



Sparkle & Gleam Car Wash Self-Service Car Wash

Business Plan

Business Plan Prepared By

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EXECUTIVE SUMMARY

Venture Description

Sparkle and Gleam Car Wash Inc. (S&G) plans to build a four-in-one car wash with four self-service bays and one automatic drive-thru. The facility will offer the most modern and efficient self-cleaning equipment in the area, will be a well-lit, nicely landscaped, modern structure that delivers high quality service at competitive prices with remote (video) security monitoring in the service area. S&G is designed to appeal to both men and women, helping them feel welcome and safe while they wash their cars, motorcycles, boats, and other vehicles. S&G is in the planning stage. A January 200C opening is planned.

S&G is unique in that it is a community-minded business with a civic-minded approach, which involves its owner in being a visible, active member of the local community. The lot on which S&G is to be built was the site of the old Copperville Community Civic Center that the town has outgrown and replaced with new facilities at another location. The site is familiar to the town's people as the site of many civic events. Whenever possible, S&G will allow civic events such as charity fund car washes, meetings of local car and motorcycle clubs and participation in the neighborhood beautification program. By supporting the community with these activities, an identity will be established which will support the marketing efforts of the business.

Management and Organization Plan

Sparkle & Gleam Car Wash Inc. (S&G) is a StateA, Subchapter S Corporation formed in April 200B. The corporate form was chosen for its limitation of liability and ease of transferability. The Sub-chapter S election was made to avoid double taxation. Sole stockholder, President and Chief Executive Officer is Carmen Perez. Carmen has worked full time at a local electrical contracting company for the past 15 years. She is vice president of operations, and will continue to work until S&G opens. Formerly, Carmen was employed as a marketing manager for a real estate company. She will handle all day-to-day operations, buying of supplies and marketing of the business. Custodial service, grounds upkeep, machine servicing and repair and maintenance will either be outsourced or handled by a part-time employee. Carmen's husband Tony Perez will serve as corporate secretary and as a member of the board of directors, primarily as an accommodation.

S&G has an advisory board of consisting of an entrepreneur, financial advisor, a CPA and a community center director. It has retained the professional services of an attorney, CPA, banker and insurance agent

Marketing Plan

The site of S&G is the most important factor in the success of the business. All factors have been considered, and the corner of Leeds Parkway and Dunbrooke Road in Copperville, StateA has been selected. This location is situated on the northwest corner of the intersection of two major thoroughfares in this treasured community. This site is particularly well-suited for a car wash. The intersection of these two thruways is on the



northern edge of a busy mini-mall of groceries, sundries and specialty shops. Corporate campuses surround the area, along with upscale multi-family developments of condominiums, duplexes and apartments as well as single-family developments. The closest competitor is a full-service tunnel carwash located an inconvenient 3.5 miles from the center of commercial activity. StateA DOT Traffic counts in the area immediately adjacent to the site location are 28,500 vehicles per day. SSCWN and the AutoLaundry news agree that average traffic counts of 1,500 vehicles per day will support one bay. S&G plans to build four bays of self-service plus one automatic bay, thus requiring a minimum traffic volume of 7,500 cars per day in traffic count. This positions S&G for better-than-average revenues, as well as future growth and investment potential.

Financial Plan

The overall cost for the start-up of this business is \$615,000. This amount is broken down as follows:

1. Land is under contract and will be purchased for \$180,000.
2. Construction of the facility will be approximately \$125,000.
3. The equipment costs for the four self-service bays and one automatic drive through is \$250,000.
4. Operating cash \$60,000.

The owner will invest \$160,000 and Sparkle & Gleam will borrow the additional \$455,000. A 20 year real estate loan at 8% interest in the amount of \$244,000 and a 10 year equipment loan at 10% interest of \$211,000 are needed.

Pro formas for three years have been prepared using conservative sales projections. They show operational profitability within the 2nd year and overall profitability within the 3rd year.

Carmen's exit strategy is either to leave the business to her heirs or sell it when she is ready to retire.



MANAGEMENT AND ORGANIZATION PLAN

Legal Form of Business

Sparkle & Gleam Car Wash Inc. is a Subchapter S Corporation, registered by the StateA Secretary of State to do business in StateA. The Subchapter S election, filed with the Internal Revenue Service, offers a reduced tax liability for the owner. The corporate status provides the owner limited liability. Potential additional liability will be covered by a \$1 million umbrella insurance policy against all liabilities as well as property insurance.

Management Team

President and Chief Executive Officer of Sparkle & Gleam (S&G) is Carmen Perez. Carmen has worked full time at a local electrical contracting company for the past 15 years. She is vice president of operations, and will continue to work until S&G opens. Formerly, Carmen was employed as a marketing manager for a real estate company. She will handle all day-to-day car wash operations, buying of supplies and marketing of the business.

Board of directors/advisory council

Board of directors

Chairman of the Board, Chief Executive Officer, President, and Treasurer
Carmen Perez, 12345 W. 98th St., Mission Valley, StateA

Secretary
Tony Perez, 12345 W. 98th St., Mission Valley, State

Advisory council

Currently, four people serve on the advisory council. They bring start-up and on-going management and subject-matter expertise to Carmen Perez. The advisory council members have volunteered to meet together each month during the first year in business to provide guidance during the start-up phase. The timing of on-going meetings will be determined after one year.

Anne Klimesmet	Owner of two area businesses—a landscaping service and an equipment rental store—to provide entrepreneurial perspective
Ted Hooster	Independent financial advisor—to assist in building a business that meets Carmen's personal vision
Gerald Lance	Certified public accountant—to provide evaluation and guidance concerning financial statement projection and on-going analysis
Janice McDougal	Former director of the Copperville Community Center—to help establish a healthy link between S&G and the community



Recruitment and Selection of Employees

S&G has been created for the purpose of creating a family-owned business that the Perez family can own and operate. There are no plans for management personnel in addition to Carmen Perez. Custodial service, grounds upkeep, machine servicing and repair and maintenance will either be outsourced or handled by part-time employees. Due to the type of work needed and the available work-force, S&G will seek retired individuals or students to provide these services. Part-time employees will be recruited through advertising and job fairs at the new community center, area high schools, and the community library.

In order to expand into related services and spin-offs, S&G would have to hire a manager to oversee the entire operation. This person would monitor and supervise all employees. In addition, experienced full- and part-time staff would have to be trained and hired.

Compensation and Ownership

S&G will employ Carmen at a salary of \$24,000 the first year (that salary is projected to go to \$36,000 the second year). Part-time employees will be paid \$10.00 an hour. Carmen holds all of the stock of the company. The company offers minimal benefits to the owner and no benefits to part-time employees.

Employee Reward and Incentive Plan

S&G will not have a formal employee incentive plan to start. Employees will be motivated through rewards and incentives for jobs well done, goals met, problems solved, and taking initiative. Initially, rewards will be non-monetary, to include paid time off, flexible work hours, free car washes, and parties.

Communication

Each employee will go through a short orientation program upon employment to learn S&G's philosophy, business values, expectations, and policies. Training will be on the job. Informal communication will take place continually. Formal meetings will be held with all part-time employees twice each month.

