sales Growth	0.0%	7.0%	7.0%	7.0%	7.0%
Gross Margin	71.2%	71.2%	71.2%	71.2%	71.2%
Financials					
Profit Margin	13.85%	15.39%	16.84%	18.21%	19.50%
Assets to Liabilities	1.51	1.73	2.00	2.33	2.72
Equity to Liabilities	0.51	0.73	1.00	1.33	1.72
Assets to Equity	2.96	2.37	2.00	1.75	1.58
Liquidity					
Acid Test	0.60	0.84	1.12	1.45	1.85
Cash to Assets	0.40	0.48	0.56	0.62	0.68

Appendix A – SWOT Analysis

Strengths

- By operating in across a wide spectrum of cuisines, the business will maintain a major differentiating factor.
- No other competitor within the Seattle and Tacoma area offers the same fare as the business.
- Management has sourced a number of premium purveyors for its inventory inputs that will provide these items on a cost-effective basis.
- The use of the Company's commissary kitchen will allow for substantial catering engagements to be undertaken.

Weaknesses

- Taco trucks have very low barriers to entry.
- Moderately high cost as it relates to the maintenance of the taco truck.

Opportunities

- Expansion the number of vehicles in the Company's taco truck fleet.
- Continued marketing of the Company's catering operations throughout Seattle and Tacoma.
- Expansion of other into other markets in Washington State in the Pacific Northwest.

Threats

- The Company will have multiple variable cost inputs that can increase suddenly.

Appendix B – Critical Risks

Development Risk – **Low/Moderate**
The recipes that the Company will use have already been developed by the Founder. The business has already sourced the truck that will operate in a taco serving capacity. The primary matter that needs to be addressed to securing the funding discussed in this document.

Financing Risk – **Low**
The $75,000 a capital will be primarily used for the acquisition of vehicles and fixed assets. The business is low operating cost will substantially reduce the financing risks of the business.

Marketing Risk **– Low**
Using the multiple forms of marketing discussed earlier, the Company will be able to establish a widely respected brand name in the Seattle and Tacoma market. Use of real time tracking technologies will further reduce marketing risks.

Management Risk – **Low**
The Founder has been a professional chef for the past sixteen years. He has perfected the recipes that incorporate fusions of international cuisine with traditional Mexican fare, which will become very popular in this market.

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

- Very low operating cost as a function of revenue.
- Substantial profit from catering services through the taco truck.
- The business can be quickly scaled into other economically viable markets in the Pacific Northwest.

Exit Risk - **Low**
The sale of this business would for a very low risk. This event is not expected to occur for a minimum of ten years as the Founder intends established this is a why they respected business in the greater Seattle and Tacoma area.

Appendix C – Expanded Profit and Loss Statements

Profit and Loss Statement (First Year)							
Months	1	2	3	4	5	6	7
Revenue	**$18,620**	**$19,019**	**$19,418**	**$19,817**	**$20,216**	**$20,615**	**$21,014**
Cost of Revenue	$5,355	$5,470	$5,585	$5,699	$5,814	$5,929	$6,044
Gross Profit	$13,265	$13,549	$13,834	$14,118	$14,402	$14,686	$14,971
Expenses							
Payroll	$5,792	$5,792	$5,792	$5,792	$5,792	$5,792	$5,792
Facility Costs	$383	$383	$383	$383	$383	$383	$383
General and Administrative	$395	$395	$395	$395	$395	$395	$395
Professional Fees and Licensure	$208	$208	$208	$208	$208	$208	$208
Insurance	$271	$271	$271	$271	$271	$271	$271
Marketing	$366	$366	$366	$366	$366	$366	$366
Vehicle	$1,873	$1,873	$1,873	$1,873	$1,873	$1,873	$1,873
Misc. Costs	$156	$156	$156	$156	$156	$156	$156
Payroll Taxes	$443	$443	$443	$443	$443	$443	$443
Total Operating Costs	$9,888	$9,888	$9,888	$9,888	$9,888	$9,888	$9,888
EBITDA	$3,377	$3,661	$3,945	$4,229	$4,514	$4,798	$5,082
Federal Income Tax	$921	$941	$961	$981	$1,000	$1,020	$1,040
State Income Tax	$184	$188	$192	$196	$200	$204	$208
Interest Expense	$531	$530	$530	$529	$528	$527	$526
Depreciation Expenses	$294	$294	$294	$294	$294	$294	$294
Net Profit	$1,446	$1,707	$1,969	$2,230	$2,492	$2,753	$3,014

