BUSINESS PLAN

Example #2, page 1



Here is an example of a much smaller (only four pages) investment summary to use when looking for funding. This was for a real travel center/truck stop in the Western U.S. This is NOT a full-blown business plan; this is a short introduction to send to possible lenders and funders. In most cases, the investor will require a business plan at some point in the review process.

COMPANY NAME: TEDDY'S TRAVEL STOP

Financing information for asset/collateral heavy new convenience store and gas station

Investment Summary

Business Summary: Teddy's Travel Center will be a modern, fully integrated convenience store and gas station near Las Vegas; in a desirable, high-traffic location and with the full support and significant equity participation of substantial, accredited investors. In addition, there is a federal loan guaranty.

Financing Summary

- \$4,000,000 total build/start cost
- \$1,600,000 cash equity (40%) from owner and the Navajo Nation
- \$2,400,000 debt financing being sought
- Solid cash flow business, ample coverage for debt and principal service
- 75-year lease on real estate, assignable
- Additional collateral available
- Personal guaranty from owner investors
- Good solid loan opportunity with good fundamentals and significant over collateralization, and a 90% federal loan guaranty.

Location

Near a newly constructed casino, this store is set to benefit from the increased traffic associated with the casino as well as tourist traffic from the nearby interstate highway and daily commuter needs for food and fuel. The municipality has deemed this project a priority for their residents and visitors and the future development and expansion of business in the area as well as the new jobs created. As a result, they have committed significant financial support to the project.

Management

The Navjar family has been in the convenience store business since 1975, and have a vast array of experience running and managing profitable stores. This includes favorable lease terms on a very desirable location.

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Store Economics

• Pro forma projections: \$4,000,000 max to open

• Year 1 Total Annual Revenue: \$3,997,560

• EBITDA: \$462,447 (11.6%)

• Net Income: \$119,988

• Year 5 Total Annual Revenue: \$4,499,289

EBITDA: \$535,462 (11.9%)Net Income: \$189,473

• CAPITAL BEING RAISED: \$2,400,000 commercial debt secured by assets and backed by a 90% federal loan guaranty.

Lending Ratios

Use Of Funds: Construction of new facility and initial working capital

Financial Projections

Income Statement - Pro Forma

CHURCH ROCK TRAVEL CENTER					
	Year1	Year 2	Year3	Year 4	Year5
REVENUES					
Motor Fuel Sales	2,712,120	2,799,484	2,877,286	2,963,607	0,052,515
Covenience Store Sales	964,080	993,002	1,022,792	1,053,476	1,085,080
Fast Food Sales	321,350	381,001	340,931	351,159	361,694
TOTAL REVENUES	3,997,560	4,117,407	4,241,011	4,360,242	4,499,209
COST OF GOODS SOLD					
Cost of Motor Fuel Sales	2,386,666	2,458,266	2,532,014	2,607,974	2,686,213
Cost of Convenience Store Sales	656,574	675,241	695,499	716,354	737,854
Cost of Fast Food Sales	218,525	225,081	231,833	238,788	245,952
TOTAL COST OF GOODS SOLD	3,261,755	9,358,588	3,459,346	3,563,136	3,670,019
GROSS PROFIT (LOSS)	735,795	758,899	781,665	805,116	529,270
OPERATING EXPENSES					
Salaries	225,680	225.680	225,680	232,450	232,450
Employee Benefits	22,568	22,568	22,568	23,245	28,245
Rent/Lesse				11,000	11,000
Utilities	17,000	12,000	12,000	12,350	12,960
Telephone	1,210	1,200	1,200	1,296	1,236
Office Supplies	900	900	900	927	927
Supo les	3,000	3,000	3,000	3,050	3,090
Maintenance	3,000	3,000	3,000	3,500	3,500
Insurance	6,000	6.000	6,000	6,000	5,000
Depredation	145,210	149,200	149,200	148,210	149,200
TOTAL OPERATING EXPENSES	423,548	423,548	423,548	443,008	448,008
EBIT/OPERATING PROFIT (LOSS)	313,247	385,851	358.117	362,108	585,262
ЕВІТОА	462,447	494,551	507,317	511,308	535,463
EBITDA as % of Total Revenue	11 57%	11.77%	11.96%	11 71%	11.90%
INTEREST (INCOME), EXPENSE & TAXES					
Interest (Income)					
Interest Expense	141,231	134,952	128,286	121,209	113,695
Income Tax Expense	28,123	28,966	29,835	30,791	31,652
TOTAL INTEREST (INCOME), EXPENSE & TAXES	169,984	163,918	158,121	151,940	145,947
NET INCOME (LOSS)	143,893	171,433	199,996	210,168	240,915
Net Income as % of Total Revenue	3 50%	4.16%	4.72%	4 61%	5,35%
NET OPERATING CASH FLOW	293.093	320,633	349.196	359.368	390.115
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Note Fayment	101,830	108,079	114,745	171,872	129,836
Free Cash Flow®	191,293	212,554	234,451	237,546	260,779

