



Nursery

BUSINESS PLAN WONDERLAND NURSERY

416 S. Turner Street
Spokane, Washington 99204

This plan outlines how this business will provide Spokane with a specialty nursery and garden center that is stylish, respected, and consistent, and which is intelligently staffed with caring and well-informed employees. An unusual feature of this nursery is its café. This plan was provided by Ameriwest Business Consultants, Inc.

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EXECUTIVE SUMMARY

BUSINESS DESCRIPTION

The purpose of Wonderland Nursery is to provide Spokane with a nursery and garden center that is stylish, respected, and consistent, and which is intelligently staffed with caring and well-informed employees. The atmosphere is friendly and open. The nursery displays a new attitude. It treats customers like first-class citizens and tries to make them feel like they are at home. On the premises will also be a café to help our customers extend and enhance their visit to our premises. We offer a variety of related items such as pottery, specialty decorations, etc. The facility has a first-rate greenhouse. The services are offered at a competitive price and pricing will be reviewed periodically.

The nursery is normally open Monday, Tuesday, Wednesday, Thursday, Friday, and Saturday, from 9:00 A.M. through 5:00 P.M., and 10:00 A.M. to 4:00 P.M. on Sunday. The café hours are 9:00 A.M. to 5:00 P.M., Monday through Wednesday, 9:00 A.M. through 8:00 P.M. on Thursday through Saturday, and from 10:00 A.M. to 4:00 P.M. on Sunday.

CURRENT POSITION AND FUTURE OUTLOOK

The business is in a restructure mode. It is currently past due on its mortgage payment. Plans call for infusion of new investment in the amount of approximately \$275,000 and a new loan of \$800,000. Operations are conducted on a 5-acre site, located at 416 S. Turner Street, Spokane, Washington. On the average we serve from 10,000 to 12,000 customers per year. With new funding we plan to increase this amount by at least 15% per year in the future. This is a conservative estimate considering the past year saw a 25% increase in sales. To

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attain these goals we will use a combination of media advertising, flyers, and word-of mouth. Upon securing the new funding, the future appears very bright. The customers are there, the experience and ability are there, and with a restructure of the organization we are convinced the profit would be there. The café will only get better in its second full year of operation.

MANAGEMENT AND OWNERSHIP

The company is set up as a corporation with Susan Smyth and her husband Robert owning 100% of all outstanding stock. Susan serves as president, chief executive officer, and manager. She provides the leadership to run this company. She has over 5 years of experience as owner and operator of a nursery. Her retail sales background will continue to provide the guiding light for the operation. Susan oversees the entire operation and concentrates on advertising, legal matters, banking, insurance, purchasing, equipment purchases, public relations, and labor. Robert Smyth serves as treasurer and handles all maintenance and development. Helen Brown, office manager, handles sales, display, and backs up Susan in banking, purchasing, and planning. The business employs up to ten additional employees. These employees will be involved in cooking in the café, waiting on tables, and working as laborers. They will be a combination of part-time and full-time. When volume picks up, additional part-time or full-time employees will be hired as the workload requires. Ameriwest Business Consultants, Inc. will provide help in additional areas such as planning and general business advising when necessary and to supplement Susan's overall business knowledge. The services of an accountant, attorney, and a qualified insurance agent have been retained.

UNIQUENESS AND DIFFERENTIATION OF THE SERVICE

Wonderland Nursery is a specialty nursery and provides the ultimate in service and advice to customers. We tend to appeal to upper-end clientele, serious gardeners, and gardening professionals. Nowhere else in Washington does an operation combine the services of a nursery along with those of a café.

The idea of nursery and café is to provide customers with a informal, social setting, and atmosphere that does not exist in this part of the state. In addition we will cater to private parties and special groups in the café throughout the year.

The growth potential is virtually unlimited for the greater Spokane, Washington, area. The population is growing at an accelerated rate. It is rare in today's business world to find a true market void. That is exactly what Wonderland Nursery has done. It is a nursery along with a café for nursery customers and others in the community. Our facility has little true competition in Spokane.

FUNDS REQUIRED AND USAGE

Restructuring expenses will be approximately \$1,075,0000. New investors will furnish approximately \$275,000, and a new loan will furnish the balance of \$800,000 in new funding.

The new funding will be used as follows: A) \$1,000,000 to repay existing debt, B) \$20,000 for paving, C) \$5,000 for irrigation improvements, D) \$10,000 in new inventory, E) \$40,000 for reserves and miscellaneous expenses. The paving will make the property much more attractive to both nursery and café customers. The irrigation will save labor and cut losses. The inventory will bring in new customers and help even out the cash flow throughout the year.



PROJECTED 5-YEAR INCOME STATEMENT SUMMARY

(MOST LIKELY CASE)

	Projected 1999	Projected 2000	Projected 2001	Projected 2002	Projected 2003
Total Revenue	933,000	1,072,350	1,232,589	1,416,847	1,628,727
Cost of Sales	514,229	591,364	680,068	782,079	899,390
Gross Profit	418,771	480,986	552,521	634,768	729,337
Selling, General, Expense	344,137	371,264	402,338	437,939	478,734
Income Before Taxes	74,634	109,722	150,183	196,829	250,603
Income Taxes	17,390	30,347	45,317	62,577	82,473
INCOME AFTER TAXES	57,244	79,375	104,866	134,252	168,130

(OPTIMISTIC CASE)

	Projected 1999	Projected 2000	Projected 2001	Projected 2002	Projected 2003
Total Revenue	1,119,600	1,286,820	1,479,107	1,700,216	1,954,472
Cost of Sales	617,075	709,637	816,082	938,495	1,079,268
Gross Profit	502,525	577,183	663,025	761,722	875,204
Selling, General, Expense	412,964	445,517	482,806	525,527	574,481
Income Before Taxes	89,561	131,666	180,220	236,195	300,724
Income Taxes	20,868	36,416	54,380	75,092	98,968
INCOME AFTER TAXES	68,693	95,250	125,839	161,102	201,756

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(PESSIMISTIC CASE)

	Projected 1999	Projected 2000	Projected 2001	Projected 2002	Projected 2003
Total Revenue	746,400	857,880	986,071	1,133,478	1,302,982
Cost of Sales	411,383	473,091	544,054	625,663	719,512
Gross Profit	335,017	384,789	442,017	507,814	583,470
Selling, General, Expense	275,310	297,011	321,870	350,351	382,987
Income Before Taxes	59,707	87,778	120,146	157,463	200,482
Income Taxes	13,912	24,278	36,254	50,062	65,978
INCOME AFTER TAXES	45,795	63,500	83,893	107,402	134,504

(PESSIMISTIC CASE)

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Notes:

1. The most likely case assumes 11,000 customers the first year after the restructuring. The optimistic case assumes revenues and expenses will increase 15% over the most likely case. The pessimistic case assumes revenues and expenses will decrease 15% below the most likely case above.
2. Cost of goods sold for the nursery will equal 55% of sales and 35% for the cafe.

OBJECTIVES & GOALS, AND STRATEGIES FOR ACHIEVING THEM

1. To provide a high quality service so that customers will perceive great value and give them the opportunity to interact with our professional staff.
2. To service an average of 12,000 customers in 1999 and increase that by about 15% over the next four years.
3. To repay the entire loan amount by the end of the fifteenth year and to provide the shareholders with an exceptionally stable income.
4. Our goal is to become the premier nursery destination in Spokane, Washington, during the next two years.
5. Wonderland Nursery plans to closely monitor changing technology to be certain that the company is using the latest and most cost effective equipment and that it keeps up with current trends in the marketplace.

When growth has stabilized we plan to add extra services for customer convenience such as organic produce, greater selection of products, especially seasonal, and continued growth of the food operations. In addition to the above goals we will survey our customers and make changes in our programs and add services to meet their changing ideas in the marketplace.

To obtain the first two sets of goals we will try to maximize sales with an extensive campaign to promote our services. We will utilize the radio stations and newspaper along with brochures, media advertising, pamphlets, use of coupons, referrals, and a variety of other advertising and marketing tools to reach the customer base of Spokane, Washington. We expect to flood the market with advertising until consumers become aware of us and more comfortable with our company. As we grow, word-of-mouth referrals will bring in increasing numbers of customers and we will reduce our reliance on advertising.

The dominant driving force behind our company will be profit and income and to provide the best possible related products and service.

To become the premier nursery in Spokane, Washington, we will offer outstanding quality, good hours, exceptional service, and reasonable pricing. We will listen to our customers and conduct surveys.

We will offer frequent user discounts. In the future we may consider diversification and enter new market areas such as providing organic produce.



BUSINESS DESCRIPTION, STATUS, & OUTLOOK

According to the *Nursery Retailer*, lawn and garden sales nationwide are expected to top \$83 billion in 1999. Of this total, nearly \$1 billion will be in Washington. In 1998, lawn and garden sales showed its first slow-down in growth since 1968. Even so, sales still topped the 1997 levels. Most experts attribute this aberrant downturn to one reason, namely El Nino. This year's growth rates are expected to return to normal levels of around 6% to 9%. With Spokane's exploding growth in population that has occurred during the last decade, local nursery sales should continue to be well in excess of national averages. In fact, when most nurseries experienced a flat growth rate in 1998, Wonderland Nursery experienced a 25% growth in sales.

Wonderland Nursery is a full service nursery and combines entertainment and limited dining at a competitive price. We have a bigger selection of products, more specialized plant selection and offer a much higher level of service than do our competitors. We try to promote an atmosphere that gives people a comfortable place to spend their time and money. Combining a nursery with a café is a relatively new concept for this part of the country. Susan Smyth will continue to operate the business as a corporation. The principal shareholders will be Susan and her husband. New investors will be brought on board and will assume up to a 49% share in ownership. With our new equipment, inventory selections, and property improvements we will also have definite market advantages. Ultimately, we will expand the business to achieve its full potential.

The biggest problem we face is restructuring the operation to give us the time and money needed to fully implement our plans and achieve our goals.

To maintain operations, the business maintains a nursery license, scale license, seed dealers license, health license, occupational use license, and sales tax license.

The future holds the promise for almost unlimited growth and income as the business matures and considers other markets and products. Complementary products such as organic produce, water gardening, newsletter, additional seasonal products, dances, and other functions at the café also can be considered in the future in response to customer surveys indicating their wants and needs. Enhanced food services will be offered in the future as the needs are demonstrated.

MANAGEMENT & OWNERSHIP

Susan Smyth once was a gardener for upper-class clients. She used this experience to develop Wonderland Nursery. The business was successful until the lease was lost on its original location. This precipitated a move to our present location. The move caused us to open grossly undercapitalized. We have managed to survive the past couple of years, but the restructuring we are planning will put us over the top toward achieving our full potential.

Wonderland Nursery will supplement its skills by using outside consultants in areas such as legal work, income tax preparation, insurance, and general business advising.

The business was set up as a corporation primarily for liability reasons and makes it easier to secure investors. To continue operation, as many as thirteen full-and part-time employees will be utilized to help in areas such as bartending, waiting on tables, and for labor. As the business grows, additional part-time or full-time employees may be added to handle the increased workload.

THE SERVICE (AN UNFILLED NEED) & UNIQUENESS OF THE SERVICE

The growth in families in Washington state is the ninth greatest in the country. The past decade has seen this segment of the population grow by more than thirty percent. It is growing five and a half times as fast as the general population.



The few existing nurseries that cater to our clientele are not nearly as knowledgeable or service oriented. They pay little attention to detail and customer satisfaction. Wonderland Nursery and its ownership will embrace the concept of trying to become a focal point for our clientele.

The timing for such a business is perfect. Given the proper kind of financial restructuring, a significant window of opportunity exists for Wonderland Nursery to take advantage of the huge growth of the area. This business will be providing the "Right Service at the Right Time."

It is rare in today's world that a true market void exists. Our service will meet the "unfilled need" described above by providing customers with competitively priced, high service nursery facilities combined with the services of a café on the premises. We are unique to Spokane, and indeed all of Washington.

Customers will be attracted to the nursery because our atmosphere, pricing, and facilities. They will be made to feel welcome and as part of the family.

Some major advantages Wonderland Nursery will have over potential competition and conventional nurseries are:

- Larger and newer facility
- Lower operating expenses than most
- Full service café on site (new concept)
- Location
- 6,000 name mailing list
- Wonderland Nursery will sponsor ethnic festivals and holidays

MARKET ANALYSIS

MARKET OVERVIEW, SIZE, AND SEGMENTS

This market segment has been relatively stable over the past five years.

The market areas we will concentrate on are Central and Western Spokane, Washington. These areas have been growing rapidly for the past several years and should continue for the foreseeable future. Once the concept catches on locally, we feel the potential is unlimited. As we grow we will have the financial capacity to carry on an advertising campaign on a regional basis.

The economy is in the midst of a particularly strong growth period. Many new jobs are being added to the local community. Ever increasing numbers of Californians are coming to this location. All of these factors are cause for a much greater interest in nurseries. All of this activity can only help our attempts to restructure this nursery.

Listed below are just some of the reasons that the Spokane, Washington, area is growing and why it is a good time to be running any kind of business that caters to this growth:

- The local economy is booming and virtually busting at the seams.
- Spokane, Washington, has become a magnet for religious organizations. More than 65 nationally based Christian organizations are headquartered here.
- Spokane, Washington, has a new airport and a nearby Free Trade Enterprise Zone that should grow and attract even more new businesses.
- The new Seattle Airport is open and provides an economic boost to the entire state, including Spokane, Washington.
- Gambling in nearby Oregon continues to draw many visitors and some new businesses.
- Every week, we see articles in the newspapers of California residents and companies relocating here.
- The world-renowned Five Star Hotel has completed an extensive remodeling.