Profit and Loss Statement (First Year Cont.)						
Month	8	9	10	11	12	Year 1
Revenue	**$21,413**	**$21,812**	**$22,211**	**$22,610**	**$23,009**	**$249,774**
Cost of Revenue	$6,158	$6,273	$6,388	$6,503	$6,617	$71,834
Gross Profit	$15,255	$15,539	$15,823	$16,108	$16,392	$177,941
Expenses						
Payroll	$5,792	$5,792	$5,792	$5,792	$5,792	$69,500
Facility Costs	$383	$383	$383	$383	$383	$4,600
General and Administrative	$395	$395	$395	$395	$395	$4,746
Professional Fees and Licensure	$208	$208	$208	$208	$208	$2,500
Insurance	$271	$271	$271	$271	$271	$3,250
Marketing	$366	$366	$366	$366	$366	$4,396
Vehicle	$1,873	$1,873	$1,873	$1,873	$1,873	$22,480
Misc. Costs	$156	$156	$156	$156	$156	$1,873
Payroll Taxes	$443	$443	$443	$443	$443	$5,317
Total Operating Costs	$9,888	$9,888	$9,888	$9,888	$9,888	$118,661
EBITDA	$5,366	$5,651	$5,935	$6,219	$6,503	$59,279
Federal Income Tax	$1,060	$1,079	$1,099	$1,119	$1,139	$12,359
State Income Tax	$212	$216	$220	$224	$228	$2,472
Interest Expense	$525	$524	$523	$523	$522	$6,318
Depreciation Expenses	$294	$294	$294	$294	$294	$3,525
Net Profit	$3,276	$3,537	$3,799	$4,060	$4,322	$34,605

Profit and Loss Statement (Second Year)					
		Year 2			
Quarter	Q1	Q2	Q3	Q4	Year 2
Revenue	$64,810	$66,146	$67,483	$68,819	$267,258
Cost of Revenue	$18,639	$19,023	$19,408	$19,792	$76,862
Gross Profit	**$46,171**	**$47,123**	**$48,075**	**$49,027**	**$190,396**
Expenses					
Payroll	$17,549	$17,549	$17,549	$17,549	$70,195
Facility Costs	$1,162	$1,162	$1,162	$1,162	$4,646
General and Administrative	$1,231	$1,257	$1,282	$1,308	$5,078
Professional Fees and Licensure	$612	$625	$638	$650	$2,525
Insurance	$821	$821	$821	$821	$3,283
Marketing	$1,141	$1,164	$1,188	$1,211	$4,704
Vehicle	$6,013	$6,013	$6,013	$6,013	$24,053
Misc. Costs	$486	$496	$506	$516	$2,004
Payroll Taxes	$1,302	$1,329	$1,356	$1,383	$5,370
Total Operating Costs	**$30,317**	**$30,415**	**$30,514**	**$30,612**	**$121,858**
EBITDA	**$15,854**	**$16,708**	**$17,561**	**$18,415**	**$68,539**
Federal Income Tax	$3,562	$3,636	$3,709	$3,783	$14,689
State Income Tax	$712	$727	$742	$757	$2,938
Interest Expense	$1,559	$1,551	$1,542	$1,533	$6,186
Depreciation Expenses	$899	$899	$899	$899	$3,596
Net Profit	**$9,122**	**$9,895**	**$10,669**	**$11,444**	**$41,130**