Infrastructure

The infrastructure for S&G serves as needed. Compensation is hourly.

Attorney	David True, 67 Jacks Center Plaza, Opulent City, StateA
Accountant	Stacy Korecht 43 Jacks Center Plaza, Opulent City, StateA
Insurance Agent	Kelly Plenty, 1047 W. 95th Parkway, Mission Valley, StateA
Banker	Robert H. Geldmacher, Free State Bank, Opulent City, StateA



PRODUCT AND SERVICE PLAN

Purpose of Product/Service

Sparkle & Gleam customers will:

- ❖ Save time because of the
 - Convenient location – there will be no need to drive to the out of the way competition
 - 24 hour operation – customer can chose the time most convenient to him
 - State of the art equipment – more efficient cleaning, fewer breakdowns and easy to service equipment
 - Available full service and options – a quick exterior wash, add on options or full service automatic available
- ❖ Save money
 - New equipment means more efficient cleaning and fewer breakdowns
 - More efficient equipment provides a more thorough wash the first time
 - Prices similar to competition
- ❖ Preserve and enhance their investment
 - A cleaner car is a more valuable car
 - The frictionless no-touch cleaning system does not harm or deteriorate the car's finish
- ❖ Feel safe and comfortable
 - Well lighted, clean and remotely monitored facility provides a safe environment
 - Heated floor and radiant overhead heat will permit car washes in cold weather
 - Landscaping and efficient design will make facility pleasant to visit

Features and Benefits

- ❖ Sparkle & Gleam Car Wash will offer technologically advanced, frictionless, touch free exterior in-bay automatic and self-service car wash facilities. The basic automobile wash consists of the self-service wash options. In-bay automatic upgrade washes consist of an under chassis wash, tire scrubber and in-bay automatic upgrade wash with extended drying. S&G will not only offer the cleanest and technologically advanced car wash, it will offer remote video security and monitoring. S&G will provide the most up-to-date technology for things such as wand tips, the brushes, weight of the wands, etc. Customers will save time, save money, preserve and enhance the value of their car and feel safe and comfortable using our facility.

We will offer some other features that are unique to the self-service car wash business:

- ❖ Spot Free Rinse. This is usually something that only full-service washes offer. The customer has an opportunity to get an expensive service at a fraction of the normal cost.
- ❖ Tire Cleaner and Pre Soak System. Another chance for the customer to get an expensive service for less.
- ❖ Floor Heating System and Overhead Radiant Tube Heaters. Customers can wash their cars even during the coldest months of winter without being uncomfortable.

In addition to a technologically advanced car wash facility, S&G will also offer the community a place for car clubs and automotive enthusiasts to meet. S&G will assist with charity and fund-raising car washes. We will also participate in the community beautification program. The video security monitoring will encourage people to use the facility whenever it is convenient for them, day or night.



Stage of Development

Sparkle & Gleam is in the planning stage. Land will be purchased and construction started by August 1 of this year. The grand opening will be January of 200C. Conservative projections show profitability in the third year, however, S&G may well achieve profitability in the second year of operations.

Product/Service Limitations

The inherent product limitation of any self-service business will probably be mechanical. S&G will be a 24-hour self-service car wash, and if anything breaks down during evening or night hours, S&G will enter into a maintenance agreement with Reddy One Maintenance / Service to maintain the equipment.

Product/Service Liability

Customers or their property could be injured or damaged while using equipment at the facility. Insurance coverage to protect against such losses will be secured.

Production

S&G is self-service; the customer performs all work of delivering the car wash service.

Facilities

S&G is to be located on the premises of the former Copperville Civic Community Center nestled in the southeast corner of the largest of the corporate campuses in Copperville. The 200' by 150' lot is flat with ingress and egress from both Leeds Parkway and Dunbrooke Road. The speed limit on both thoroughfares is 40 MPH. The size of the lot and dual access make this an ideal location for the four self-service and one in-bay automatic carwash. The location of the wash bays on the lot has been chosen to permit the most orderly traffic flow permitting both ingress and egress to and from each roadway.

Suppliers

S&G has chosen Shower Clean Industries equipment to outfit the facilities. The self-service bays will use the Shower Rain 100 system. Car wash owners have consistently chosen Shower Rain products as the best in the business, both for performance and efficiency and return on investment. The new Shower Rain XT automatic system will be used for the in-bay automatic stall. Shower Rain's headquarters and warehouse facility is in StateB City, StateB, 30 minutes away. Shower Rain Industries pricing is typically very competitive for consumables but Halcyon Chemical has been approached as a back-up supplier of soaps, detergents, waxes and water treatment products. S&G will enter into a maintenance agreement with Reddy One Maintenance / Service to maintain the washing equipment with a guaranteed one hour response time in the event of emergency work stoppage. Great-Chemicals Lawn Care will maintain the grounds and landscaping and snow removal in the winter. Necessary Removal Inc. will provide trash removal.



Related Products/Services and Spin-Offs

S&G constantly monitors the car wash industry and will adopt new technology that offers customers a better product or aids in water conservation and anti-pollution efforts. There are new spin-offs that we might develop which would keep us on top of changing market trends.

Combination Car Washes and Fast Lube

Experience and time have proven that tremendous crossover opportunities exist between car washes and fast lube facilities. This combination would allow customers to get two services for their car more conveniently and quickly. We will look into companies that specialize in "Modular Fast Lube." These are pre-constructed units that come to the site in very large pieces ready to install. This combination would combine two separate profit centers.

Full Service Car Wash and Detail Center

We could add an automated car wash that includes interior detailing. Current trends let customers have choices on how they would like to have their car washed at different times. Self-service this week, automated next week.

Trademarks, Patents, Copyrights, Licenses, Royalties

S&G has incorporated and its exclusive use of its name is thereby protected in StateA. No copyright or trademark activity is anticipated at this time.

Government Approvals

S&G has researched and is aware of the governmental approvals necessary to operate this business. S&G will comply with all governmental regulations and has taken the following steps:

- ❖ Confirmed that a car wash is a permitted use under the current zoning of the proposed site
- ❖ Site Plan has been approved by Copperville Zoning and Building Department for construction of the layout and buildings planned on the site
- ❖ StateA Highway Department has approved the planned curb cuts and dual access
- ❖ Soil and erosion control plan has been approved
- ❖ Application for permission to collect sales taxes has been filed
- ❖ All existing state and federal environmental laws have been complied with

S&G will be involved with the Water for People Non Profit Organization that helps people in undeveloped countries obtain safe drinking water.

Water use in professional car washes constitutes a highly visible use of water in a professional process. As such, it comes under scrutiny from the public and policymakers especially during times of drought or water shortage. S&G will utilize conservation measures and investigate water reclamation systems. We are definitely motivated by environmental responsibility.



Specifically the issues that we will address include:

In-Bay Automatic

Nozzle alignment, flow rates and timing are all deciding factors in water conservation for in-bay automatic car washes. We will use reverse osmosis equipment which means water rejected from the unit can be utilized in landscape watering.