- MCI and Quantum Electronics are undergoing large increases in their operations here that should add many hundreds of employees.
- Many experts predict Spokane, Washington, will become the second fastest growing city in the state between now and the year 2007.
- King County is predicted to become the largest county in the state by the year 2003.
- The local economy is now more diversified than it was when troubles occurred in the local economy in the late 1980s and early 1990s.

The estimated population of King County in 1999 is 500,000 people. The number of households is approaching 200,000. Currently, this market is growing at an annual rate of 3-5%. Projections see this trend continuing for the balance of this decade.

From the above figures it can readily be seen that the potential market for our services is huge. We feel with our pricing and value we will become a price and industry leader within two years.

CUSTOMER PROFILE

Our surveys have shown the following mix of patrons for our facilities:

- Majority are women
- Income of typical customers is in the \$50,000 and up range
- Large numbers of professional gardeners
- Range of age of clientele is 35-75
- Majority of patrons are in the upper-income brackets
- Majority of our customers come from the 12345, 12346, 12347, 12348, and 12349 Zip code areas

Beyond the local market we could eventually tap into a more regional market. The advantage of our service is that it could appeal to all segments of the community. By expanding the role of the café, we can continue to become an even greater focal point for the local community.

COMPETITION

Our primary competition is the nurseries listed below. On a limited basis there are few competitors such as nurseries, landscapers, and related businesses.

The following table summarizes the local competition:

Competitor Name	Strengths	Weaknesses
Handles Nursery 1004 N. Main	Well established Good local support Well maintained Brings in popular brands Potential to expand Owner well known in area Serves large portion of Mexican population	Dirty and has bad smell Filthy & small restrooms Poor security Allow underage patrons Poor facilities/ maintenance Lack of parking
Competitor Name	Strengths	Weaknesses
Handles Nursery 1004 N. Main	Well established Good local support Well maintained Brings in popular brands Potential to expand Owner well known in area Serves large portion of Mexican population	Dirty and has bad smell Filthy & small restrooms Poor security Allow underage patrons Poor facilities/ maintenance Lack of parking



Figures Nursery 1000 E. State	Good location Good local support Owner prominent in Hispanic community	Always filthy Outdated facilities Failure to keep up with recent trends
Gardners Palace 2815 Warner	Newly remodeled Sufficient parking Fair neighborhood Specialty nursery New owner	Caters to upper class Location is hard to find Very small Unfriendly personnel No amenities

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The marketplace is currently shared by the above outlined 3 major participants. This market is stable and increasing about 5-7% per year.

The driving force behind Wonderland Nursery is Susan Smyth. She has able support from her husband, Robert, and from Helen Brown, office manager, and Nancy White, file manager.

Risk Analysis

ELEMENT	LOW	RATINGS MEDIUM	HIGH
Industry (Maturity and Cyclicity)	X		
Market/Local Economy	X		
Competitive Position		X	
Dependence upon other Companies		X	
Vulnerability to Substitutes		X	
Technology		X	
Distribution		X	
Regulatory Environment	X		
Suppliers		X	
Strategy		X	
Assumptions	X		
Financial Performance			X
Management Performance		X	
Inflation/Interest Rates	X		
Others		X	
Overall Risk		X	

RATINGS

ELEMENT	LOW	MEDIUM	HIGH
Industry (Maturity and Cyclicity)	X		
Market/Local Economy	X		
Competitive Position		X	
Dependence upon other Companies		X	
Vulnerability to Substitutes		X	
Technology		X	
Distribution		X	
Regulatory Environment		X	
Suppliers		X	
Strategy		X	
Assumptions		X	
Financial Performance			X



RATINGS

ELEMENT	LOW	MEDIUM	HIGH
Management Performance		X	
Inflation/Interest Rates	X		
Others		X	
Overall Risk		X	

Identification of Strengths & Weaknesses

Functions	Strong (+)	Average (O)	Weak (-)	Major Strengths and/or Weaknesses Compared to Competitors
General Administration (Management)	X			Hardworking, direct, effective, charismatic
Marketing	X			Original, consistently appealing
Finance/Planning		X		Will hire consultants to help
Human Resources	X			Better performance achievable
Operations	X			Energy to accomplish tasks
Production		X		
Purchasing		X		High perceived quality
Distribution		X		
Servicing	X			High customer satisfaction
Quality of Service	X			
Company Policies		X		
Product Mix	X			Several choices available
Product Features	X			
Options		X		
Warranties/Guarantees		X		
Reliability	X			Best product and service available
Desirability	X			
Advertising		X		Hire consultants to improve, lack of money
Market Leadership	X			Best independent around
Sales Force	X			
Overhead			X	Existing levels are too high; can be greatly reduced with new funding
Pricing	X			Low for service
Delivery Time		X		
Location	X			
Facilities	X			Best combination around

Functions	Strong (+)	Average (O)	Weak (-)	Major Strengths and/or Weaknesses Compared to Competitors
General Administration (Management)	X			Hardworking, direct, effective, charismatic
Marketing	X			Original, consistently appealing
Finance/Planning		X		Will hire consultants to help
Human Resources	X			Better performance achievable
Operations	X			Energy to accomplish tasks
Production		X		
Purchasing		X		High perceived quality
Distribution		X		
Servicing	X			High customer satisfaction
Quality of Service	X			
Company Policies		X		
Product Mix	X			Several choices available
Product Features	X			
Options		X		
Warranties/Guarantees		X		
Reliability	X			Best product and service available
Desirability	X			



Functions	Strong (+)	Average (O)	Weak (-)	Major Strengths and/or Weaknesses Compared to Competitors
Advertising		X		Hire consultants to improve, lack of money
Market Leadership	X			Best independent around
Sales Force	X			
Overhead			X	Existing levels are too high; can be greatly reduced with new funding
Pricing	X			Low for service
Delivery Time		X		
Location	X			
Facilities	X			Best combination around
We feel we will have strengths in product features, management, marketing, human resources, quality of service, operations, product mix, reliability, desirability, highly trained sales force, pricing, location, and facilities.				

We will have low risk exposure in the areas of technology, inflation/interest rates, regulatory environment, management ability, location, facilities, and suppliers.

We perceive medium risk exposure in the local economy, strategy, and vulnerability to substitutes, finance, and planning. We have retained the services of specialists to help in various areas such as marketing, accounting, legal, and general overall business operation advice.

We have a high degree of risk in this overhead and lack of working capital. With our proposed new funding, we should overcome most of our weaknesses.

MARKETING STRATEGIES

PRICING AND VALUE

Our intention is to raise the public's awareness of our company. We plan to review our prices and those of our competitors every three months. We will review direct material costs, direct labor costs, and total overhead expenses. We will continually monitor the cost of providing our service to each customer. We will offer various free or reduced rate programs to get customers acquainted with us.

Numerous package deals will be available to customers. The following examples are various marketing strategies we may try:

- Discounts for larger or repeat purchases
- Special party rates for the café
- We will continue the use of our newsletter to help promote value to our customers

SELLING TACTICS

Our company's marketing strategy will incorporate plans to promote our line of services through several different channels and on different levels of use. We will advertise heavily on the popular local radio stations and in newspapers.

We will try to satisfy the market void in this area for indoor entertainment. We will flood the market with advertising and try to go after our specific targets. We will try to capture their attention, pique their interest, and make them feel that they must have our services.

We will offer continuous promotional rates. The results sell themselves. We will offer discounts to frequent



users. The more a customer uses our services the cheaper it will become for them.

We also are a MasterCard and Visa charge card merchant which enables us to more readily serve our customers.

In order to market our facility, we shall consider a variety of promotions including:

- Reserve certain hours for unique groups such as children, senior citizens, service clubs, adults, etc.
- Conduct special theme nights, use ethnic holidays, family night, charity promotion night, game night, contest night, etc.
- Cultivate local churches and women's organizations.
- Promote birthday parties.
- Early bird specials.

ADVERTISING, PROMOTION, AND DISTRIBUTION OF SERVICES

We recognize that the key to success at this time requires extensive promotion. Advertising goals include all of the following:

- Position the company as the premier nursery in Central/Western Spokane, Washington.
- Increase public awareness of Wonderland Nursery and its benefits.
- Increase public awareness of our company and establish a professional image.
- Maximize efficiency by continually monitoring media effectiveness.
- Consider a possible credit coupon in some of the advertisements.
- Develop a brochure or pamphlet to explain our service and company.
- Continue use of a distinctive business card and company letterhead.
- Use a mix of media to saturate the marketplace.

PUBLIC RELATIONS

We will develop a public relations policy that will help increase awareness of our company and product. To achieve these goals we will consider some or all of the following:

- Develop a press release and a company backgrounder as a public relations tool.
- Develop a telephone script to handle customer and advertiser contact.
- Develop a survey to be completed by customers to help determine the following:
 1. How did they hear about us?
 2. What influenced them to use our service?
 3. How well did our service satisfy their needs?
 4. How efficient was our service?
 5. Did they have any problems getting through to us?
 6. Did they shop competitors before selecting us?
 7. How did they initially perceive our company and product?
 8. Where are most of our customers located?
 9. Do they have suggestions for improving our service or our approach to advertising?
 10. What additional services would they like us to offer?
 11. Would they recommend us to others?
- Maintain membership in the Chamber of Commerce to keep abreast of developments in the community and market trends.



FINANCIAL PLANS

Data Sheet #1

GENERAL:

Fiscal Year in which Projections/Calculations are to start 1999

Number of Months in which Projections/Calculations are to start..... 1

The purpose for this analysis is Business Start-Up, Expansion, or Review
 START-UP

Owner's contribution to business (include both cash and time in dollar equivalency)
 \$6,000,000.00

Indicate below if the figures are actual, annualized, or projected for each year in the analysis:

1999	Projected
2000	Projected
2001	Projected
2002	Projected
2003	Projected

1999 Projected

2000 Projected

2001 Projected

2002 Projected

2003 Projected

INDICATE THE TYPE OF BUSINESS ENTITY YOU HAVE IN THE BOX TO THE RIGHT: C

START-UP/EXPANSION EXPENSES:		EXPENSES FOR YEAR:		% of Sales	\$Amounts
Inventory	160,000.00	Advertising & Marketing Expenses	2.59%	0.00	
Advertising	0.00	Bad Debts	0.00%	0.00	
Telephone/Utilities	0.00	Contract Labor	0.70%	0.00	
Professional Fees	0.00	Depreciation	0.00%	4,500.00	
Organizational Expenses	0.00	Direct Labor Expenses	3.28%	0.00	
Furniture/Fixtures	0.00	Dues, Subscriptions, and Memberships	0.00%	1,000.00	
Land	750,000.00	Employee Reimbursement Expenses	0.00%	0.00	
Buildings	300,000.00	Freight/Shipping	0.27%	0.00	
Machinery/Equipment	65,000.00	Furniture or Fixtures Purchases	0.00%	1,000.00	
Rent Deposits	0.00	Insurance	0.00%	8,996.00	
Insurance	0.00	Lease Expenses	0.00%	0.00	
Leasehold Improvements	0.00	Leasehold Expenses	0.00%	0.00	
Licenses/Fees/Permits	0.00	Machinery & Equipment Purchases	0.00%	0.00	
Miscellaneous	0.00	Office Supplies and Postage	0.16%	0.00	
Property Improvements	25,000.00	Professional Fees	0.00%	4,250.00	
Property Taxes	0.00	Permits/Licenses	0.00%	1,940.00	
Other #3	0.00	Rent	0.00%	0.00	
Other #4	0.00	Repair & Maintenance	0.00%	1,700.00	
TOTAL	1,300,000.00	Salaries-Officers	0.00%	38,400.00	
LOAN DATA:(If Needed)		Salaries-Administrative	0.00%	0.00	
Amount of Loan 1	\$800,000.00	Salaries and Wages-Other	10.56%	0.00	
Term of Loan 1 (Months)	180	Salaries-Manager	0.00%	0.00	
Interest Rate for Loan 1	11%	Telephone/Utilities	0.00%	11,700.00	
First Year of Loan 1	1999	Property Improvements	0.00%	2,550.00	
First Payment Month	8	Property Taxes	0.00%	9,000.00	

START-UP/EXPANSION EXPENSES: EXPENSES FOR YEAR:

			% of Sales	\$ Amounts
Inventory	160,000.00	Advertising & Marketing Expenses	2.59%	0.00
Advertising	0.00	Bad Debts	0.00%	0.00