Profit and Loss Statement (Third Year)					
		Year 3			
Quarter	Q1	Q2	Q3	Q4	Year 3
Revenue	$69,347	$70,777	$72,206	$73,636	$285,966
Cost of Revenue	$19,944	$20,355	$20,766	$21,177	$82,242
Gross Profit	**$49,403**	**$50,422**	**$51,440**	**$52,459**	**$203,724**
Expenses					
Payroll	$17,724	$17,724	$17,724	$17,724	$70,897
Facility Costs	$1,173	$1,173	$1,173	$1,173	$4,692
General and Administrative	$1,318	$1,345	$1,372	$1,399	$5,433
Professional Fees and Licensure	$618	$631	$644	$657	$2,550
Insurance	$829	$829	$829	$829	$3,315
Marketing	$1,221	$1,246	$1,271	$1,296	$5,033
Vehicle	$6,434	$6,434	$6,434	$6,434	$25,737
Misc. Costs	$520	$531	$542	$552	$2,145
Payroll Taxes	$1,356	$1,356	$1,356	$1,356	$5,424
Total Operating Costs	**$31,193**	**$31,269**	**$31,345**	**$31,420**	**$125,227**
EBITDA	**$18,210**	**$19,153**	**$20,096**	**$21,039**	**$78,497**
Federal Income Tax	$4,170	$4,256	$4,342	$4,428	$17,197
State Income Tax	$834	$851	$868	$886	$3,439
Interest Expense	$1,524	$1,515	$1,506	$1,496	$6,042
Depreciation Expenses	$917	$917	$917	$917	$3,667
Net Profit	**$10,764**	**$11,613**	**$12,462**	**$13,311**	**$48,151**

Profit and Loss Statement (Fourth Year)					
		Year 4			
Quarter	Q1	Q2	Q3	Q4	Year 4
Revenue	$74,201	$75,731	$77,261	$78,791	$305,984
Cost of Revenue	$21,340	$21,780	$22,220	$22,660	$87,999
Gross Profit	**$52,861**	**$53,951**	**$55,041**	**$56,131**	**$217,985**
Expenses					
Payroll	$17,901	$17,901	$17,901	$17,901	$71,606
Facility Costs	$1,185	$1,185	$1,185	$1,185	$4,739
General and Administrative	$1,410	$1,439	$1,468	$1,497	$5,814
Professional Fees and Licensure	$625	$637	$650	$663	$2,576
Insurance	$837	$837	$837	$837	$3,348
Marketing	$1,306	$1,333	$1,360	$1,387	$5,385
Vehicle	$6,885	$6,885	$6,885	$6,885	$27,539
Misc. Costs	$557	$568	$579	$591	$2,295
Payroll Taxes	$1,369	$1,369	$1,369	$1,369	$5,478
Total Operating Costs	**$32,074**	**$32,155**	**$32,235**	**$32,315**	**$128,780**
EBITDA	**$20,787**	**$21,796**	**$22,806**	**$23,816**	**$89,205**
Federal Income Tax	$4,824	$4,924	$5,023	$5,123	$19,895
State Income Tax	$965	$985	$1,005	$1,025	$3,979
Interest Expense	$1,487	$1,477	$1,466	$1,456	$5,886
Depreciation Expenses	$935	$935	$935	$935	$3,741
Net Profit	**$12,576**	**$13,476**	**$14,376**	**$15,277**	**$55,705**