Self-Service Automatic

Usually relatively few gallons of water are used by a properly designed, water efficient professional car wash. However, the architect and engineer will investigate the use of a closed loop system. With these systems only water lost to evaporation and drive away is consumed by the operation.



MARKETING PLAN

Industry profile

Current size

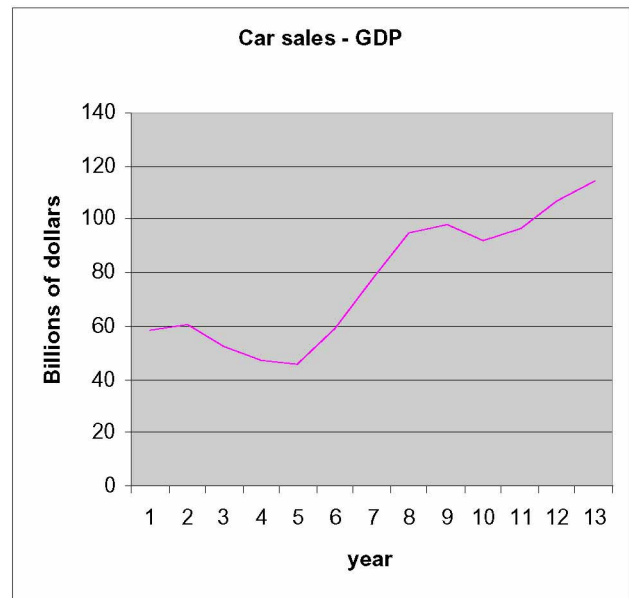
The industry has developed to a mature product/service. It is generally agreed that the first automatic car wash was developed around 1914. By 1945 there were 32 car washes across the nation. As the automobile industry grew, the car wash industry grew exponentially. Due to heightened consumer expectations, the industry has experienced major changes that have also increased operating costs brought on by customer demands. The primary changes have been convenience driven. Customer decision points centered on how and where a vehicle can be cleaned quickly, efficiently, and effectively. Until recently, the self-service car wash bay was only a wash wand and soap. Consumer demand forced the industry to create new services including the foaming brush, vacuum and carpet cleaners, fragrance, and the in-bay automatic wash.

The most recent U.S. business census data (NAICS code 811192) shows that the total annual revenue for all car washes nationally is \$3.9 billion and is \$33.8 million for the state of StateA.

The total population within the study area is 160,000 people. The average daily traffic count as reported in the latest StateA Department of Transportation report of the primary market, the drive-by market, consists of 28,500 cars per day at the intersections of Leeds Parkway and Dunbrooke Road. The StateA Department of Transportation anticipates 4.5% traffic increase annually due to population growth. The traffic count numbers at a 4.5% growth rate translates into a 30,000 potential customer volume this coming year.

Growth potential

Car wash industry and revenue growth in the US and in StateA is increasing at a high rate. U.S. Census industry data for the most recent five-year study shows a growth in numbers of establishments, at the national and StateA state level, of 18% and 15% respectively. Revenues grew 48% nationally and 41% in StateA during the same time period.



The car industry continues to grow. Even in an era of increasing concern about the environment, cars give people freedom. Car washes will be needed to allow people to keep their assets in good shape, protecting the investment. (Graph data for the last 13 years derived from US Department of Commerce web site.)

Cars continue to be a status symbol and offer an affordable means of demonstrating affluence. Leasing represents a large share of the total car ownership market. This trend helps drive the demand for keeping cars in good shape to avoid extra charges upon vehicle return.



Industry Trends

Convenient payment methods are an issue in self-service industries. The release of the new dollar coin, increasing use of credit and debit cards, and technologies allowing prepaid payment cards are all indicators of the coming changes. Vendors are developing new technologies that allow easy use of multiple payment methods. Technologies that control the delivery and remote notification of problems in the facility are becoming more available and affordable. This technology notifies the owner of potential payment problems before they happen and interrupt the delivery of products. It also can notify the owner when there are malfunctions with the equipment. Customers want more services. Vendors are now developing multiple-use devices such as vacuuming machines that have built-in shampooing machines and spot remover. These factors went into the selection of Shower Rain products. Shower Rain stays abreast of the changes in the industry and our maintenance agreement incorporates periodic upgrades to installed equipment.

Other Characteristics

Car washes are located in all parts of the country. Certain locations, notably the south and west, have higher concentrations of car washes but car washes are a necessity everywhere. According to car wash industry sources, an abundance of multi-family housing units in an area is a good indicator of car wash facility success. Of the 160,000 population (Sept 200A MASR, INC report) in the target market, 28% reside in multi-family units.

Weather does affect volume at car washes. The reality, however, is that cars still need to be washed at all times of year. This is especially so in winter when salt, sand and other chemicals are spread on the roads to improve traction. These "additives" attack the paint, bright metal and mechanical components and must be removed or the life of the body of the car is shortened. Car washes are the only reliable way of cleaning the undercarriage and maintaining the car's finish in the winter. Although volume will be reduced during inclement weather, volume returns when the weather clears. Industry surveys show that car washes will generate 50% of their business during the late winter/early spring months.

Based upon recent calendar year figures obtained by Professional Car Washing Magazine in a nationwide survey, for a five-bay, self-service wash, average operating costs are approximately 41% of gross income. This figure does not include an average debt service of 24.5%. These projections do not include any administrative or marketing expenses. Profit before income taxes for a car wash of this size is 4.3% (RMA Associates).

Distribution Channels

Efficiently running road systems are the distribution system for car washes. Due to the construction of the six corporate campuses surrounding the area, the road system serving S&G runs smoothly and efficiently.



Competitive Analysis

Direct Competition

The location of the car wash is the most important indicator of success. Locating the site too close to the competition will only divide the current market, rather than expand it. Therefore, it is important from a competitive standpoint to locate where there is little competition or where there are more customers than the competition can service. In S&G's 160,000 population target market area there are four car washes: a full service tunnel car wash located an inconvenient three miles away, three self-service four-bay units located on 98th Parkway some eight, 11 and 13 miles away from S&G.

There is no competition to S&G within a three-mile radius. The major arteries of Leeds Parkway and Dunbrooke Road, the main conduits to S&G, will continue to provide a steady stream of clientele.

Indirect Competition

S&G will have indirect competition from any other sources of car washes, such as the car owner at home, detailers, charitable fundraisers and car service businesses. The weather will limit competition from the owner and fundraisers but the other two indirect competitors are in reality, a different businesses, with different target markets. None of these indirect competitors are new or unique to S&G. They exist in all markets.

Future Competition

Carmen will periodically visit car washes in the area to assess the continual competitiveness of S&G and stay abreast of new products and equipment in the industry. The establishment of S&G should discourage new similar facilities within close proximity but Carmen will remain alert to any such plans.

Competitive Analysis

The basis of competition among car washes is location convenience, equipment parameters and price for services. S&G is the only car wash within a 3 mile radius of the major arteries of Leeds Parkway and Dunbrooke Road. Our price will be similar to the other four car washes within our market area. Since S&G will have the newest equipment, the quality of our wash will at least equal that of the other car washes and most likely be superior.