**START-UP/EXPANSION EXPENSES: EXPENSES FOR YEAR:**

			% of Sales	\$ Amounts
Telephone/Utilities	0.00	Contract Labor	0.70%	0.00
Professional Fees	0.00	Depreciation	0.00%	4,500.00
Organizational Expenses	0.00	Direct Labor Expenses	3.28%	0.00
Furniture/Fixtures	0.00	Dues, Subscriptions, and Memberships	0.00%	1,000.00
Land	750,000.00	Employee Reimbursement Expenses	0.00%	0.00
Buildings	300,000.00	Freight/Shipping	0.27%	0.00
Machinery/Equipment	65,000.00	Furniture or Fixtures Purchases	0.00%	1,000.00
Rent Deposits	0.00	Insurance	0.00%	8,996.00
Insurance	0.00	Lease Expenses	0.00%	0.00
Leasehold Improvements	0.00	Leasehold Expenses	0.00%	0.00
Licenses/Fees/Permits	0.00	Machinery & Equipment Purchases	0.00%	0.00
Miscellaneous	0.00	Office Supplies and Postage	0.16%	0.00
Property Improvements	25,000.00	Professional Fees	0.00%	4,250.00
Property Taxes	0.00	Permits/Licenses	0.00%	1,940.00
Other #3	0.00	Rent	0.00%	0.00
Other #4	0.00	Repair & Maintenance	0.00%	1,700.00
TOTAL	1,300,000.00	Salaries-Officers	0.00%	38,400.00
LOAN DATA:(If Needed)		Salaries-Administrative	0.00%	0.00
Amount of Loan 1	\$800,000.00	Salaries and Wages-Other	10.56%	0.00
Term of Loan 1 (Months)	180	Salaries-Manager	0.00%	0.00
Interest Rate for Loan 1	11%	Telephone/Utilities	0.00%	11,700.00
First Year of Loan 1	1999	Property Improvements	0.00%	2,550.00
First Payment Month	8	Property Taxes	0.00%	9,000.00

Amount of Loan 2	\$0.00	Other #3	0.00%	0.00
Term of Loan 2 (Months)	60	Other #4	0.00%	0.00
Interest Rate for Loan 2	0.00%	Miscellaneous/Contingency Expenses	2.50%	0.00
First Year of Loan 2	1999	TOTAL FIRST YEAR EXPENSES INCLUDING INTEREST PAID		
First Payment Month	1	AND COST OF GOODS SOLD:		\$858,366

PERCENTAGE OF TOTAL PAYROLL ALLOTTED TO PAYROLL TAXES AND BENEFITS 10.00%
 PERCENTAGE OF NET SALES EXPECTED FOR THE COST OF GOODS SOLD: Café 35.00%
 PERCENTAGE OF NET SALES EXPECTED FOR THE COST OF GOODS SOLD: Nursery 55.00%

		Other #3	0.00%	0.00
Amount of Loan 2	\$0.00	Other #4	0.00%	0.00
Term of Loan 2 (Months)	60	Miscellaneous/Contingency Expenses	2.50%	0.00
Interest Rate for Loan 2	0.00%	TOTAL FIRST YEAR EXPENSES INCLUDING INTEREST PAID		
First Year of Loan 2	1999	AND COST OF GOODS SOLD:		\$858,366
First Payment Month	1			
PERCENTAGE OF TOTAL PAYROLL ALLOTTED TO PAYROLL TAXES AND BENEFITS			10.00%	
PERCENTAGE OF NET SALES EXPECTED FOR THE COST OF GOODS SOLD: Café			35.00%	
PERCENTAGE OF NET SALES EXPECTED FOR THE COST OF GOODS SOLD: Nursery			55.00%	



Data Sheet #2

SOURCE/AMOUNTS OF INCOME FOR YEAR	1999
Nursery sales	\$797,000.00
Café sales	\$130,000.00
Source of Income #3	\$0.00
Source of Income #4	\$0.00
Other Income/Exp. (Net)	\$6,000.00
TOTAL INCOME	\$933,000.00

SOURCE/AMOUNTS OF INCOME FOR YEAR 1999

Nursery sales	\$797,000.00
Café sales	\$130,000.00
Source of Income #3	\$0.00
Source of Income #4	\$0.00
Other Income/Exp. (Net)	\$6,000.00
TOTAL INCOME	\$933,000.00

PERCENTAGE OF INCOME GROWTH

For Second Year	2000	15.00%
For Third Year	2001	15.00%
For Fourth Year	2002	15.00%
For Fifth Year	2003	15.00%

PERCENTAGE OF INCOME GROWTH

For Second Year	2000	15.00%
For Third Year	2001	15.00%
For Fourth Year	2002	15.00%
For Fifth Year	2003	15.00%

PERCENTAGE OF INCREASE IN EXPENSES:

For Second Year	5.00%
For Third Year	5.25%
For Fourth Year	5.50%
For Fifth Year	5.75%

PERCENTAGE OF INCREASE IN EXPENSES:

For Second Year	5.00%
For Third Year	5.25%
For Fourth Year	5.50%
For Fifth Year	5.75%

PERCENTAGE OF NET INCOME

TO BE PAID OUT IN DIVIDENDS		
For First Year	1999	50.00%
For Second Year	2000	60.00%
For Third Year	2001	65.00%
For Fourth Year	2002	70.00%
For Fifth Year	2003	75.00%

PERCENTAGE OF NET INCOME TO BE PAID OUT IN DIVIDENDS

For First Year	1999	50.00%
For Second Year	2000	60.00%
For Third Year	2001	65.00%
For Fourth Year	2002	70.00%
For Fifth Year	2003	75.00%

Number of Customers Expected to Serve the First Year: 12,000

Average Income received from each Customer: \$77.75



Operating Data	1999	2000	2001	2002	2003
Days Sales in Accounts Receivable	20.0	20.0	20.0	20.0	20.0
Days Materials Cost in Inventory	30.0	30.0	30.0	30.0	30.0
Days Finished Goods in Inventory	45.0	45.0	45.0	45.0	45.0
Days Materials Cost in Payables	20.0	20.0	20.0	20.0	20.0
Days Payroll Expenses accrued	20.0	20.0	20.0	20.0	20.0
Days Operating Expenses accrued	25.0	25.0	25.0	25.0	25.0

Operating Data	1999	2000	2001	2002	2003
Days Sales in Accounts Receivable	20.0	20.0	20.0	20.0	20.0
Days Materials Cost in Inventory	30.0	30.0	30.0	30.0	30.0
Days Finished Goods in Inventory	45.0	45.0	45.0	45.0	45.0
Days Materials Cost in Payables	20.0	20.0	20.0	20.0	20.0
Days Payroll Expenses accrued	20.0	20.0	20.0	20.0	20.0
Days Operating Expenses accrued	25.0	25.0	25.0	25.0	25.0

RE-STRUCTURE EXPENSES

RE-STRUCTURE EXPENSES

Category	Amount
Cash and Working Capital	\$28,150
Material-Supplies-Inventory	10,000
Furniture and Fixtures	25,500
Equipment	40,000
Rent Deposits	9,700
License Fees/Permits	1,000
Insurance (First year paid in advance)	1,800
Utilities & Telephone	500
Legal, Professional, and Consulting Fees	1,500
Security System & Leasehold Improvements	5,000
Initial Entertainment Budget	6,000
Opening Advertisement & Promotion	3,000
Miscellaneous	2,850
TOTAL	\$135,000

Category	Amount
Cash and Working Capital	\$28,150
Material-Supplies-Inventory	10,000
Furniture and Fixtures	25,500
Equipment	40,000
Rent Deposits	9,700
License Fees/Permits	1,000
Insurance (First year paid in advance)	1,800
Utilities & Telephone	500
Legal, Professional, and Consulting Fees	1,500
Security System & Leasehold Improvements	5,000
Initial Entertainment Budget	6,000
Opening Advertisement & Promotion	3,000
Miscellaneous	2,850
TOTAL	\$135,000



Projected First-Year Monthly Budget 1999

Month	Start-Up	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7
CASH RECEIPTS:								
Nursery Sales		\$4,782	\$11,158	\$15,143	\$47,023	\$295,687	\$168,167	\$78,106
Café Sales		\$3,510	\$4,160	\$4,940	\$6,500	\$13,000	\$20,020	\$20,020
Source of Income #1		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Source of Income #4		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Income/Expense (Net)		\$500	\$500	\$500	\$500	\$500	\$500	\$500
Owner's Equity	600,000							
Loan	800,000							
Total Cash Received	1,400,000	8,792	15,818	20,583	54,023	309,187	188,687	98,626
DISBURSEMENTS:								
Cost of Goods Sold/Inventory	160,000	\$3,859	\$7,593	\$10,058	\$28,138	\$167,178	\$99,499	\$49,965
Advertising / Marketing Exp.	0	\$215	\$397	\$520	\$1,386	\$7,992	\$4,872	\$2,540
Bad Debts		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contract Labor		\$58	\$107	\$141	\$375	\$2,164	\$1,320	\$688
Depreciation		\$375	\$375	\$375	\$375	\$375	\$375	\$375
Direct Labor		\$272	\$502	\$658	\$1,754	\$10,116	\$6,167	\$3,216
Dues/Subscrip./Memberships		\$83	\$83	\$83	\$83	\$83	\$83	\$83
Employee Reimbursement Exp.		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Freight / Shipping		\$22	\$41	\$54	\$144	\$832	\$508	\$265
Furniture or Fixtures Purchases	0	\$83	\$83	\$83	\$83	\$83	\$83	\$83
Insurance	0	\$750	\$750	\$750	\$750	\$750	\$750	\$750
Land	750,000							
Buildings	800,000							
Lease Expenses		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Leasehold Expenses		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Mach./Equipment Purchases	65,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Organizational Expenses	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Office Supplies and Postage		\$13	\$25	\$32	\$87	\$499	\$305	\$159
Payroll Taxes/Employee Benefits		\$435	\$532	\$598	\$1,060	\$4,590	\$2,925	\$1,677
Professional Fees	0	\$354	\$354	\$354	\$354	\$354	\$354	\$354
Permits / Licenses	0	\$162	\$162	\$162	\$162	\$162	\$162	\$162
Rent	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Repair & Maintenance		\$142	\$142	\$142	\$142	\$142	\$142	\$142
Salaries-Officers		\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200
Salaries-Administrative		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages-Other		\$875	\$1,617	\$2,120	\$5,650	\$32,587	\$19,866	\$10,359
Salaries-Manager		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Telephone / Utilities	0	\$075	\$075	\$075	\$075	\$075	\$075	\$075
Property Improvements	25,000	\$213	\$213	\$213	\$213	\$213	\$213	\$213
Property Taxes	0	\$750	\$750	\$750	\$750	\$750	\$750	\$750
Other #1	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other #4	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Misc./Contingency Expenses	0	\$207	\$383	\$502	\$1,338	\$7,717	\$4,705	\$2,453
Total Cash Paid Out	1,200,000	13,043	18,283	21,739	47,019	240,763	147,259	78,499
LOANS SECTION:								
Interest		7,333	7,317	7,301	7,285	7,268	7,251	7,234
Principal		1,750	1,776	1,792	1,808	1,825	1,842	1,858
Cash Payable Loans		9,093	9,093	9,093	9,093	9,093	9,093	9,093
Taxable Income		-11,584	-6,782	-8,487	-280	-61,156	-31,186	-12,083
Income Tax (State & Federal)		1,449	1,449	1,449	1,449	1,449	1,449	1,449
NET INCOME		-13,043	-11,242	-9,937	-1,729	99,707	22,736	11,534
LOANS (Balance)	800,000	798,241	796,465	794,673	792,865	791,040	789,198	787,349
DIVIDENDS PAID		2,385	2,385	2,385	2,385	2,385	2,385	2,385
BEGINNING CASH	100,000							

Month	Start-Up	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7
CASH RECEIPTS:								
Nursery Sales		\$4,782	\$11,158	\$15,143	\$47,023	\$295,687	\$168,167	\$78,106
Café Sales		\$3,510	\$4,160	\$4,940	\$6,500	\$13,000	\$20,020	\$20,020
Source of Income #3		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Source of Income #4		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Income/Expense (Net)		\$500	\$500	\$500	\$500	\$500	\$500	\$500
Owner 's Equity	600,000							
Loan	800,000							
Total Cash Received	1,400,000	8,792	15,818	20,583	54,023	309,187	188,687	98,626
DISBURSEMENTS:								
Cost of Goods Sold/Inventory	160,000	\$3,859	\$7,593	\$10,058	\$28,138	\$167,178	\$99,499	\$49,965
Advertising / Marketing Exp.	0	\$215	\$397	\$520	\$1,386	\$7,992	\$4,872	\$2,540
Bad Debts		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contract Labor		\$58	\$107	\$141	\$375	\$2,164	\$1,320	\$688
Depreciation		\$375	\$375	\$375	\$375	\$375	\$375	\$375
Direct Labor		\$272	\$502	\$658	\$1,754	\$10,116	\$6,167	\$3,216
Dues/Subscrip./Memberships		\$83	\$83	\$83	\$83	\$83	\$83	\$83
Employee Reimbursement Exp.		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Freight / Shipping		\$22	\$41	\$54	\$144	\$832	\$508	\$265