Profit and Loss Statement (Fifth Year)					
		Year 5			
Quarter	Q1	Q2	Q3	Q4	Year 5
Revenue	$79,395	$81,032	$82,669	$84,306	$327,403
Cost of Revenue	$22,834	$23,304	$23,775	$24,246	$94,159
Gross Profit	**$56,562**	**$57,728**	**$58,894**	**$60,060**	**$233,244**
Expenses					
Payroll	$18,080	$18,080	$18,080	$18,080	$72,322
Facility Costs	$1,197	$1,197	$1,197	$1,197	$4,787
General and Administrative	$1,509	$1,540	$1,571	$1,602	$6,221
Professional Fees and Licensure	$631	$644	$657	$670	$2,602
Insurance	$845	$845	$845	$845	$3,382
Marketing	$1,397	$1,426	$1,455	$1,484	$5,762
Vehicle	$7,367	$7,367	$7,367	$7,367	$29,466
Misc. Costs	$595	$608	$620	$632	$2,456
Payroll Taxes	$1,383	$1,383	$1,383	$1,383	$5,533
Total Operating Costs	**$33,005**	**$33,090**	**$33,175**	**$33,260**	**$132,530**
EBITDA	**$23,557**	**$24,638**	**$25,719**	**$26,800**	**$100,714**
Federal Income Tax	$5,528	$5,642	$5,756	$5,870	$22,796
State Income Tax	$1,106	$1,128	$1,151	$1,174	$4,559
Interest Expense	$1,445	$1,435	$1,424	$1,412	$5,716
Depreciation Expenses	$954	$954	$954	$954	$3,816
Net Profit	**$14,524**	**$15,479**	**$16,435**	**$17,390**	**$63,828**

Appendix D – Expanded Cash Flow Analysis

Cash Flow Analysis (First Year)								
Month	1	2	3	4	5	6	7	8
Cash From Operations	$1,740	$2,001	$2,263	$2,524	$2,785	$3,047	$3,308	$3,570
Cash From Receivables	$0	$0	$0	$0	$0	$0	$0	$0
Operating Cash Inflow	$1,740	$2,001	$2,263	$2,524	$2,785	$3,047	$3,308	$3,570
Other Cash Inflows								
Equity Investment	$25,000	$0	$0	$0	$0	$0	$0	$0
Increased Borrowings	$75,000	$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	**$100,083**	**$83**	**$83**	**$83**	**$83**	**$83**	**$83**	**$83**
Total Cash Inflow	**$101,823**	**$2,084**	**$2,346**	**$2,607**	**$2,869**	**$3,130**	**$3,392**	**$3,653**
Cash Outflows								
Repayment of Principal	$120	$120	$121	$122	$123	$124	$125	$126
A/P Decreases	$58	$58	$58	$58	$58	$58	$58	$58
A/R Increases	$0	$0	$0	$0	$0	$0	$0	$0
Asset Purchases	$70,500	$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
Total Cash Outflows	**$70,678**	**$179**	**$180**	**$181**	**$181**	**$182**	**$183**	**$184**
Net Cash Flow	**$31,145**	**$1,906**	**$2,166**	**$2,427**	**$2,687**	**$2,948**	**$3,208**	**$3,469**
Cash Balance	**$31,145**	**$33,051**	**$35,217**	**$37,644**	**$40,331**	**$43,279**	**$46,487**	**$49,956**

Cash Flow Analysis (First Year Cont.)					
Month	9	10	11	12	Year 1
Cash From Operations	$3,831	$4,093	$4,354	$4,615	$38,130
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$3,831**	**$4,093**	**$4,354**	**$4,615**	**$38,130**
Other Cash Inflows					
Equity Investment	$0	$0	$0	$0	$25,000
Increased Borrowings	$0	$0	$0	$0	$75,000
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	$101,000
Total Cash Inflow	**$3,914**	**$4,176**	**$4,437**	**$4,699**	**$139,130**
Cash Outflows					
Repayment of Principal	$127	$127	$128	$129	$1,493
A/P Decreases	$58	$58	$58	$58	$700
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$0	$0	$0	$0	$70,500
Dividends	$0	$0	$0	$21,983	$21,983
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$185**	**$186**	**$187**	**$22,170**	**$94,675**
Net Cash Flow	**$3,730**	**$3,990**	**$4,251**	**-$17,471**	**$44,455**
Cash Balance	**$53,686**	**$57,676**	**$61,927**	**$44,455**	**$44,455**