Our warm wash pad and radiant heating system will be unique and should drive some of the customers of the other local car washes to our location in particularly cold weather. A closed-circuit video security system is a unique feature of S&G. Using an IP routable camera, the facilities are under constant surveillance by a local security/protection firm. Videotapes of the activities will be maintained for 14 days. Computer records will be maintained on CD and archived in accordance with Internal Revenue Service record-keeping rules and



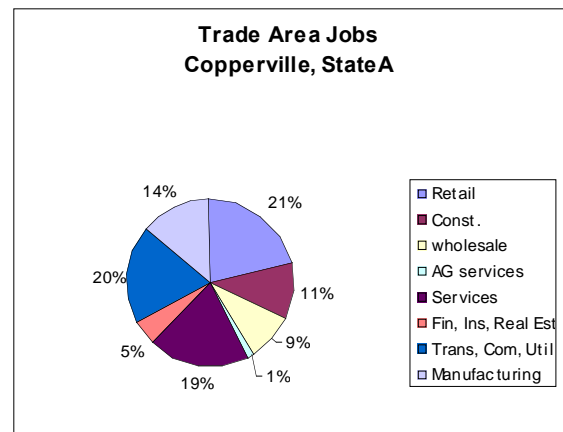
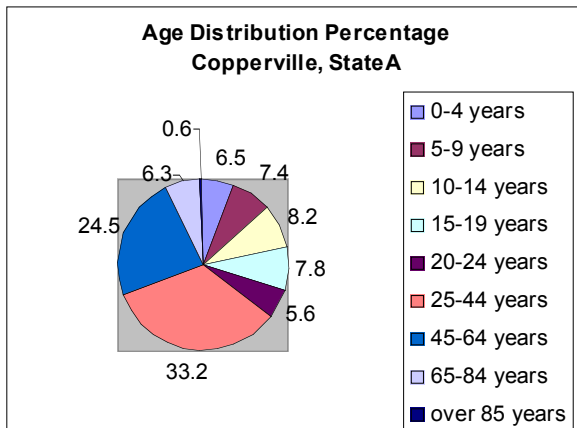
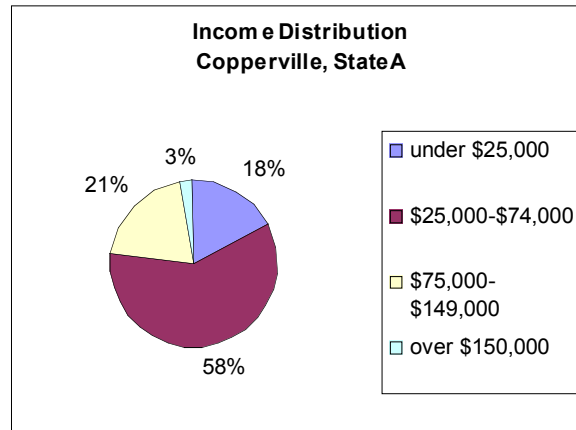
Market Analysis

Target Market Profile

The Copperville area is the target market. In this market the following graphs show how the market area closely compares to the ideal customer profile. (Data taken from latest U.S. Census report as compiled by the county.)

Little information is available on average car age in Copperville, but given the match in average income, age, and type of work between the ideal target market and the Copperville area, the supposition can be made that the distribution of vehicles by age will closely follow the ideal target market distribution.

The typical market size that can support a self-service car wash will guide the number of bays to be built. The Self-Service Car Wash News (SSCWN), an industry consortium, indicates that traffic count is the best method of measuring market potential. StateA DOT Traffic counts in the area immediately adjacent to the site location are 28,500 vehicles per day. SSCWN and the AutoLaundry news agree that average traffic counts of 1,500 vehicles per day will support one bay. S&G plans to build four bays of self-service plus one automatic bay, thus requiring a minimum traffic volume of 7,500 cars per day in traffic count. This positions S&G for better-than-average revenues, as well as future growth and investment potential.





Customer Profile

Today's customers have changed considerably. Fifteen years ago, the primary market was 90% male; today, the clientele varies from 16-year-old females to 75-year-old males and everything in between. Of the car washes operating today, 13% are less than 10 years old and of those 7% are less than five years old. As vehicle prices and maintenance costs continue to rise, car owners are keeping their vehicles longer and paying more attention to its upkeep and appearance. Consequently, motorists have been quick to recognize and accept the value of high quality car wash services.

The target market characteristics are broken into seven primary categories according to *Professional Carwashing and Detailing Online*:

- ❖ Density of population between the ages of 16 & 65. The largest percentage should be between 34 and 45.
- ❖ Predominant household income of between \$48,000 and \$75,000
- ❖ Proximity to multi-family housing units
- ❖ Proximity to white collar professionals and sales workers
- ❖ Volume of drive by traffic
- ❖ Customers who value clean cars
- ❖ Age of vehicle: 30-40% should be less than three years old, 10-20% should be between three and five years old. Less than 15% should be older than five years.

The area surrounding S&G has needed a car wash for several years. Residents in the area have had to drive a minimum of three miles to find an automatic car wash and more that 10 miles to find a self-service car wash.

Future Markets

S&G will look for opportunities in suitable locations to open additional operations. This expansion will not be a priority because extensive research has been done showing that the current location is the best in the city.

Market Penetration

Company Image

The image to be conveyed is indicated by the name selected, the facility as well as the customer's car will Sparkle & Gleam. The newness, state of the art equipment, landscaping and lighting will contribute to the favorable visual impact on the drive by potential customer. The 24 hour service and location will contribute to customer convenience. Participation in fund raisers and other charitable activities will convey the local ownership and community involvement of the business. Video security cameras, lighting and cleanliness will make customers feel safe and comfortable. Sparkle & Gleam's image will be that of modern, clean, safe, attractive, convenient car wash which is a community partner offering a valuable service at a fair price.



Customer Service

S&G operates as a self-service or in-bay automatic car wash. No guarantees or warranties are offered. On a case-by-case basis, however, customers will be offered additional wash time and or washes should the service prove unacceptable for reasons related to equipment deficiencies. Carmen Perez will personally handle complaints, offering rewashes as necessary.

Location

The corner of Leeds Parkway and Dunbrooke Road in Copperville, StateA has been selected. This location is situated on the northwest corner of the intersection of two major thoroughfares. This site is particularly well-suited for a car wash. The intersection of these two thruways is on the northern edge of a busy mini-mall of groceries, sundries and specialty shops. Corporate campuses surround the area, along with upscale multi-family developments of condominiums, duplexes and apartments as well as single-family developments. The closest competitor is a full-service tunnel carwash located an inconvenient 3.5 miles from the center of commercial activity. The existing traffic count should more than support the facility and the predicted growth bodes well for the future. The demographics within the vicinity are those industry studies find necessary to support our planned operation.

Direct-Sales Force

No direct sales force will be used.

Sales Representatives

This business does not lend itself to outside sales representatives. Marketing efforts will, however, be aimed at fleet owners and specials will be offered periodically to multi-family unit residents in the area.

Licensing or Distributors

No licensing is anticipated at this stage or in the immediate future.