Month	Start-Up	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7
Furniture or Fixtures Purchases	0	\$83	\$83	\$83	\$83	\$83	\$83	\$83
Insurance	0	\$750	\$750	\$750	\$750	\$750	\$750	\$750
Land	750,000							
Buildings	300,000							
Lease Expenses		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Leasehold Expenses	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Mach./Equipment Purchases	65,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Organizational Expenses	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Office Supplies and Postage		\$13	\$25	\$32	\$87	\$499	\$305	\$159
Payroll Taxes/Employee Benefits		\$435	\$532	\$598	\$1,060	\$4,590	\$2,923	\$1,677
Professional Fees	0	\$354	\$354	\$354	\$354	\$354	\$354	\$354
Permits / Licenses	0	\$162	\$162	\$162	\$162	\$162	\$162	\$162
Rent	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Repair & Maintenance		\$142	\$142	\$142	\$142	\$142	\$142	\$142
Salaries-Officers		\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200
Salaries-Administrative		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages-Other		\$875	\$1,617	\$2,120	\$5,650	\$32,587	\$19,866	\$10,359
Salaries-Manager		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Telephone / Utilities	0	\$975	\$975	\$975	\$975	\$975	\$975	\$975
Property Improvements	25,000	\$213	\$213	\$213	\$213	\$213	\$213	\$213
Property Taxes	0	\$750	\$750	\$750	\$750	\$750	\$750	\$750
Other #3	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other #4	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Misc./Contingency Expenses	0	\$207	\$383	\$502	\$1,338	\$7,717	\$4,705	\$2,453
Total Cash Paid Out	1,300,000	13,043	18,283	21,770	47,019	240,763	147,250	78,409
LOANS SECTION:								
Interest		7,333	7,317	7,301	7,285	7,268	7,251	7,234
Principal		1,759	1,776	1,792	1,808	1,825	1,842	1,858
Cash Pyts to Loans		9,093	9,093	9,093	9,093	9,093	9,093	9,093
Taxable Income		-11,584	-9,782	-8,487	-280	61,156	34,186	12,983
Income Tax (State & Federal)		1,449	1,449	1,449	1,449	1,449	1,449	1,449
NET INCOME		-13,033	-11,232	-9,937	-1,729	59,707	32,736	11,534
LOANS (Balance)	800,000	798,241	796,465	794,673	792,865	791,040	789,198	787,340
DIVIDENDS PAID		2,385	2,385	2,385	2,385	2,385	2,385	2,385
BEGINNING CASH	100,000							



Month 8	Month 9	Month 10	Month 11	Month 12	TOTALS
\$53,399	\$71,730	\$19,925	\$10,361	\$21,519	\$797,000
\$14,950	\$11,960	\$10,010	\$8,970	\$11,960	\$130,000
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$500	\$500	\$500	\$500	\$500	\$6,000
68,849	84,190	30,435	19,831	33,979	933,000
\$34,602	\$43,638	\$14,462	\$8,838	\$16,021	\$483,850
\$1,770	\$2,167	\$775	\$500	\$867	\$24,000
\$0	\$0	\$0	\$0	\$0	\$0
\$479	\$587	\$210	\$136	\$235	\$6,500
\$375	\$375	\$375	\$375	\$375	\$4,500
\$2,240	\$2,743	\$981	\$634	\$1,097	\$30,379
\$83	\$83	\$83	\$83	\$83	\$1,000
\$0	\$0	\$0	\$0	\$0	\$0
\$184	\$226	\$81	\$52	\$90	\$2,500
\$83	\$83	\$83	\$83	\$83	\$1,000
\$750	\$750	\$750	\$750	\$750	\$8,996
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$111	\$135	\$48	\$31	\$54	\$1,500
\$1,266	\$1,478	\$734	\$587	\$783	\$16,664
\$34	\$43	\$14	\$8	\$16	\$4,250
\$162	\$162	\$162	\$162	\$162	\$1,940
\$0	\$0	\$0	\$0	\$0	\$0
\$142	\$142	\$142	\$142	\$142	\$1,700
\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	\$38,400
\$0	\$0	\$0	\$0	\$0	\$0
\$7,215	\$8,835	\$3,160	\$2,041	\$3,534	\$97,960
\$0	\$0	\$0	\$0	\$0	\$0
\$975	\$975	\$975	\$975	\$975	\$11,700
\$213	\$213	\$213	\$213	\$213	\$2,550
\$750	\$750	\$750	\$750	\$750	\$9,000
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$1,700	\$2,002	\$748	\$483	\$837	\$23,175
56,661	68,986	28,286	20,389	30,605	\$771,464
7,217	7,200	7,183	7,165	7,148	\$86,002
1,875	1,891	1,910	1,928	1,945	\$22,211
9,093	9,093	9,093	9,093	9,093	\$109,113
4,970	4,994	5,014	5,034	5,054	\$74,634
1,419	1,440	1,460	1,480	1,500	\$17,390
3,821	4,855	6,483	9,172	12,223	\$87,244
785,444	783,572	781,662	779,734	777,789	
2,385	2,385	2,385	2,385	2,385	\$28,622

Month 8	Month 9	Month 10	Month 11	Month 12	TOTALS
\$53,399	\$71,730	\$19,925	\$10,361	\$21,519	\$797,000
\$14,950	\$11,960	\$10,010	\$8,970	\$11,960	\$130,000
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$500	\$500	\$500	\$500	\$500	\$6,000
68,849	84,190	30,435	19,831	33,979	933,000
\$34,602	\$43,638	\$14,462	\$8,838	\$16,021	\$483,850
\$1,770	\$2,167	\$775	\$500	\$867	\$24,000
\$0	\$0	\$0	\$0	\$0	\$0
\$479	\$587	\$210	\$136	\$235	\$6,500
\$375	\$375	\$375	\$375	\$375	\$4,500
\$2,240	\$2,743	\$981	\$634	\$1,097	\$30,379
\$83	\$83	\$83	\$83	\$83	\$1,000
\$0	\$0	\$0	\$0	\$0	\$0
\$184	\$226	\$81	\$52	\$90	\$2,500
\$83	\$83	\$83	\$83	\$83	\$1,000
\$750	\$750	\$750	\$750	\$750	\$8,996
					\$0
					\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$111	\$135	\$48	\$31	\$54	\$1,500
\$1,266	\$1,478	\$734	\$587	\$783	\$16,664



Month 8	Month 9	Month 10	Month 11	Month 12	TOTALS
\$354	\$354	\$354	\$354	\$354	\$4,250
\$162	\$162	\$162	\$162	\$162	\$1,940
\$0	\$0	\$0	\$0	\$0	\$0
\$142	\$142	\$142	\$142	\$142	\$1,700
\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	\$38,400
\$0	\$0	\$0	\$0	\$0	\$0
\$7,215	\$8,835	\$3,160	\$2,041	\$3,534	\$97,860
\$0	\$0	\$0	\$0	\$0	\$0
\$975	\$975	\$975	\$975	\$975	\$11,700
\$213	\$213	\$213	\$213	\$213	\$2,550
\$750	\$750	\$750	\$750	\$750	\$9,000
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$1,709	\$2,092	\$748	\$483	\$837	\$23,175
56,661	68,986	28,286	20,389	30,605	\$771,464
7,217	7,200	7,183	7,165	7,148	\$86,902
1,875	1,893	1,910	1,928	1,945	\$22,211
9,093	9,093	9,093	9,093	9,093	\$109,113
4,970	8,004	-5,034	-7,723	-3,774	\$74,634
1,449	1,449	1,449	1,449	1,449	\$17,390
3,521	6,555	-6,483	-9,172	-5,223	\$57,244
785,464	783,572	781,662	779,734	777,789	
2,385	2,385	2,385	2,385	2,385	\$28,622

Projected Second-Year Monthly Budget 2000

Month	Month 13	Month 14	Month 15	Month 16	Month 17	Month 18	Month 19	Month 20
CASH RECEIPTS:								
Nursery Sales	\$5,409	\$12,832	\$17,414	\$54,076	\$140,100	\$101,392	\$80,822	\$61,400
Cake Sales	\$4,017	\$4,764	\$5,081	\$7,475	\$14,950	\$23,023	\$23,023	\$17,103
Source of Income #1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Source of Income #4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Income/Expense (Net)	\$525	\$525	\$525	\$525	\$525	\$525	\$525	\$525
Owner's Equity								
Total Cash Received	10,061	18,141	23,020	62,076	155,515	114,940	113,370	79,128
DISBURSEMENTS:								
Cost of Goods Sold/Inventory	\$4,417	\$8,732	\$11,566	\$32,158	\$102,285	\$114,424	\$57,460	\$30,792
Advertising / Marketing Exp.	\$247	\$456	\$508	\$1,594	\$0,191	\$5,603	\$2,922	\$2,035
Bad Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contract Labor	\$67	\$124	\$162	\$432	\$2,489	\$1,517	\$701	\$554
Depreciation	\$394	\$394	\$394	\$394	\$394	\$394	\$394	\$394
Direct Labor	\$313	\$577	\$757	\$2,017	\$11,633	\$7,002	\$3,608	\$2,576
Dues/Subscription/Memberships	\$88	\$88	\$88	\$88	\$88	\$88	\$88	\$88
Employee Retirement Exp.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Freight / Shipping	\$26	\$48	\$62	\$166	\$057	\$584	\$304	\$212
Furniture or Fixtures Purchases	\$88	\$88	\$88	\$88	\$88	\$88	\$88	\$88
Insurance	\$787	\$787	\$787	\$787	\$787	\$787	\$787	\$787
Land								
Buildings								
Lease Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Leasehold Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Mach./Equipment Purchases	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Organizational Expenses	\$144	\$144	\$144	\$144	\$144	\$144	\$144	\$144
Office Supplies and Postage	\$468	\$580	\$655	\$1,187	\$5,247	\$3,330	\$1,807	\$1,423
Payout Taxes/Employee Benefits	\$372	\$372	\$372	\$372	\$372	\$372	\$372	\$372
Permits / Licenses	\$170	\$170	\$170	\$170	\$170	\$170	\$170	\$170
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Repair & Maintenance	\$149	\$149	\$149	\$149	\$149	\$149	\$149	\$149
Salaries-Office	\$3,360	\$3,360	\$3,360	\$3,360	\$3,360	\$3,360	\$3,360	\$3,360
Salaries-Administrative	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages-Other	\$1,037	\$1,860	\$2,438	\$6,498	\$17,475	\$22,846	\$11,913	\$8,298
Salaries-Manager	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Telephone / Utilities	\$1,024	\$1,024	\$1,024	\$1,024	\$1,024	\$1,024	\$1,024	\$1,024
Property Improvements	\$223	\$223	\$223	\$223	\$223	\$223	\$223	\$223
Property Taxes	\$788	\$788	\$788	\$788	\$788	\$788	\$788	\$788
Other #3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other #4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Misc./Contingency Expenses	\$238	\$140	\$577	\$1,539	\$8,875	\$5,410	\$2,821	\$1,065
Total Cash Paid Out	14,387	20,400	24,401	53,375	275,706	168,391	89,390	64,437
LOANS SECTION:								
Interest	7,130	7,112	7,094	7,075	7,057	7,038	7,019	7,000
Principal	1,963	1,981	1,999	2,018	2,036	2,055	2,074	2,093
Cash Pmts to Loans	9,093	9,093	9,093	9,093	9,093	9,093	9,093	9,093
Tunable Income	-11,456	-9,371	-7,874	-6,426	-5,252	-4,151	-3,060	-2,000
Income Tax (State & Federal)	2,520	2,520	2,520	2,520	2,520	2,520	2,520	2,520
NET INCOME	-43,985	-11,900	-10,403	-9,003	-7,623	-6,282	-5,011	-3,861
LOANS (Balance)	775,826	773,844	771,845	769,828	767,792	765,738	763,664	761,571
DIVIDENDS PAID	3,969	3,969	3,969	3,969	3,969	3,969	3,969	3,969



Month	Month 13	Month 14	Month 15	Month 16	Month 17	Month 18	Month 19	Month 20
CASH RECEIPTS:								
Nursery Sales	\$5,499	\$12,832	\$17,414	\$54,076	\$340,040	\$193,392	\$89,822	\$61,409
Café Sales	\$4,037	\$4,784	\$5,681	\$7,475	\$14,950	\$23,023	\$23,023	\$17,193
Source of Income #3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Source of Income #4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Income/Expense (Net)	\$525	\$525	\$525	\$525	\$525	\$525	\$525	\$525
Owner 's Equity								
Loan								
Total Cash Received	10,061	18,141	23,620	62,076	355,515	216,940	113,370	79,126
DISBURSEMENTS:								
Cost of Goods Sold/Inventory	\$4,437	\$8,732	\$11,566	\$32,358	\$192,255	\$114,424	\$57,460	\$39,792
Advertising / Marketing Exp.	\$247	\$456	\$598	\$1,594	\$9,191	\$5,603	\$2,922	\$2,035
Bad Debts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contract Labor	\$67	\$124	\$162	\$432	\$2,489	\$1,517	\$791	\$551
Depreciation	\$394	\$394	\$394	\$394	\$394	\$394	\$394	\$394
Direct Labor	\$313	\$577	\$757	\$2,017	\$11,633	\$7,092	\$3,698	\$2,576
Dues/Subscrip./Memberships	\$88	\$88	\$88	\$88	\$88	\$88	\$88	\$88
Employee Reimbursement Exp.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Freight / Shipping	\$26	\$48	\$62	\$166	\$957	\$584	\$304	\$212
Furniture or Fixtures Purchases	\$88	\$88	\$88	\$88	\$88	\$88	\$88	\$88
Insurance	\$787	\$787	\$787	\$787	\$787	\$787	\$787	\$787
Land								
Buildings								
Lease Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Leasehold Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Mach./Equipment Purchases	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Organizational Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Office Supplies and Postage	\$144	\$144	\$144	\$144	\$144	\$144	\$144	\$144
Payroll Taxes/Employee Benefits	\$468	\$580	\$655	\$1,187	\$5,247	\$3,330	\$1,897	\$1,423
Professional Fees	\$372	\$372	\$372	\$372	\$372	\$372	\$372	\$372
Permits / Licenses	\$170	\$170	\$170	\$170	\$170	\$170	\$170	\$170
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Repair & Maintenance	\$149	\$149	\$149	\$149	\$149	\$149	\$149	\$149