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Balance Sheet - Pro Forma

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ASSETS	Opening	Year 1	Year 2	Vear3	Year 4	Year 5
Current Assets:						
Cash	100,000	291,293	508,847	798,299	975,845	1,236,624
Patty Cash	100,000	231,230	360/047	700,233	373,043	2,230,02
Accounts Receivables		-	-	-	-	
	75,000	125,414	129,176	133,052	137,043	141,155
Inventory	25,000	25,000	25,000	25,000	25,000	25,000
Prepaid Expenses	25,000	25,000	23,000	2,000	25,000	25,000
Employee Advances	-	-	- 1	- 1	-	
Temporary Investments	200,000	441,707	658.024	896,350	1.137,688	1,402,775
Total Current Assets	200,000	441,707	636,024	680,300	1,137,606	1/402,775
Fined Assets:						
Land					-	
Buildings	2,688,548	2,689,548	2,683,548	2,683,548	2,683,548	2,683,548
Furniture and Equipment	875,000	875,000	875,000	875,000	875,000	875,000
Computer Equipment	25,000	25,000	25,000	25,000	25,000	25,000
Vehicles	-	-			-	
Less: Accumulated Depredation		(149.200)	(258,400)	(447.600)	(596,800)	(746,000
Total Fixed Assets	3,583,548	3,434,348	3,285,148	3,135,948	2,996,748	2,837,548
Other Assets:						
Trademants	-		-	-	-	
Petents	-	-	-		-	
Security Deposits	***	****			-	
Other Assets	216,452	216,452	216,452	216,452	216,452	216,452
Total Other Assets	216,452	216,452	216,452	216,452	216,452	216,452
TOTAL ASSETS	4,000,000	4,092,507	4,159,624	4,248,750	4,341,088	4,456,775
LIABIUTIES						
Current Liabilities:						
Accounts Payable		50,414	54,176	58,052	62,043	66,155
Business Credit Cards	-	-	-		-	
Sales Tar Payable						
Peyroll Lisbilities						
Other Liabilities	-				-	
Current Portion of Long-Term Debt						
Total Current Liabilities		50,414	54,176	58,052	62,043	66,155
Long Wood Holoman						
Long-Term Liabilities:	3 800 000	3 200 200	2 100 424	2 AT 225	4.053.554	4 634 316
Notes Psyable	2,400,000	2,298,200	2,190,121	2,075,376	1,953,554	1,624,216
Mortgage Payable	-	-	-	-	-	
Lass: Current portion of Long-term debt					4 483 884	
Total Long-Term Liabilities	2,400,000	2,298,200	2,190,121	2,075,376	1,953,554	1,824,218
EQUITY						
Capital Stock/Partner's Equity	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
Opening Retained Earnings	-		143,893	315,326	515,322	725,491
Dividends Paid/Owner's Draw	-	-			-	
Net Income (Lass)		143,893	171,433	199,996	210,168	240,915
Total Equity	1,600,000	1,743,893	1,915,326	2,115,322	2,325,491	2,566,406