Advertising and Promotion

When Sparkle & Gleam opens, press releases will go out to the local newspapers, radio and television stations. For the first four Saturdays after the opening, ads will run in the Copperville Times and on two radio stations.

Publicity

A new use for the old site of the Copperville Community Center will generate a certain level of interest and we will send press releases to the local media at all stages of governmental approval process as well as ground breaking, construction completion and grand opening. In addition, the civic events held there will be publicized by the organization holding the event as well as by S&G



Telemarketing/Direct mail

Direct mail will be an important part of the media mix. The initial marketing effort will include a direct mail flyer to the 5,000 households closest to the car wash.

Costs involved

Purchase of mailing list by zip code	\$ 500
Printing of flyer	\$ 500
Postage for bulk mailer, .28/ea.	\$ 1,400

In subsequent months, S&G will be part of a co-op "mail pac" which will include a promotional coupon to the car wash for area residents and businesses. This marketing program is well established and many local businesses are participants.

Internet

Sparkle & Gleam does not plan to have an internet presence at this time.

Trade Shows

Carmen will attend trade shows from time to time to assess the direction of the industry and to keep abreast of new trends and technologies.

Market Penetration Effectiveness

The most effective market penetration strategy for a car wash is a good location with strong signage. Sparkle & Gleam has a first-rate location and an ample sign budget has been included in start-up costs.

After some initial awareness marketing through broadcast and print media, the ongoing marketing effort will be through direct mail with coupon offers.

Sparkle & Gleam will have some marketing exposure every month of the year. A key market penetration strategy will be to cross promote with Carson's Grocery Store, which is within a three-mile radius and includes our core zip code. We plan to mention the grocery in some of our newspaper ads and have them mention S&G in theirs. We plan to have a major event at which one of their customers will win a free monthly car wash for an entire year. We see many opportunities to cross promote with each other and have already begun discussions with their store manager.



Pricing

Pricing Strategy

Pricing is based on local averages of competitors.

Price List

Products/services	Price
In-bay self-service wash products	\$1.00 for 3.75 minutes and \$0.25 for each additional minute.
❖ Presoak	
❖ Rinse	
❖ Spot free rinse	
❖ Soapy wash	
❖ Tire cleaner	
❖ Engine cleaner	
❖ Scrubby brush	
❖ Wax	
❖ Rust Prohibitor	
Automatic wash bay	
❖ Basic	\$3.50
❖ Basic with wax	\$4.00
❖ Deluxe	\$4.50
❖ Deluxe with wax	\$5.00
Vacuum	\$1.00
Shampoo Machine	\$1.00 / 3.2 minutes \$1.50/ 4 minutes
Vending items	Varies from \$0.75 to \$2.00

Pricing Policies

At the present time S&G does not have any quantity discounts or introductory offers. If fleet sales are made or customer demands suggests them, they will be explored.



Break-even Analysis

S&G's gross margin is figured at 100%. Some car washes deduct applicable supplies (soap) and utilities along with direct labor from gross revenues as a cost of goods sold. However, as a totally self-service operation, S&G has no direct labor and the decision was made to expense all costs as operations costs so that comparisons could be easily made to RMA composite statements, which do not use cost of goods sold. With no variable expenses and four different services which are projected at different prices and different levels of sales; break-even can only be calculated using projected Net Sales and Total expenses.

Projections indicate that Operating Income will actually be in excess of Operating Expenses within the 2nd Year but Debt Service will prevent true break-even until the 3rd Year.

	1st Year	2nd Year	3rd Year
Net Sales	\$ 121,240	\$ 181,860	\$ 254,604
Operating Expenses	\$ 124,046	\$ 157,020	\$ 192,115
Operating Income	(\$2,806)	\$ 24,840	\$ 62,489
Interest Expense	\$ 39,819	\$ 38,063	\$ 36,204
Net Income	(\$42,625)	(\$13,223)	\$ 26,285



FINANCIAL PLAN Start-up Cost

Sales Projections

Year 1

Category A. In-Bay Revenue: In-bay automatics average between \$4,000 and \$6,500 per month depending on income levels of the area. Projections are to build to \$4,500 per month the first year.

Category B. Self-Serve Revenue: Self-service bays average \$1,040 a month if supported by a population of 1,500 per bay. Population for Sparkle & Gleam is much higher. Sales are projected at \$1,400 per month after the first four months at \$800 per month.

Category C. Vacuuming Revenue: Vacuuming is projected at \$195 per vacuum per month x eight vacuums (national average). First four months at \$100 per vacuum.

Category D. Vending Revenue: Vending revenue projected at national average of \$370 per month (net of cost). First four months at \$250.

Year 2

Category A. In-Bay Revenue: Sales are projected to increase to an annual average of \$5,500 per month. Seasonality issues are taken into consideration with 50% of the revenue projected to occur in the late winter/early spring time frame.

Category B. Self-Serve Revenue: Sales are projected to increase 50% over Year 1. Seasonality issues are taken into consideration with 50% of the revenue projected to occur in the late winter/early spring time frame.

Category C. Vacuuming Revenue: Sales are projected to increase 50% over Year 1. Seasonality issues are taken into consideration with 50% of the revenue projected to occur in the late winter/early spring time frame.

Category D. Vending Revenue: Sales are projected to increase 50% over Year 1. Seasonality issues are taken into consideration with 50% of the revenue projected to occur in the late winter/early spring time frame.

Year 3

Category A. In-Bay Revenue: Sales are projected to increase to an annual average of \$7,700 per month. Seasonality issues are taken into consideration with 50% of the revenue projected to occur in the late winter/early spring time frame.

Category B. Self-Serve Revenue: Sales are projected to increase 40% over Year 2. Seasonality issues are taken into consideration with 50% of the revenue projected to occur in the late winter/early spring time frame.

Category C. Vacuuming Revenue: Sales are projected to increase 40% over Year 2. Seasonality issues are taken into consideration with 50% of the revenue projected to occur in the late winter/early spring time frame.

Category D. Vending Revenue: Sales are projected to increase 40% over Year 2. Seasonality issues are taken into consideration with 50% of the revenue projected to occur in the late winter/early spring time frame.

Sales figures are based on information obtained from several car wash trade associations and publications (Car Wash Institute, Professional Car Washing Magazine, RMA). Based on area population, traffic counts, and income levels as well as the number of car wash bays in the target area, S&G should be able to exceed forecasted revenues and perform well above the national averages.

The third year should see Sparkle & Gleam achieving much of its sales potential leading to its first year of profitability.



Income Projections

Sparkle & Gleam is projecting a net loss in each of the first two years of operation of \$(42,625) and \$(13,223), respectively. S&G is expected to be profitable in Year 3 with a net income of \$26,285.

The first year of operations S&G will invest in significant advertising to achieve market penetration. The first four months of sales are projected to be well below the industry average until the surrounding community is made aware of their presence.

In the second year, advertising requirements are not as significant, but some of the administrative costs will increase with increasing the salary of the owner. In addition, many expense items vary with the level of sales, so as the sales revenue increases, the operating expenses increase.

Cash Requirements

A total of \$615,000 will be required to fund the start-up of operations. The business itself will be self-funding since most of the expenses are variable in nature and the operation does not accept credit sales.