Month	Month 13	Month 14	Month 15	Month 16	Month 17	Month 18	Month 19	Month 20
Salaries-Officers	\$3,360	\$3,360	\$3,360	\$3,360	\$3,360	\$3,360	\$3,360	\$3,360
Salaries-Administrative	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages-Other	\$1,007	\$1,860	\$2,438	\$6,498	\$37,475	\$22,846	\$11,913	\$8,298
Salaries-Manager	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Telephone / Utilities	\$1,024	\$1,024	\$1,024	\$1,024	\$1,024	\$1,024	\$1,024	\$1,024
Property Improvements	\$223	\$223	\$223	\$223	\$223	\$223	\$223	\$223
Property Taxes	\$788	\$788	\$788	\$788	\$788	\$788	\$788	\$788
Other #3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other #4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Misc./Contingency Expenses	\$238	\$440	\$577	\$1,539	\$8,875	\$5,410	\$2,821	\$1,965
Total Cash Paid Out	14,387	20,400	24,401	53,375	275,706	168,391	89,390	64,437
LOANS SECTION:								
Interest	7,130	7,112	7,094	7,075	7,057	7,038	7,019	7,000
Principal	1,963	1,981	1,999	2,018	2,036	2,055	2,074	2,093
Cash Pyts to Loans	9,093	9,093	9,093	9,093	9,093	9,093	9,093	9,093
Taxable Income	-11,456	-9,371	-7,874	1,626	72,752	41,511	16,960	7,689
Income Tax (State & Federal)	2,529	2,529	2,529	2,529	2,529	2,529	2,529	2,529
NET INCOME	-13,985	-11,900	-10,403	-903	70,223	38,982	14,431	5,161
LOANS (Balance)	775,826	773,846	771,845	769,828	767,792	765,738	763,664	761,571
DIVIDENDS PAID	3,969	3,969	3,936	3,969	3,969	3,969	3,969	3,969

Month 21 Month 22 Month 23 Month 24 TOTALS

\$82,490	\$22,914	\$11,915	\$24,747	\$916,550
\$13,754	\$11,512	\$10,316	\$13,754	\$140,500
\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0
\$525	\$525	\$525	\$525	\$6,300
\$6,769	\$4,980	\$2,756	\$9,026	\$1,072,380
\$50,183	\$16,632	\$10,164	\$18,425	\$556,428
\$2,402	\$801	\$576	\$697	\$27,600
\$0	\$0	\$0	\$0	\$0
\$675	\$241	\$154	\$270	\$7,475
\$394	\$394	\$394	\$394	\$4,725
\$3,154	\$1,128	\$729	\$1,262	\$34,936
\$88	\$88	\$88	\$88	\$1,050
\$0	\$0	\$0	\$0	\$0
\$260	\$91	\$60	\$104	\$2,875
\$88	\$88	\$88	\$88	\$1,050
\$787	\$787	\$787	\$787	\$9,446
\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0
\$141	\$144	\$144	\$144	\$1,725
\$1,667	\$812	\$644	\$669	\$18,770
\$372	\$372	\$372	\$372	\$4,464
\$170	\$170	\$170	\$170	\$2,037
\$0	\$0	\$0	\$0	\$0
\$149	\$149	\$149	\$149	\$1,785
\$3,360	\$1,360	\$1,360	\$1,360	\$40,320
\$0	\$0	\$0	\$0	\$0
\$10,160	\$1,634	\$2,347	\$4,064	\$12,530
\$0	\$0	\$0	\$0	\$0
\$1,024	\$1,024	\$1,024	\$1,024	\$12,288
\$223	\$223	\$223	\$223	\$2,676
\$788	\$788	\$788	\$788	\$9,450
\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0
\$2,406	\$861	\$556	\$963	\$26,051
\$8,581	\$1,877	\$2,814	\$4,537	\$878,296
\$681	\$652	\$492	\$622	\$84,332
\$112	\$131	\$151	\$170	\$24,781
\$9,093	\$9,093	\$9,093	\$9,093	\$109,113
\$1,205	\$388	\$701	\$244	\$100,722
\$259	\$259	\$259	\$259	\$3,147
\$677	\$417	\$530	\$482	\$79,375
\$9,460	\$7,219	\$5,178	\$73,808	\$27,625
\$3,969	\$3,969	\$3,969	\$3,969	\$47,625

Month 21	Month 22	Month 23	Month 24	TOTALS
\$82,490	\$22,914	\$11,915	\$24,747	\$916,550



Month 21	Month 22	Month 23	Month 24	TOTALS
\$13,754	\$11,512	\$10,316	\$13,754	\$149,500
\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0
\$525	\$525	\$525	\$525	\$6,300
96,769	34,950	22,756	39,026	\$1,072,350
\$50,183	\$16,632	\$10,164	\$18,425	\$556,428
\$2,492	\$891	\$576	\$997	\$27,600
\$0	\$0	\$0	\$0	\$0
\$675	\$241	\$156	\$270	\$7,475
\$394	\$394	\$394	\$394	\$4,725
\$3,154	\$1,128	\$729	\$1,262	\$34,936
\$88	\$88	\$88	\$88	\$1,050
\$0	\$0	\$0	\$0	\$0
\$260	\$93	\$60	\$104	\$2,875
\$88	\$88	\$88	\$88	\$1,050
\$787	\$787	\$787	\$787	\$9,446
				\$0
				\$0
\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0
\$144	\$144	\$144	\$144	\$1,725
\$1,667	\$812	\$644	\$869	\$18,779
\$372	\$372	\$372	\$372	\$4,463
\$170	\$170	\$170	\$170	\$2,037
\$0	\$0	\$0	\$0	\$0
\$149	\$149	\$149	\$149	\$1,785
\$3,360	\$3,360	\$3,360	\$3,360	\$40,320
\$0	\$0	\$0	\$0	\$0
\$10,160	\$3,634	\$2,347	\$4,064	\$112,539
\$0	\$0	\$0	\$0	\$0
\$1,024	\$1,024	\$1,024	\$1,024	\$12,285
\$223	\$223	\$223	\$223	\$2,678
\$788	\$788	\$788	\$788	\$9,450
\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0
\$2,406	\$861	\$556	\$963	\$26,651
78,581	31,877	22,814	34,537	\$878,296
6,981	6,962	6,942	6,922	\$84,332
2,112	2,131	2,151	2,170	\$24,781



Month 21	Month 22	Month 23	Month 24	TOTALS
9,093	9,093	9,093	9,093	\$109,113
11,205	-3,888	-7,001	-2,434	\$109,722
2,529	2,529	2,529	2,529	\$30,347
8,677	-6,417	-9,530	-4,962	\$79,375
759,460	757,329	755,178	753,008	
3,969	3,969	3,969	3,969	\$47,625

Five-Year Income Statement

Five-Year Analysis

	Projected 1999	Projected 2000	Projected 2001	Projected 2002	Projected 2003
Sales					
Sales	\$927,000	\$1,066,050	\$1,225,958	\$1,409,852	\$1,621,329
Cost of sales	\$514,229	\$591,364	\$680,068	\$782,079	\$899,390
Gross Profits	\$412,771	\$474,686	\$545,890	\$627,773	\$721,939
Expenses:					
Operating expenses	\$252,735	\$282,207	\$315,900	\$354,427	\$398,491
Interest	\$86,902	\$84,332	\$81,465	\$78,265	\$74,695
Depreciation	\$4,500	\$4,725	\$4,973	\$5,247	\$5,548
Amortization	\$0	\$0	\$0	\$0	\$0
Total expenses	\$344,137	\$371,264	\$402,338	\$437,939	\$478,734
Operating income	\$68,634	\$103,422	\$143,552	\$189,834	\$243,205
Other income and expenses					
Gain (loss) on sale of assets	\$0	\$0	\$0	\$0	\$0
Other (net)	\$6,000	\$6,300	\$6,631	\$6,995	\$7,398
Subtotal	\$6,000	\$6,300	\$6,631	\$6,995	\$7,398
Income before tax	\$74,634	\$109,722	\$150,183	\$196,829	\$250,603
Taxes (Federal & State)	\$17,390	\$30,347	\$45,317	\$62,577	\$82,473
Rate	23.30%	27.66%	30.17%	31.79%	32.91%
Net income	\$57,244	\$79,375	\$104,866	\$134,252	\$168,130
Retained earnings-beginning	\$0	\$28,622	\$60,372	\$97,076	\$137,351
Dividends paid	\$28,622	\$47,625	\$68,162	\$93,977	\$126,097
Retained earnings-ending	\$28,622	\$60,372	\$97,076	\$137,351	\$179,384
Detailed Supporting Information					
Cost of sales					
Direct labor	\$30,479	\$34,936	\$40,176	\$46,203	\$53,133
Materials	\$483,850	\$556,428	\$639,892	\$735,876	\$846,257
Other costs					

Five-Year Analysis

	Projected 1999	Projected 2000	Projected 2001	Projected 2002	Projected 2003
Sales					
Sales	\$927,000	\$1,066,050	\$1,225,958	\$1,409,852	\$1,621,329
Cost of sales	\$514,229	\$591,364	\$680,068	\$782,079	\$899,390
Gross Profits	\$412,771	\$474,686	\$545,890	\$627,773	\$721,939
Expenses:					
Operating expenses	\$252,735	\$282,207	\$315,900	\$354,427	\$398,491
Interest	\$86,902	\$84,332	\$81,465	\$78,265	\$74,695
Depreciation	\$4,500	\$4,725	\$4,973	\$5,247	\$5,548
Amortization	\$0	\$0	\$0	\$0	\$0
Total expenses	\$344,137	\$371,264	\$402,338	\$437,939	\$478,734
Operating income	\$68,634	\$103,422	\$143,552	\$189,834	\$243,205
Other income and expenses					
Gain (loss) on sale of assets	\$0	\$0	\$0	\$0	\$0
Other (net)	\$6,000	\$6,300	\$6,631	\$6,995	\$7,398
Subtotal	\$6,000	\$6,300	\$6,631	\$6,995	\$7,398



Five-Year Analysis

	Projected 1999	Projected 2000	Projected 2001	Projected 2002	Projected 2003
Sales					
Income before tax	\$74,634	\$109,722	\$150,183	\$196,829	\$250,603
Taxes (Federal & State)	\$17,390	\$30,347	\$45,317	\$62,577	\$82,473
Rate	23.30%	27.66%	30.17%	31.79%	32.91%
Net income	\$57,244	\$79,375	\$104,866	\$134,252	\$168,130
Retained earnings-beginning	\$0	\$28,622	\$60,372	\$97,076	\$137,351
Dividends paid	\$28,622	\$47,625	\$68,162	\$93,977	\$126,097
Retained earnings-ending	\$28,622	\$60,372	\$97,076	\$137,351	\$179,384

Detailed Supporting Information

Cost of sales

Direct labor	\$30,479	\$34,936	\$40,176	\$46,203	\$53,133
Materials	\$483,850	\$556,428	\$639,892	\$735,876	\$846,257
Other costs					

Five-Year Balance Statement

	START-UP	Projected 1999	Projected 2000	Projected 2001	Projected 2002	Projected 2003
ASSETS:						
Cash and cash equivalents	\$100,000	\$104,902	\$189,607	\$184,182	\$176,568	\$164,185
Accounts Receivable	\$0	\$50,795	\$58,414	\$67,176	\$77,252	\$88,840
Inventory	\$160,000	\$103,167	\$118,642	\$136,438	\$156,904	\$180,439
Other current assets	\$0	\$0	\$0	\$0	\$0	\$0
Total Current Assets	\$260,000	\$348,864	\$366,663	\$387,796	\$410,724	\$433,464
FIXED ASSETS:						
Land	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000
Buildings	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
Machinery & Equipment	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000
Furniture/fixtures	\$0	\$0	\$1,050	\$2,155	\$3,321	\$4,554
Subtotal	\$1,115,000	\$1,115,000	\$1,116,050	\$1,117,155	\$1,118,321	\$1,119,554
Less accumulated depreciation	\$0	\$4,500	\$9,225	\$14,198	\$19,445	\$24,993
Total Fixed Assets	\$1,115,000	\$1,110,500	\$1,106,825	\$1,102,957	\$1,098,876	\$1,094,561
INTANGIBLE ASSETS:						
Cost	\$0	\$0	\$0	\$0	\$0	\$0
Less accumulated amortization	\$0	\$0	\$0	\$0	\$0	\$0
Total Intangible Assets	\$0	\$0	\$0	\$0	\$0	\$0
Other Assets	\$25,000	\$0	\$0	\$0	\$0	\$0
Total Assets	\$1,400,000	\$1,459,364	\$1,473,488	\$1,490,753	\$1,509,600	\$1,528,025
LIABILITIES:						
Accounts payable	\$0	\$26,512	\$30,480	\$35,063	\$40,322	\$46,370
Notes payable	\$0	\$0	\$0	\$0	\$0	\$0
Current portion of long-term debt	\$22,211	\$24,781	\$27,640	\$30,848	\$34,418	\$38,401
Income taxes	\$0	\$0	\$0	\$0	\$0	\$0
Accrued expenses	\$0	\$26,441	\$29,610	\$33,255	\$37,416	\$42,178
Other current liabilities	\$0	\$0	\$0	\$0	\$0	\$0
Total Current Liabilities	\$22,211	\$77,734	\$87,757	\$99,166	\$112,156	\$126,949
Long-term debt	\$777,789	\$753,008	\$725,250	\$694,511	\$660,093	\$621,692
Deferred income	\$0	\$0	\$0	\$0	\$0	\$0
Deferred income taxes	\$0	\$0	\$0	\$0	\$0	\$0
Other long-term liabilities	\$0	\$0	\$0	\$0	\$0	\$0
Total Liabilities	\$800,000	\$830,742	\$813,116	\$793,677	\$772,249	\$748,641
EQUITY:						
Capital stock issues	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000
Additional paid-in capital	\$0	\$0	\$0	\$0	\$0	\$0
Retained earnings	\$0	\$28,622	\$60,372	\$97,076	\$137,351	\$179,384
Total Equity	\$600,000	\$628,622	\$660,372	\$697,076	\$737,351	\$779,384
Total Liabilities and Equity	\$1,400,000	\$1,459,364	\$1,473,488	\$1,490,753	\$1,509,600	\$1,528,025
"C" Corporation (Y/N): Y						
Cash balance positive / (negative)	Positive	Positive	Positive	Positive	Positive	Positive
Amount sheet is out of balance	\$0	\$0	\$0	\$0	\$0	\$0
Amount cash flow out of balance	\$0	\$0	\$0	\$0	\$0	\$0