Cash Flow Analysis (Second Year)					
		Year 2			
Quarter	Q1	Q2	Q3	Q4	Year 2
Cash From Operations	$10,020	$10,794	$11,568	$12,343	$44,726
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$10,020**	**$10,794**	**$11,568**	**$12,343**	**$44,726**
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	**$10,275**	**$11,054**	**$11,833**	**$12,613**	**$45,776**
Cash Outflows					
Repayment of Principal	$393	$402	$410	$419	$1,625
A/P Decreases	$178	$182	$186	$189	$735
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$1,342	$0	$0	$0	$1,342
Dividends	$0	$0	$0	$25,861	$25,861
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$1,913**	**$584**	**$596**	**$26,469**	**$29,562**
Net Cash Flow	**$8,362**	**$10,470**	**$11,238**	**-$13,856**	**$16,214**
Cash Balance	**$52,817**	**$63,287**	**$74,525**	**$60,669**	**$60,669**

Cash Flow Analysis (Third Year)					
	Year 3				
Quarter	Q1	Q2	Q3	Q4	Year 3
Cash From Operations	$11,681	$12,530	$13,379	$14,228	$51,819
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$11,681**	**$12,530**	**$13,379**	**$14,228**	**$51,819**
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	**$11,949**	**$12,803**	**$13,657**	**$14,512**	**$52,921**
Cash Outflows					
Repayment of Principal	$428	$437	$447	$456	$1,768
A/P Decreases	$187	$191	$195	$199	$772
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$1,555	$0	$0	$0	$1,555
Dividends	$0	$0	$0	$30,030	$30,030
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$2,170**	**$628**	**$641**	**$30,685**	**$34,125**
Net Cash Flow	**$9,779**	**$12,175**	**$13,016**	**-$16,173**	**$18,796**
Cash Balance	**$70,448**	**$82,622**	**$95,638**	**$79,465**	**$79,465**

Cash Flow Analysis (Fourth Year)					
		Year 4			
Quarter	Q1	Q2	Q3	Q4	Year 4
Cash From Operations	$13,511	$14,411	$15,311	$16,212	$59,446
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$13,511**	**$14,411**	**$15,311**	**$16,212**	**$59,446**
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	**$13,792**	**$14,698**	**$15,604**	**$16,510**	**$60,603**
Cash Outflows					
Repayment of Principal	$466	$476	$486	$497	$1,925
A/P Decreases	$197	$201	$205	$209	$810
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$1,783	$0	$0	$0	$1,783
Dividends	$0	$0	$0	$34,513	$34,513
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$2,446**	**$676**	**$691**	**$35,218**	**$39,031**
Net Cash Flow	**$11,346**	**$14,021**	**$14,913**	**-$18,708**	**$21,572**
Cash Balance	**$90,811**	**$104,832**	**$119,745**	**$101,038**	**$101,038**

Cash Flow Analysis (Fifth Year)					
	Year 5				
Quarter	Q1	Q2	Q3	Q4	Year 5
Cash From Operations	$15,478	$16,433	$17,388	$18,344	$67,644
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$15,478**	**$16,433**	**$17,388**	**$18,344**	**$67,644**
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	**$15,773**	**$16,734**	**$17,695**	**$18,657**	**$68,859**
Cash Outflows					
Repayment of Principal	$507	$518	$529	$540	$2,095
A/P Decreases	$206	$211	$215	$219	$851
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$2,029	$0	$0	$0	$2,029
Dividends	$0	$0	$0	$39,329	$39,329
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$2,743**	**$729**	**$744**	**$40,089**	**$44,304**
Net Cash Flow	**$13,030**	**$16,005**	**$16,951**	**-$21,432**	**$24,555**
Cash Balance	**$114,067**	**$130,073**	**$147,024**	**$125,592**	**$125,592**