Future growth would require additional funding. The current estimate is that \$500,000 would be required for land and building additions to add a full-service car wash and/or modular fast lube unit.

Sources of Financing

The owner will provide \$160,000 of equity financing. The remaining \$455,000 will be financed with debt. A 20-year real estate loan at 8% interest in the amount of \$244,000 will provide the funds for the land and building. A 10-year equipment loan of \$211,000 at 10% interest will be obtained to finance the equipment purchases. A life insurance policy will be carried on Carmen Perez. This policy will pay off the loans in the event of her death.

Exit Strategy

The growth of S&G will enable Carmen to provide her heirs a business to own and operate. In the event the heirs do not desire the business, an alternate plan is to sell the business at the time Carmen wants to retire.

START-UP FUNDING & EXPENDITURES**Sparkle and Gleam Car Wash**

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Start-up Cash

Equity Investments	160,000
Loan Proceeds	211,000
Real-Estate Loans	244,000
Total Start-up Cash	615,000

Start-up Expenditures**Security Deposits**

Rent (last month's)	-
Telephone Deposit	-
Utilities Deposit	-
Other Deposits	-
Total Security Deposits	-

Start-up Expenses

Accounting Fees	-
Activation Fee	-
Corporate Fees & Taxes	-
Federal Tax ID	-
Fictitious Name Costs	-
Insurance	-
Legal & Consulting Fees	-
Meals & Entertainment	-
Office Supplies	-
Payroll Expenses (training/setup)	
Salaries & Wages	-
Payroll Taxes	-
Benefits	-
Pre-opening advertising	-
Printing (cards, stationery, brochures)	-
Sales Tax Permit	-
Other Start-up Expenses	-
Total Start-up Expenses	-

Other Costs

Opening Inventory	-
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Capital Expenditures

Computer Equipment	-
Equipment/Machinery	250,000
Furniture & Fixtures	-
Vehicles	-
Leasehold Improvements	-
Buildings	125,000
Land	180,000
Total Start-up Capital Expenditures	555,000

Total Start-up Expenditures	555,000
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**Sparkle and Gleam Car Wash
Cash Flow Statement**

200C	Pre Start-up	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Cash In														
Cash Sales		6,250	6,250	6,250	6,250	12,030	12,030	12,030	12,030	12,030	12,030	12,030	12,030	121,240
Collections from Accounts Receivables		-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Received	160,000	-	-	-	-	-	-	-	-	-	-	-	-	160,000
Loans Received	455,000	-	-	-	-	-	-	-	-	-	-	-	-	455,000
Other Cash In (receipts from other assets)		-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash In (interest, royalties etc.)		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash In	615,000	6,250	6,250	6,250	6,250	12,030	12,030	12,030	12,030	12,030	12,030	12,030	12,030	736,240
Total Cash Available	615,000	66,250	48,618	45,335	41,052	43,548	42,482	42,916	40,350	40,784	41,219	41,654	42,090	796,240
Cash Out														
Inventory Expenditures														
Inventory/Raw Material (Cash)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inventory/Raw Material (Paid on Account)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Production Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating Expenses														
Advertising	-	4,900	100	100	100	100	100	100	100	100	100	100	100	6,000
Bank Charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dues & Subscriptions	-	550	-	-	-	-	-	-	-	-	-	-	-	550
Insurance	-	3,000	-	-	-	-	-	3,000	-	-	-	-	-	6,000
Licenses & Fees	-	6,000	-	-	-	-	-	-	-	-	-	-	-	6,000
Marketing & Promotion	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Meals & Entertainment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	100	100	100	100	193	193	193	193	192	192	192	192	1,940
Office Expense	-	219	219	219	219	421	421	421	421	421	421	421	420	4,243
Office Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Outside Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payroll Expenses														
Salaries & Wages	-	2,625	2,625	2,625	2,625	3,203	3,203	3,203	3,203	3,203	3,203	3,203	3,203	36,124
Payroll Taxes	-	368	368	368	368	448	448	448	448	448	448	448	449	5,057
Benefits	-	53	53	53	53	64	64	64	64	64	64	63	63	722
Professional Fees	-	-	-	1,000	-	-	-	-	-	-	-	-	-	1,000
Property Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	507	507	507	508	977	977	977	977	977	977	977	977	9,845
Shipping & Delivery	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Telephone	-	50	50	50	50	50	50	50	50	50	50	50	50	600
Training & Development	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Travel	-	-	-	-	-	1,500	-	-	-	-	-	-	-	1,500
Utilities	-	681	682	682	682	1,311	1,311	1,311	1,311	1,311	1,311	1,311	1,311	13,215
Vehicle	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Paid on Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-operating Costs														
Capital Purchases	555,000	-	-	-	-	-	-	-	-	-	-	-	-	555,000
Estimated Income Tax Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Payments	-	3,385	3,373	3,362	3,348	3,336	3,324	3,312	3,300	3,288	3,276	3,264	3,251	39,819
Loan Principal Payments	-	1,444	1,456	1,467	1,481	1,493	1,505	1,517	1,529	1,541	1,553	1,565	1,578	18,129
Owner's Draw	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Out	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Out	555,000	23,882	9,533	10,533	9,534	13,096	11,596	14,596	11,596	11,595	11,595	11,594	11,594	705,744
Monthly Cash Flow (cash in - cash out)	60,000	(17,632)	(3,283)	(4,283)	(3,284)	(1,066)	434	(2,566)	434	435	435	436	436	30,496
Beginning Cash Balance	-	60,000	42,368	39,085	34,802	31,518	30,452	30,886	28,320	28,754	29,189	29,624	30,060	-
Ending Cash Balance	60,000	42,368	39,085	34,802	31,518	30,452	30,886	28,320	28,754	29,189	29,624	30,060	30,496	30,496