FIVE-YEAR ANALYSIS

	START-UP	Projected 1999	Projected 2000	Projected 2001	Projected 2002	Projected 2003
ASSETS:						
Cash and cash equivalents	\$100,000	\$194,902	\$189,607	\$184,182	\$176,568	\$164,185
Accounts Receivable	\$0	\$50,795	\$58,414	\$67,176	\$77,252	\$88,840
Inventory	\$160,000	\$103,167	\$118,642	\$136,438	\$156,904	\$180,439
Other current assets	\$0	\$0	\$0	\$0	\$0	\$0



FIVE-YEAR ANALYSIS

	START-UP	Projected 1999	Projected 2000	Projected 2001	Projected 2002	Projected 2003
Total Current Assets	\$260,000	\$348,864	\$366,663	\$387,796	\$410,724	\$433,464
FIXED ASSETS:						
Land	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000
Buildings	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
Machinery & Equipment	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000
Furniture/Fixtures	\$0	\$0	\$1,050	\$2,155	\$3,321	\$4,554
Subtotal	\$1,115,000	\$1,115,000	\$116,050	\$1,117,155	\$1,118,321	\$1,119,554
Less-accumulated depreciation	\$0	\$4,500	\$9,225	\$14,198	\$19,445	\$24,993
Total Fixed Assets	\$1,115,000	\$1,110,500	\$1,106,825	\$1,102,957	\$1,098,876	\$1,094,561
INTANGIBLE ASSETS:						
Cost	\$0	\$0	\$0	\$0	\$0	\$0
Less-accumulated amortization	\$0	\$0	\$0	\$0	\$0	\$0
Total Intangible Assets	\$0	\$0	\$0	\$0	\$0	\$0
Other Assets	\$25,000	\$0	\$0	\$0	\$0	\$0
Total Assets	\$1,400,000	\$1,459,364	\$1,473,488	\$1,490,753	\$1,509,600	\$1,528,025
LIABILITIES:						
Accounts payable	\$0	\$26,512	\$30,489	\$35,063	\$40,322	\$46,370
Notes payable	\$0	\$0	\$0	\$0	\$0	\$0
Current portion of long-term debt	\$22,211	\$24,781	\$27,649	\$30,848	\$34,418	\$38,401
Income taxes	\$0	\$0	\$0	\$0	\$0	\$0
Accrued expenses	\$0	\$26,441	\$29,619	\$33,255	\$37,416	\$42,178
Other current liabilities	\$0	\$0	\$0	\$0	\$0	\$0
Total Current Liabilities	\$22,211	\$77,734	\$87,757	\$99,166	\$112,156	\$126,949
Long-term debt	\$777,789	\$753,008	\$725,359	\$694,511	\$660,093	\$621,692
Deferred income	\$0	\$0	\$0	\$0	\$0	\$0
Deferred income taxes	\$0	\$0	\$0	\$0	\$0	\$0
Other long-term liabilities	\$0	\$0	\$0	\$0	\$0	\$0
Total Liabilities	\$800,000	\$830,742	\$813,116	\$793,677	\$772,249	\$748,641
EQUITY:						
Capital stock issues	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000
Additional paid in capital	\$0	\$0	\$0	\$0	\$0	\$0
Retained earnings	\$0	\$28,622	\$60,372	\$97,076	\$137,351	\$179,384
Total Equity	\$600,000	\$628,622	\$660,372	\$697,076	\$737,351	\$779,384
Total Liabilities and Equity	\$1,400,000	\$1,459,364	\$1,473,488	\$1,490,753	\$1,509,600	\$1,528,025
"C" Corporation (Y/N)	Y					
Cash balance positive / (negative)	Positive	Positive	Positive	Positive	Positive	Positive
Amount sheet is out-of-balance	\$0	\$0	\$0	\$0	\$0	\$0



FIVE-YEAR ANALYSIS

	Projected 1999	Projected 2000	Projected 2001	Projected 2002	Projected 2003
START-UP					

Amount cash flow out-of-
balance

\$0	\$0	\$0	\$0	\$0
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Five-Year Cash Flow Statement

	Projected 1999	Projected 2000	Projected 2001	Projected 2002	Projected 2003
Cash from operations					
Net earnings (loss)	\$57,244	\$79,375	\$104,866	\$134,252	\$168,130
Add-depreciation and amortization	\$4,500	\$4,725	\$4,973	\$5,247	\$5,548
Cash from operations	\$61,744	\$84,100	\$109,839	\$139,499	\$173,678
Cash provided (used) by operating activities					
Accounts Receivable	(\$50,795)	(\$7,619)	(\$8,762)	(\$10,076)	(\$11,588)
Inventory	\$56,833	(\$15,475)	(\$17,796)	(\$20,466)	(\$23,535)
Other current assets	\$0	\$0	\$0	\$0	\$0
Other non-current assets	\$25,000	\$0	\$0	\$0	\$0
Accounts payable	\$26,512	\$3,977	\$4,574	\$5,259	\$6,048
Current portion of long-term debt	\$2,570	\$2,868	\$3,199	\$3,570	\$3,983
Income taxes	\$0	\$0	\$0	\$0	\$0
Accrued expenses	\$26,441	\$3,178	\$3,636	\$4,161	\$4,762
Other current liabilities	\$0	\$0	\$0	\$0	\$0
Dividends paid	(\$28,622)	(\$47,625)	(\$68,162)	(\$93,977)	(\$126,097)
Net cash from operations	\$57,939	(\$60,696)	(\$83,311)	(\$111,529)	(\$146,427)
Investment transactions					
Increases (decreases)					
Land	\$0	\$0	\$0	\$0	\$0
Buildings and improvements	\$0	\$0	\$0	\$0	\$0
Equipment	\$0	\$0	\$0	\$0	\$0
Patented fixtures	\$0	\$1,050	\$1,105	\$1,166	\$1,233
Intangible assets	\$0	\$0	\$0	\$0	\$0
Net cash from investments	\$0	\$1,050	\$1,105	\$1,166	\$1,233
Financing transactions					
Increases (decreases)					
Short-term notes payable	\$0	\$0	\$0	\$0	\$0
Long-term debt	(\$24,781)	(\$27,649)	(\$30,848)	(\$34,418)	(\$38,401)
Deferred income	\$0	\$0	\$0	\$0	\$0
Deferred income taxes	\$0	\$0	\$0	\$0	\$0
Other long-term liabilities	\$0	\$0	\$0	\$0	\$0
Capital stock and paid in capital	\$0	\$0	\$0	\$0	\$0
Net cash from financing	(\$24,781)	(\$27,649)	(\$30,848)	(\$34,418)	(\$38,401)
Net increase (decrease) in cash	\$94,902	(\$5,295)	(\$5,425)	(\$7,614)	(\$12,383)
Cash at beginning of period	\$100,000	\$194,902	\$189,607	\$184,182	\$176,568
Cash at the end of period	\$194,902	\$189,607	\$184,182	\$176,568	\$164,185

Projected 1999	Projected 2000	Projected 2001	Projected 2002	Projected 2003
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Cash from operations

Net earnings (loss)	\$57,244	\$79,375	\$104,866	\$134,252	\$168,130
Add-depreciation and amortization	\$4,500	\$4,725	\$4,973	\$5,247	\$5,548

Cash from operations

\$61,744	\$84,100	\$109,839	\$139,499	\$173,678
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Cash provided (used) by operating activities

Accounts Receivable	(\$50,795)	(\$7,619)	(\$8,762)	(\$10,076)	(\$11,588)
Inventory	\$56,833	(\$15,475)	(\$17,796)	(\$20,466)	(\$23,535)
Other current assets	\$0	\$0	\$0	\$0	\$0
Other non-current assets	\$25,000	\$0	\$0	\$0	\$0
Accounts payable	\$26,512	\$3,977	\$4,574	\$5,259	\$6,048
Current portion of long-term debt	\$2,570	\$2,868	\$3,199	\$3,570	\$3,983
Income taxes	\$0	\$0	\$0	\$0	\$0
Accrued expenses	\$26,441	\$3,178	\$3,636	\$4,161	\$4,762
Other current liabilities	\$0	\$0	\$0	\$0	\$0
Dividends paid	(\$28,622)	(\$47,625)	(\$68,162)	(\$93,977)	(\$126,097)
Net cash from operations	\$57,939	(\$60,696)	(\$83,311)	(\$111,529)	(\$146,427)

Investment transactions



	Projected 1999	Projected 2000	Projected 2001	Projected 2002	Projected 2003
Increases (decreases)					
Land	\$0	\$0	\$0	\$0	\$0
Buildings and improvements	\$0	\$0	\$0	\$0	\$0
Equipment	\$0	\$0	\$0	\$0	\$0
Furniture/Fixtures	\$0	\$1,050	\$1,105	\$1,166	\$1,233
Intangible assets	\$0	\$0	\$0	\$0	\$0
Net cash from investments	\$0	\$1,050	\$1,105	\$1,166	\$1,233
Financing transactions					
Increases (decreases)					
Short-term notes payable	\$0	\$0	\$0	\$0	\$0
Long-term debt	(\$24,781)	(\$27,649)	(\$30,848)	(\$34,418)	(\$38,401)
Deferred income	\$0	\$0	\$0	\$0	\$0
Deferred income taxes	\$0	\$0	\$0	\$0	\$0
Other long-term liabilities	\$0	\$0	\$0	\$0	\$0
Capital stock and paid in capital	\$0	\$0	\$0	\$0	\$0
Net cash from financing	(\$24,781)	(\$27,649)	(\$30,848)	(\$34,418)	(\$38,401)
Net increase (decrease) in cash	\$94,902	(\$5,295)	(\$5,425)	(\$7,614)	(\$12,383)
Cash at beginning of period	\$100,000	\$194,902	\$189,607	\$184,182	\$176,568
Cash at the end of period	\$194,902	\$189,607	\$184,182	\$176,568	\$164,185

Common Size Income Statement

	Projected 1999	Projected 2000	Projected 2001	Projected 2002	Projected 2003	Industry 1999
Revenue from Sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of Sales	55.5%	55.5%	55.5%	55.5%	55.5%	55.8%
Gross Profit	44.5%	44.5%	44.5%	44.5%	44.5%	44.2%
Operating Expenses	37.1%	34.8%	32.8%	31.1%	29.5%	38.1%
Operating Profit	7.4%	9.7%	11.7%	13.5%	15.0%	6.1%
Other Expen./Inc (Net)	0.6%	0.6%	0.5%	0.5%	0.5%	-2.7%
PRE-TAX PROFIT	8.1%	10.3%	12.3%	14.0%	15.5%	3.4%
Income Taxes	1.9%	2.8%	3.7%	4.4%	5.1%	0.0%
INCOME AFTER TAXES	6.2%	7.4%	8.6%	9.5%	10.4%	3.4%

Common Size Balance Sheet

Cash & Equivalents	13.4%	12.9%	12.4%	11.7%	10.7%	7.0%
Accounts Receivable	3.5%	4.0%	4.5%	5.1%	5.8%	10.5%
Inventory	7.1%	8.1%	9.2%	10.4%	11.8%	35.7%
Other Current	0.0%	0.0%	0.0%	0.0%	0.0%	0.7%
Total Current Assets	23.9%	24.9%	26.0%	27.2%	28.4%	53.9%
Fixed Assets (Net)	76.1%	75.1%	74.0%	72.8%	71.6%	38.0%
Intangibles	0.0%	0.0%	0.0%	0.0%	0.0%	2.5%
Other Assets	0.0%	0.0%	0.0%	0.0%	0.0%	5.6%
TOTAL ASSETS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Liabilities:						
Accounts Payable	1.8%	2.1%	2.4%	2.7%	3.0%	13.2%
Short-term Notes	0.0%	0.0%	0.0%	0.0%	0.0%	8.8%
Current Maturities (LTD)	1.7%	1.9%	2.1%	2.3%	2.5%	13.9%
Income Taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%
Accrued Expenses	1.8%	2.0%	2.2%	2.5%	2.8%	8.0%
Other Current Liabilities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Current Liabilities	5.3%	6.0%	6.7%	7.4%	8.3%	42.0%
Long-term Debt	51.6%	49.2%	46.6%	43.7%	40.7%	32.4%
Other Non-Current	0.0%	0.0%	0.0%	0.0%	0.0%	6.2%
Total Liabilities	56.9%	55.2%	53.2%	51.2%	49.0%	80.6%
TOTAL EQUITY	43.1%	44.8%	46.8%	48.8%	51.0%	19.4%
Total Liabilities & Equity	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Common Size Income Statement

	Projected 1999	Projected 2000	Projected 2001	Projected 2002	Projected 2003	Industry 1999
Revenue from Sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of Sales	55.5%	55.5%	55.5%	55.5%	55.5%	55.8%



Gross Profit	44.5%	44.5%	44.5%	44.5%	44.5%	44.2%
Operating Expenses	37.1%	34.8%	32.8%	31.1%	29.5%	38.1%
Operating Profit	7.4%	9.7%	11.7%	13.5%	15.0%	6.1%
Other Expen./Inc (Net)	0.6%	0.6%	0.5%	0.5%	0.5%	-2.7%
PRE-TAX PROFIT	8.1%	10.3%	12.3%	14.0%	15.5%	3.4%
Income Taxes	1.9%	2.8%	3.7%	4.4%	5.1%	0.0%
INCOME AFTER TAXES	6.2%	7.4%	8.6%	9.5%	10.4%	3.4%
Common Size Balance Sheet						
Cash & Equivalent	13.4%	12.9%	12.4%	11.7%	10.7%	7.0%
Accounts Receivable	3.5%	4.0%	4.5%	5.1%	5.8%	10.5%
Inventory	7.1%	8.1%	9.2%	10.4%	11.8%	35.7%
Other Current	0.0%	0.0%	0.0%	0.0%	0.0%	0.7%
Total Current Assets	23.9%	24.9%	26.0%	27.2%	28.4%	53.9%
Fixed Assets (Net)	76.1%	75.1%	74.0%	72.8%	71.6%	38.0%
Intangibles	0.0%	0.0%	0.0%	0.0%	0.0%	2.5%
Other Assets	0.0%	0.0%	0.0%	0.0%	0.0%	5.6%
TOTAL ASSETS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Liabilities:						
Accounts Payable	1.8%	2.1%	2.4%	2.7%	3.0%	13.2%
Short-term Notes	0.0%	0.0%	0.0%	0.0%	0.0%	6.6%
Current Maturities (LTD)	1.7%	1.9%	2.1%	2.3%	2.5%	13.9%
Income Taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%
Accrued Expenses	1.8%	2.0%	2.2%	2.5%	2.8%	8.0%
Other Current Liabilities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Current Liabilities	5.3%	6.0%	6.7%	7.4%	8.3%	42.0%
Long-term Debt	51.6%	49.2%	46.6%	43.7%	40.7%	32.4%
Other Non-Current	0.0%	0.0%	0.0%	0.0%	0.0%	6.2%
Total Liabilities	56.9%	55.2%	53.2%	51.2%	49.0%	80.6%
TOTAL EQUITY	43.1%	44.8%	46.8%	48.8%	51.0%	19.4%
Total Liabilities & Equity	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%



Average Monthly Break-Even Analysis 1999

Cost Variables	Per Month-1st Year		
	Optimistic -20.00%	Most Likely Case	Pessimistic 20.00%
FIXED COSTS:			
Rentals/Leases	\$0	\$0	\$0
Salaries (Fixed/Officers)	\$2,560	\$3,200	\$3,840
Insurance	\$600	\$750	\$900
Depreciation & Amortization	\$300	\$375	\$450
Interest	\$5,793	\$7,242	\$8,690
Utilities/Phone	\$780	\$975	\$1,170
(Other fixed costs)	\$0	\$0	\$0
Total Fixed Costs	\$10,033	\$12,542	\$15,050
VARIABLE COSTS:			
Cost of Goods Sold	\$32,257	\$40,321	\$48,385
Variable Labor/Wages	\$6,524	\$8,155	\$9,786
Advertising	\$1,600	\$2,000	\$2,400
Professional Services	\$283	\$354	\$425
(Other variable cost)	\$6,527	\$8,159	\$9,791
Total Variable Costs	\$47,191	\$58,989	\$70,787
SALES AND INCOME DATA:			
Average Income Per Customer	\$77.75	\$77.75	\$77.75
Average # of Customers Per Month	\$1,200.00	\$1,000.00	\$800.00
RESULTS:			
Fixed Costs per Customer	\$8.36	\$12.54	\$18.81
Variable Costs per Customer	\$39.33	\$58.99	\$88.48
Break-Even Number of Customers	\$261.12	\$668.49	(\$1,402.14)
Number of Customers over Break-Even	\$938.88	\$331.51	\$2,202.14
Break-Even Sales Amount	\$20,301.92	\$51,974.85	(\$109,016.33)
Gross Profit per Customer	\$38.42	\$18.76	(\$10.73)
Gross Profit (over Break-Even)	\$36,075.62	\$6,219.53	(\$23,636.56)

Cost Variables	Per Month-1st Year		
	Optimistic -20.00%	Most Likely Case	Pessimistic 20.00%
FIXED COSTS:			
Rentals/Leases	\$0	\$0	\$0
Salaries (Fixed/Officers)	\$2,560	\$3,200	\$3,840
Insurance	\$600	\$750	\$900
Depreciation & Amortization	\$300	\$375	\$450
Interest	\$5,793	\$7,242	\$8,690
Utilities/Phone	\$780	\$975	\$1,170
(Other fixed costs)	\$0	\$0	\$0
Total Fixed Costs	\$10,033	\$12,542	\$15,050
VARIABLE COSTS:			
Cost of Goods Sold	\$32,257	\$40,321	\$48,385
Variable Labor/Wages	\$6,524	\$8,155	\$9,786
Advertising	\$1,600	\$2,000	\$2,400
Professional Services	\$283	\$354	\$425
(Other variable cost)	\$6,527	\$8,159	\$9,791
Total Variable Costs	\$47,191	\$58,989	\$70,787
SALES AND INCOME DATA:			
Average Income Per Customer	\$77.75	\$77.75	\$77.75
Average # of Customers Per Month	\$1,200.00	\$1,000.00	\$800.00
RESULTS:			
Fixed Costs per Customer	\$8.36	\$12.54	\$18.81
Variable Costs per Customer	\$39.33	\$58.99	\$88.48



Cost Variables	Per Month-1st Year		
	Optimistic -20.00%	Most Likely Case	Pessimistic 20.00%
Break-Even Number of Customers	\$261.12	\$668.49	(\$1,402.14)
Number of Customers over Break-Even	\$938.88	\$331.51	\$2,202.14
Break-Even Sales Amount	\$20,301.92	\$51,974.85	(\$109,016.33)
Gross Profit per Customer	\$38.42	\$18.76	(\$10.73)
Gross Profit (over Break-Even)	\$36,075.62	\$6,219.53	(\$23,636.56)

Average Monthly Break-Even Analysis 2000

Cost Variables	Per Month-1st Year		
	Optimistic -20.00%	Most Likely Case	Pessimistic 20.00%
FIXED COSTS:			
Rentals/Leases	\$0	\$0	\$0
Salaries (Fixed/Officers)	\$2,688	\$3,360	\$4,032
Insurance	\$630	\$787	\$945
Depreciation & Amortization	\$315	\$394	\$473
Interest	\$5,622	\$7,028	\$8,433
Utilities/Phone	\$819	\$1,024	\$1,229
(Other fixed costs)	\$0	\$0	\$0
Total Fixed Costs	\$10,074	\$12,592	\$15,111
VARIABLE COSTS:			
Cost of Goods Sold	\$37,095	\$46,369	\$55,643
Variable Labor/Wages	\$7,053	\$9,378	\$11,254
Advertising	\$1,840	\$2,300	\$2,760
Professional Services	\$298	\$372	\$446
(Other variable cost)	\$7,366	\$9,208	\$11,049
Total Variable Costs	\$54,101	\$67,627	\$81,152
SALES AND INCOME DATA:			
Average Income Per Customer	\$77.71	\$77.71	\$77.71
Average # of Customers Per Month	\$1,380.00	\$1,150.00	\$920.00
RESULTS:			
Fixed Costs per Customer	\$7.30	\$10.95	\$16.42
Variable Costs per Customer	\$39.20	\$58.81	\$88.21
Break-Even Number of Customers	\$261.64	\$666.23	(\$1,438.83)
Number of Customers over Break-Even	\$1,118.36	\$483.77	\$2,358.83
Break-Even Sales Amount	\$20,331.17	\$51,770.73	(\$111,806.26)
Gross Profit per Customer	\$38.50	\$18.90	(\$10.50)
Gross Profit (over Break-Even)	\$43,059.83	\$9,143.53	(\$24,772.76)

Cost Variables	Per Month-1st Year		
	Optimistic -20.00%	Most Likely Case	Pessimistic 20.00%
FIXED COSTS:			
Rentals/Leases	\$0	\$0	\$0
Salaries (Fixed/Officers)	\$2,688	\$3,360	\$4,032
Insurance	\$630	\$787	\$945
Depreciation & Amortization	\$315	\$394	\$473
Interest	\$5,622	\$7,028	\$8,433
Utilities/Phone	\$819	\$1,024	\$1,229
(Other fixed costs)	\$0	\$0	\$0
Total Fixed Costs	\$10,074	\$12,592	\$15,111
VARIABLE COSTS:			
Cost of Goods Sold	\$37,095	\$46,369	\$55,643
Variable Labor/Wages	\$7,053	\$9,378	\$11,254
Advertising	\$1,840	\$2,300	\$2,760
Professional Services	\$298	\$372	\$446



Cost Variables	Per Month-1st Year		
	Optimistic -20.00%	Most Likely Case	Pessimistic 20.00%
(Other variable cost)	\$7,366	\$9,208	\$11,049
Total Variable Costs	\$54,101	\$67,627	\$81,152
SALES AND INCOME DATA:			
Average Income Per Customer	\$77.71	\$77.71	\$77.71
Average # of Customers Per Month	\$1,380.00	\$1,150.00	\$920.00
RESULTS:			
Fixed Costs per Customer	\$7.30	\$10.95	\$16.42
Variable Costs per Customer	\$39.20	\$58.81	\$88.21
Break-Even Number of Customers	\$261.64	\$666.23	(\$1,438.83)
Number of Customers over Break-Even	\$1,118.36	\$483.77	\$2,358.83
Break-Even Sales Amount	\$20,331.17	\$51,770.73	(\$111,806.26)
Gross Profit per Customer	\$38.50	\$18.90	(\$10.50)
Gross Profit (over Break-Even)	\$43,059.83	\$9,143.53	(\$24,772.76)

Break-Even Table Year 1

Income per customer	\$77.75
Total fixed Costs	\$12,541.50
Variable costs per customer	\$58.99

Income per customer	\$77.75
Total fixed Costs	\$12,541.50
Variable costs per customer	\$58.99

# of customers	Total Revenues	Total Costs
401.09	\$31,185	\$36,202
467.94	\$36,382	\$40,145
534.79	\$41,580	\$44,088
601.64	\$46,777	\$48,032
668.49	\$51,975	\$51,975
735.34	\$57,172	\$55,918
802.18	\$62,370	\$59,862
869.03	\$67,567	\$63,805
935.88	\$72,765	\$67,748
1002.73	\$77,962	\$71,692

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802.18	\$62,370	\$59,862
869.03	\$67,567	\$63,805
935.88	\$72,765	\$67,748
1002.73	\$77,962	\$71,692

Break-Even Table Year 2

Income per customer	\$77.71
Total fixed Costs	\$12,592.32
Variable costs per customer	\$58.81



Income per customer \$77.71
 Total fixed Costs \$12,592.32
 Variable costs per customer \$58.81

# of customers	Total Revenues	Total Costs
399.74	31,062	36,099
466.36	36,240	40,017
532.99	41,417	43,935
599.61	46,594	47,853
666.23	51,771	51,771
732.86	56,948	55,689
799.48	62,125	59,606
866.1	67,302	63,524
932.73	72,479	67,442
999.35	77,656	71,360

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399.74	31,062	36,099
466.36	36,240	40,017
532.99	41,417	43,935
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932.73	72,479	67,442
999.35	77,656	71,360

Rates of Return

	Net Income	IRR	MIRR	Annual Dividends	Total Assets
Initial Investment	\$(800,000)				
1999	\$53,719	N/A	-93.29%	\$21,488	\$1,561,289
2000	\$76,138	0	-20.48%	\$45,683	\$1,578,125
2001	\$105,240	0	73.14%	\$84,192	\$1,584,892
2002	\$140,511	-22.14%	154.12%	\$112,409	\$1,597,513
2003	\$183,391	-9.32%	219.67%	\$146,713	\$1,617,518

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2002	\$140,511	-22.14%	154.12%	\$112,409	\$1,597,513
2003	\$183,391	-9.32%	219.67%	\$146,713	\$1,617,518

Assumptions:

Income figures are after taxes Dividend Payout = 50% of After Tax Income Reinvestment rate = 7%

IRR = International rate of return MIRR = Modified rate of return ROI = Rate of return on owner's investment
 ROA = Rate of return on total assets

IRR = the interest rate received for an investment and income that occur at regular periods. MIRR = adds the cost of funds and interest received on reinvestment of cash to the IRR.