**Sparkle and Glean Car Wash
Cash Flow Statement**

200D	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Cash In													
Cash Sales	11,365	22,735	22,735	22,735	22,735	11,365	11,365	11,365	11,365	11,365	11,365	11,365	181,860
Collections from Accounts Receivables	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Received	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans Received	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash In (receipts from other assets)	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash In (interest, royalties etc.)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash In	11,365	22,735	22,735	22,735	22,735	11,365	11,365	11,365	11,365	11,365	11,365	11,365	181,860
Total Cash Available	41,861	41,552	47,632	52,613	58,693	51,903	49,805	45,276	44,047	42,819	41,590	40,362	212,356
Cash Out													
Inventory Expenditures													
Inventory/Raw Material (Cash)	-	-	-	-	-	-	-	-	-	-	-	-	-
Inventory/Raw Material (Paid on Account)	-	-	-	-	-	-	-	-	-	-	-	-	-
Production Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating Expenses													
Advertising	150	150	150	150	150	150	150	150	150	150	150	150	1,800
Bank Charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Dues & Subscriptions	550	-	-	-	-	-	-	-	-	-	-	-	550
Insurance	3,300	-	-	-	-	-	3,300	-	-	-	-	-	6,600
Licenses & Fees	6,600	-	-	-	-	-	-	-	-	-	-	-	6,600
Marketing & Promotion	-	-	-	-	-	-	-	-	-	-	-	-	-
Meals & Entertainment	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	182	364	364	364	364	182	182	182	182	182	182	182	2,910
Office Expense	398	796	796	796	796	398	398	398	398	398	398	398	6,365
Office Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-
Outside Services	-	-	-	-	-	-	-	-	-	-	-	-	-
Payroll Expenses													
Salaries & Wages	4,137	5,274	5,274	5,274	5,274	4,137	4,137	4,137	4,137	4,137	4,137	4,137	54,186
Payroll Taxes	579	738	738	738	738	579	579	579	579	579	579	579	7,586
Benefits	83	105	105	105	105	83	83	83	83	83	83	83	1,084
Professional Fees	-	-	1,100	-	-	-	-	-	-	-	-	-	1,100
Property Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent	-	-	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	923	1,846	1,846	1,846	1,846	923	923	923	923	923	923	923	14,767
Shipping & Delivery	-	-	-	-	-	-	-	-	-	-	-	-	-
Telephone	75	75	75	75	75	75	75	75	75	75	75	75	900
Training & Development	-	-	-	-	-	-	-	-	-	-	-	-	-
Travel	-	-	-	-	1,500	-	-	-	-	-	-	-	1,500
Utilities	1,239	2,478	2,478	2,478	2,478	1,239	1,239	1,239	1,239	1,239	1,239	1,239	19,823
Vehicle	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Paid on Account	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-operating Costs													
Capital Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimated Income Tax Payments	-	-	-	-	-	869	-	-	-	-	-	-	869
Interest Payments	3,242	3,230	3,217	3,204	3,192	3,179	3,166	3,153	3,140	3,127	3,114	3,099	38,063
Loan Principal Payments	1,587	1,599	1,612	1,625	1,637	1,650	1,663	1,676	1,689	1,702	1,715	1,730	19,885
Owner's Draw	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Out	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Out	23,044	16,655	17,755	16,655	18,155	13,463	15,894	12,594	12,594	12,594	12,594	12,594	184,588
Monthly Cash Flow (cash in - cash out)	(11,679)	6,080	4,980	6,080	4,580	(2,098)	(4,529)	(1,229)	(1,229)	(1,229)	(1,229)	(1,229)	(2,728)
Beginning Cash Balance	30,496	18,817	24,897	29,878	35,958	40,538	38,440	33,911	32,682	31,454	30,225	28,997	30,496
Ending Cash Balance	18,817	24,897	29,878	35,958	40,538	38,440	33,911	32,682	31,454	30,225	28,997	27,768	27,768

**Sparkle and Gleam Car Wash
Cash Flow Statement**

200E	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Cash In													
Cash Sales	15,911	31,829	31,829	31,829	31,829	15,911	15,911	15,911	15,911	15,911	15,911	15,911	254,604
Collections from Accounts Receivables	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Received	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans Received	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash In (receipts from other assets)	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash In (interest, royalties etc.)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash In	15,911	31,829	31,829	31,829	31,829	15,911	15,911	15,911	15,911	15,911	15,911	15,911	254,604
Total Cash Available	43,679	49,211	60,496	70,572	79,328	73,196	68,337	65,761	66,814	68,726	69,779	70,833	282,372
Cash Out													
Inventory Expenditures													
Inventory/Raw Material (Cash)	-	-	-	-	-	-	-	-	-	-	-	-	-
Inventory/Raw Material (Paid on Account)	-	-	-	-	-	-	-	-	-	-	-	-	-
Production Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating Expenses													
Advertising	210	210	210	210	210	210	210	210	210	210	210	210	2,520
Bank Charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Dues & Subscriptions	550	-	-	-	-	-	-	-	-	-	-	-	550
Insurance	3,630	-	-	-	-	-	3,630	-	-	-	-	-	7,260
Licenses & Fees	7,260	-	-	-	-	-	-	-	-	-	-	-	7,260
Marketing & Promotion	-	-	-	-	-	-	-	-	-	-	-	-	-
Meals & Entertainment	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	255	509	509	509	509	255	255	255	255	255	255	255	4,074
Office Expense	557	1,114	1,114	1,114	1,114	557	557	557	557	557	557	557	8,911
Office Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-
Outside Services	-	-	-	-	-	-	-	-	-	-	-	-	-
Payroll Expenses													
Salaries & Wages	5,091	6,683	6,683	6,683	6,683	5,091	5,091	5,091	5,091	5,091	5,091	5,091	67,460
Payroll Taxes	713	936	936	936	936	713	713	713	713	713	713	713	9,444
Benefits	102	134	134	134	134	102	102	102	102	102	102	102	1,349
Professional Fees	-	-	1,210	-	-	-	-	-	-	-	-	-	1,210
Property Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent	-	-	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	1,292	2,585	2,585	2,585	2,585	1,292	1,292	1,292	1,292	1,292	1,292	1,292	20,674
Shipping & Delivery	-	-	-	-	-	-	-	-	-	-	-	-	-
Telephone	75	75	75	75	75	75	75	75	75	75	75	75	900
Training & Development	-	-	-	-	-	-	-	-	-	-	-	-	-
Travel	-	-	-	-	1,500	-	-	-	-	-	-	-	1,500
Utilities	1,734	3,469	3,469	3,469	3,469	1,734	1,734	1,734	1,734	1,734	1,734	1,734	27,752
Vehicle	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Paid on Account	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-operating Costs													
Capital Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimated Income Tax Payments	-	-	-	2,530	-	5,912	-	-	(858)	-	-	301	7,886
Interest Payments	3,086	3,072	3,059	3,044	3,031	3,017	3,002	3,088	2,974	2,958	2,944	2,929	36,204
Loan Principal Payments	1,743	1,757	1,770	1,785	1,798	1,812	1,827	1,741	1,855	1,871	1,885	1,900	21,744
Owner's Draw	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Out	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Out	26,297	20,543	21,753	23,073	22,043	20,770	18,487	14,857	14,000	14,857	14,857	15,159	226,698
Monthly Cash Flow (cash in - cash out)	(10,386)	11,286	10,076	8,756	9,786	(4,859)	(2,576)	1,054	1,911	1,054	1,054	752	27,906
Beginning Cash Balance	27,768	17,382	28,667	38,743	47,499	57,285	52,426	49,850	50,903	52,815	53,868	54,922	27,768
Ending Cash Balance	17,382	28,667	38,743	47,499	57,285	52,426	49,850	50,903	52,815	53,868	54,922	55,674	55,674

Sparkle and Gleam Car Wash
Year-End
Income Statement (Projected)