	1999	2000	2001	2002	2003
Return on Assets	3.4%	4.82%	6.64%	8.80%	11.34%
Return on Investment	2.69%	5.71%	10.52%	14.05%	18.34%
Income Per Share	\$0.07	\$0.10	\$0.13	\$0.18	\$0.23
Dividends Per Share	\$0.03	\$0.06	\$0.11	\$0.14	\$0.18



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Income Per Share	\$0.07	\$0.10	\$0.13	\$0.18	\$0.23
Dividends Per Share	\$0.03	\$0.06	\$0.11	\$0.14	\$0.18

Loan Compliance Covenants

Year	Net Working Capital	Current Ratio	Quick Ratio	EBIT/ Interest	EBIT/ I+P	EBIT/ Equity	Z-Score
1999	\$164,436	3.46	2.02	1.84	1.51	0.88	1.47
2000	\$192,278	3.54	2.08	2.29	0.21	0.83	1.67
2001	\$208,898	3.4	1.92	2.93	0.66	0.79	1.9
2002	\$230,503	3.3	1.78	3.74	3.82	0.75	2.19
2003	\$258,324	3.23	1.68	4.81	0	0.71	2.52
Industry Median	N/A	1.4	0.4	2	N/A	3	N/A

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2003	\$258,324	3.23	1.68	4.81	0	0.71	2.52
Industry Median	N/A	1.4	0.4	2	N/A	3	N/A

Annual Projections Summary

Projection Period	Gross Profit	After-Tax Net Income	Cash from Operations	Book Equity
Start-Up/Base				\$800,000
1999	\$413,022	\$53,719	\$73,719	\$832,231
2000	\$474,975	\$76,138	\$97,138	\$862,686
2001	\$555,722	\$105,240	\$127,343	\$883,734
2002	\$652,974	\$140,511	\$163,830	\$911,836
2003	\$770,508	\$183,391	\$208,050	\$948,514

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2003	\$770,508	\$183,391	\$208,050	\$948,514

Income Statement Chart

	Projected 1999	Projected 2000	Projected 2001	Projected 2002	Projected 2003
Sales	927,000	1,066,050	1,225,958	1,409,852	1,621,329
Cost of Sales	514,229	591,364	680,068	782,079	899,390
Expenses	344,137	371,264	402,338	437,939	478,734
Operating Income	68,634	103,422	143,552	189,834	243,205
Income Taxes	17,390	30,347	45,317	62,577	82,473
Net Income	57,244	79,375	104,866	134,252	168,130



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Net Income	57,244	79,375	104,866	134,252	168,130

Balance Sheet Chart

	1999	2000	2001	2002	2003
Current Assets	348,864	366,663	387,796	410,724	433,464
Fixed Assets	1,110,500	1,106,825	1,102,957	1,098,876	1,094,561
Total Assets	1,459,364	1,473,488	1,490,753	1,509,600	1,528,025
Current Liabilities	77,734	87,757	99,166	112,156	126,949
Total Liabilities	830,742	813,116	793,677	772,249	748,641
Net Worth	628,622	660,372	697,076	737,351	779,384

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Growth Trends

	1999	2000	2001	2002	2003
Cost of Goods Sold	\$514,229	\$591,364	\$680,068	\$782,079	\$899,390
Total Expenses	\$344,137	\$371,264	\$402,338	\$437,939	\$478,734
Total Revenue	\$933,000	\$1,072,350	\$1,232,589	\$1,416,847	\$1,628,727

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Net Income Growth

	1999	2000	2001	2002	2003
Net Income	\$57,244	\$79,375	\$104,866	\$134,252	\$168,130

	1999	2000	2001	2002	2003
Net Income	\$57,244	\$79,375	\$104,866	\$134,252	\$168,130

Composition of Income - First Year

	1999
Nursery Sales	\$797,000
Café Sales	\$130,000
Other Income/Exp. (Net)	\$6,000



Breakdown of Expenses - First Year

	1999	
Cost of Goods Sold	\$483,850	
Labor Expenses	\$183,303	
Interest Expenses	\$86,902	
Rent, Utilities, Repairs	\$13,400	Total First Year Expenses \$858,366
Other Expenses	\$90,911	

Selected Key Ratios Chart

	5 Year-Average Business	Average Industry
Current Ratio	3.93	1.4
Cost of Sales / Inventory	4.98	5.7
Cost of Sales / Payables	19.4	20
EBIT / Interest	2.97	2
Debt / Worth	1.14	3
Sales / Total Assets	0.01	0.02
Sales / Receivables	18.25	40

	5 Year-Average Business	Average Industry
Current Ratio	3.93	1.4
Cost of Sales / Inventory	4.98	5.7
Cost of Sales / Payables	19.4	20
EBIT / Interest	2.97	2
Debt / Worth	1.14	3
Sales / Total Assets	0.01	0.02
Sales / Receivables	18.25	40

Ratio Comparison

	Projected 1999	Projected 2000	Projected 2001	Projected 2002	Projected 2003	Industry Ave. 1999
Liquidity Ratios:						
Current Ratio	4.49	4.18	3.91	3.66	3.41	1.4
Quick Ratio	3.16	2.83	2.53	2.26	1.99	0.4
Sales / Receivables	18.25	18.25	18.25	18.25	18.25	40
Day's Receivables	20	20	20	20	20	9.13
Cost of Sales / Inventory	4.98	4.98	4.98	4.98	4.98	5.7
Day's Inventory	73.23	73.23	73.23	73.23	73.23	64.04
Cost of Sales / Payables	19.4	19.4	19.4	19.4	19.4	20
Day's Payables	18.82	18.82	18.82	18.82	18.82	18.25
Sales / Work. Capital	3.42	3.82	4.25	4.72	5.29	18.2
EBIT / Interest	1.86	2.3	2.84	3.51	4.36	2
Net Profit + Deprec. + Amort. / C.I., T.D.	2.49	3.04	3.56	4.08	4.52	2.4
Leverage Ratios:						
Fixed Assets / Tangible Net Worth	1.77	1.68	1.58	1.49	1.4	2
Debt / Worth	1.32	1.23	1.14	1.05	0.96	3
Operating Ratios:						
Profit Before Tax / Tax. Net Worth	11.87%	16.62%	21.54%	26.69%	32.15%	21.20%
Profit Before Tax / Total Assets	5.11%	7.45%	10.07%	13.04%	16.40%	8.20%
Sales / Net Fixed Assets	0.83%	0.96%	1.11%	1.28%	1.48%	7.90%
Sales / Total Assets	0.64%	0.72%	0.82%	0.93%	1.06%	2.00%
Other Ratios / Numbers:						
Officers Salaries (Actual)	\$38,400	\$40,320	\$42,437	\$44,771	\$47,345	N/A
Equity (Net Worth)	\$628,622	\$660,372	\$697,076	\$737,351	\$779,384	N/A
Loans Balance (Actual)	\$777,789	\$753,008	\$725,359	\$694,511	\$660,093	N/A
% Deprec., Amort. / Sales	0	0	0	0	0	2.3
% Officers Compensation/ Sales	0.04	0.04	0.03	0.03	0.03	5.3
Tangible Net Worth (NW-Intangibles)	\$628,622	\$660,372	\$697,076	\$737,351	\$779,384	N/A
Working Capital (Actual)	\$271,130	\$278,906	\$288,630	\$298,568	\$306,515	N/A
Gross Profit:						
Key Percentages as a Percent of Gross Profit						
Rent	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Interest Paid	21.05%	17.77%	14.92%	12.47%	10.35%	0.00%
Depreciation & Amortization	1.09%	1.00%	0.91%	0.84%	0.77%	0.00%
Officers Compensation	9.30%	8.49%	7.77%	7.13%	6.56%	0.00%
Taxes Paid	4.21%	6.39%	8.30%	9.97%	11.42%	N/A



	Projected 1999	Projected 2000	Projected 2001	Projected 2002	Projected 2003	Industry Ave. 1999
Liquidity Ratios:						
Current Ratio	4.49	4.18	3.91	3.66	3.41	1.4
Quick Ratio	3.16	2.83	2.53	2.26	1.99	0.4
Sales/Receivables	18.25	18.25	18.25	18.25	18.25	40
Day's Receivables	20	20	20	20	20	9.13
Cost of Sales/Inventory	4.98	4.98	4.98	4.98	4.98	5.7
Day's Inventory	73.23	73.23	73.23	73.23	73.23	64.04
Cost of Sales/Payables	19.4	19.4	19.4	19.4	19.4	20
Day's Payables	18.82	18.82	18.82	18.82	18.82	18.25
Sales/Work. Capital	3.42	3.82	4.25	4.72	5.29	18.2
EBIT/Interest	1.86	2.3	2.84	3.51	4.36	2
Net Profit +Depr.+Amort./C.L.T.D.	2.49	3.04	3.56	4.05	4.52	2.4
Leverage Ratios:						
Fixed Assets / Tangible Net Worth	1.77	1.68	1.58	1.49	1.4	2
Debt / Worth	1.32	1.23	1.14	1.05	0.96	3
Operating Ratios:						
Profit Before Tax / Tan. Net Worth	11.87%	16.62%	21.54%	26.69%	32.15%	21.20%
Profit Before Tax / Total Assets	5.11%	7.45%	10.07%	13.04%	16.40%	8.20%
Sales / Net Fixed Assets	0.83%	0.96%	1.11%	1.28%	1.48%	7.90%
Sales / Total Assets	0.64%	0.72%	0.82%	0.93%	1.06%	2.00%
Other Ratios / Numbers:						
Officers Salaries (Actual)	\$38,400	\$40,320	\$42,437	\$44,771	\$47,345	N/A
Equity (Net Worth)	\$628,622	\$660,372	\$697,076	\$737,351	\$779,384	N/A
Loans Balance (Actual)	\$777,789	\$753,008	\$725,359	\$694,511	\$660,093	N/A
% Deprec., Amort./Sales	0	0	0	0	0	2.3
% Officers Compensation/Sales	0.04	0.04	0.03	0.03	0.03	5.3
Tangible Net Worth (NW-Intangibles)	\$628,622	\$660,372	\$697,076	\$737,351	\$779,384	N/A
Working Capital (Actual)	\$271,130	\$278,906	\$288,630	\$298,568	\$306,515	N/A
Gross Profit:						
Key Percentages as a Percent of Gross Profit						
Rent	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Interest Paid	21.05%	17.77%	14.92%	12.47%	10.35%	0.00%
Depreciation & Amortization	1.09%	1.00%	0.91%	0.84%	0.77%	0.00%
Officers Compensation	9.30%	8.49%	7.77%	7.13%	6.56%	0.00%
Taxes Paid	4.21%	6.39%	8.30%	9.97%	11.42%	N/A

RATIO ANALYSIS

Current Ratio is an approximate measure of a firm's ability to meet its current obligations and is calculated as Current Assets divided by Current Liabilities. This ratio shows an upward trend and indicates that if the company meets its goals it will be relatively more stable than the industry in general.



Revenue to Working Capital Ratio is a measure of the margin of protection for current creditors. This ratio is on a downward trend and indicates a good level of safety for creditors.

EBIT to Interest Ratio is a measure of ability to meet annual interest payments. Since this ratio is above industry averages, the company should have no problem servicing its debt and can even service greater amounts of debt.

The Current Maturities Coverage Ratio measures the ability to pay current maturities of long-term debt with cash flow from operations. It is calculated as Net Income Depreciation, Amortization divided by current portion of long-term debt. This ratio shows an upward trend which indicates the company should be better to service its debt than the average company.

The Fixed Assets to Tangible Net Worth Ratio measures the extent to which owner's equity has been invested in the business. Since this ratio is on a downward trend, it provides an even larger "cushion" to creditors in the event of liquidation.

The Debt to Equity Ratio expresses the relationship between capital contributed by creditors and capital contributed by owners. This ratio shows a downward trend which would seem to indicate that if the company meets its goals that it will provide greater long-term financial safety for creditors.

The Earnings before Taxes to Total Assets Ratio expresses the pre-tax return on total assets and measures the effectiveness of management in employing available resources. Since this ratio is above industry averages, the company would be more efficient than the industry in its effective employment of resources.

The Revenue to Total Assets Ratio is a general measure of ability to generate revenue in relation to total assets. This ratio is above industry averages which can indicate that the company is efficient in using available resources to generate revenue as compared to the industry.

The Depreciation, Amortization to Revenue Ratio is a general measure of cost to generate revenue under the matching principal. Since this ratio is consistently below industry averages it would seem to indicate that the company is more efficient generating revenue as compared to the industry.

CONCLUSIONS & SUMMARY

We feel that the type of company and service we are proposing is hitting the market at just the right time. We plan to fully repay the loan by the end of the third year. However, we will schedule repayments over ten years to give us flexibility. By applying our conservative projections, income for the first year is expected to be \$21,194 after taxes and debt service. This will rise to \$76,822 in the second and \$124,363 by the fifth year. The business should be open for business by spring of 1997.