	200C	200D	200E
Net Sales (less returns & allowances)	121,240	181,860	254,604
Cost of Goods Sold	-	-	-
Gross Margin	\$ 121,240	\$ 181,860	\$ 254,604
Operating Expenses			
Advertising	6,000	1,800	2,520
Bad Debt Expense	-	-	-
Bank Charges	-	-	-
Depreciation & Amortization	31,250	31,250	31,250
Dues & Subscriptions	550	550	550
Insurance	6,000	6,600	7,260
Licenses & Fees	6,000	6,600	7,260
Marketing & Promotion	-	-	-
Meals & Entertainment	-	-	-
Miscellaneous	1,940	2,910	4,074
Office Expense	4,243	6,365	8,911
Office Supplies	-	-	-
Outside Services	-	-	-
Payroll Expenses			
Salaries & Wages	36,124	54,186	67,460
Payroll Taxes	5,057	7,586	9,444
Benefits	722	1,084	1,349
Professional Fees	1,000	1,100	1,210
Property Taxes	-	-	-
Rent	-	-	-
Repairs & Maintenance	9,845	14,767	20,674
Shipping & Delivery	-	-	-
Telephone	600	900	900
Training & Development	-	-	-
Travel	1,500	1,500	1,500
Utilities	13,215	19,823	27,752
Vehicle	-	-	-
Other	-	-	-
Other	-	-	-
Other	-	-	-
Total Operating Expenses	\$ 124,046	\$ 157,020	\$ 192,115
Operating Income	\$ (2,806)	\$ 24,840	\$ 62,489
Interest Expense	39,819	38,063	36,204
Other Income (interest, royalties, etc.)	-	-	-
Income Before Taxes	\$ (42,625)	\$ (13,223)	\$ 26,285
Income Taxes (if C Corp)	-	-	-
Net Income	\$ (42,625)	\$ (13,223)	\$ 26,285

Sparkle and Gleam Car Wash
Year-End
Balance Sheet (Projected)

	200C	200D	200E
Assets			
Current Assets			
Cash & Equivalents	30,496	27,768	55,674
Accounts Receivable	-	-	-
Inventory	-	-	-
Security Deposits	-	-	-
Other Current Assets	-	-	-
Total Current Assets	\$ 30,496	\$ 27,768	\$ 55,674
Fixed Assets			
Property, Plant & Equipment	555,000	555,000	555,000
Less: Accumulated Depreciation	(31,250)	(62,500)	(93,750)
Other Non-Current Assets	-	-	-
Total Non-Current Assets	\$ 523,750	\$ 492,500	\$ 461,250
Total Assets	\$ 554,246	\$ 520,268	\$ 516,924
Liabilities			
Current Liabilities			
Accounts Payable	-	-	-
Line of Credit	-	-	-
Other Current Liabilities	-	-	-
Total Current Liabilities	\$ -	\$ -	\$ -
Long-term Liabilities			
Loans	198,055	183,757	167,962
Mortgages	238,816	233,229	227,280
Other Non-Current Liabilities	-	-	-
Total Non-Current Liabilities	\$ 436,871	\$ 416,986	\$ 395,242
Total Liabilities	\$ 436,871	\$ 416,986	\$ 395,242
Equity			
Equity Investments	160,000	160,000	160,000
Retained Earnings	(42,625)	(55,848)	(29,563)
Less: Owner's & Investor's Draws	-	(869)	(8,755)
Total Equity	\$ 117,375	\$ 103,282	\$ 121,682
Total Liabilities and Equity	\$ 554,246	\$ 520,268	\$ 516,924

**Sparkle and Gleam Car Wash
Financial Ratios**

		200C	200D	200E
Profitability Ratios				
Gross Margin	$\frac{\text{Gross Income}}{\text{Net Sales}}$	100.00%	100.00%	100.00%
Operating Margin	$\frac{\text{Operating Income}}{\text{Net Sales}}$	-2.31%	13.66%	24.54%
Net Margin	$\frac{\text{Net Income}}{\text{Net Sales}}$	-35.16%	-7.27%	10.32%
Return on Assets (ROA)	$\frac{\text{Net Income}}{\text{Total Assets}}$	-7.69%	-2.54%	5.08%
Return on Equity (ROE)	$\frac{\text{Net Income}}{\text{Shareholders' Equity}}$	-36.32%	-12.80%	21.60%
Liquidity Ratios				
Current Ratio	$\frac{\text{Total Current Assets}}{\text{Total Current Liabilities}}$	#DIV/0!	#DIV/0!	#DIV/0!
Quick Ratio	$\frac{\text{Current Assets - Inventory}}{\text{Current Liabilities}}$	#DIV/0!	#DIV/0!	#DIV/0!
Risk Ratios				
Debt Ratio	$\frac{\text{Total Liabilities}}{\text{Total Assets}}$	0.79	0.80	0.76
Debt to Equity	$\frac{\text{Total Liabilities}}{\text{Shareholders' Equity}}$	3.72	4.04	3.25
Efficiency Ratios				
Inventory Turnover	$\frac{\text{Cost of Goods Sold}}{\text{Inventory}}$	#DIV/0!	#DIV/0!	#DIV/0!
Days Sales Outstanding (DSO)	$\frac{\text{Accounts Receivable}}{\text{Net Sales}/365}$	0.00	0.00	0.00
Investment Turnover Ratio	$\frac{\text{Net Sales}}{\text{Total Assets}}$	0.22	0.35	0.49



APPENDIX

SALES PROJECTIONS
Sparkle and Gleam Car Wash

Year 1		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Sales Budget														
YEAR 1	Product/Service Category A	2,000	2,000	2,000	2,000	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	44,000
	Product/Service Category B	3,200	3,200	3,200	3,200	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	57,600
	Product/Service Category C	800	800	800	800	1,560	1,560	1,560	1,560	1,560	1,560	1,560	1,560	15,680
	Product/Service Category D	250	250	250	250	370	370	370	370	370	370	370	370	3,960
	Product/Service Category E	-	-	-	-	-	-	-	-	-	-	-	-	-
	Product/Service Category F	-	-	-	-	-	-	-	-	-	-	-	-	-
	Product/Service Category G	-	-	-	-	-	-	-	-	-	-	-	-	-
	Gross Sales	6,250	6,250	6,250	6,250	12,030	12,030	12,030	12,030	12,030	12,030	12,030	12,030	121,240
	Less: Returns & Allowances	-	-	-	-	-	-	-	-	-	-	-	-	-
	Net Sales	6,250	6,250	6,250	6,250	12,030	12,030	12,030	12,030	12,030	12,030	12,030	12,030	121,240
	Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Income	6,250	6,250	6,250	6,250	12,030	12,030	12,030	12,030	12,030	12,030	12,030	12,030	121,240
Credit Management														
YEAR 1	Sales (cash)	6,250	6,250	6,250	6,250	12,030	12,030	12,030	12,030	12,030	12,030	12,030	12,030	121,240
	Sales (credit)	-	-	-	-	-	-	-	-	-	-	-	-	-
	Received on Account	-	-	-	-	-	-	-	-	-	-	-	-	-
	Bad Debt Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Year 1 Assumptions														
YEAR 1	Product/Service Category A	In-Bay Revenue--In-bay automatics averaged \$4,000 to \$6,500 per month depending on income levels of area served in 200A. Projections are to build to \$4,500 per month this year.												
	Product/Service Category B	Self Serve Revenue--Bays average \$1040/mo if supported by a population of 1500 per bay. Population for S&G is much higher-sales are projected at \$1400/mo after first 4 mos at \$800/mo.												
	Product/Service Category C	Vacuuming Revenue--Vacuuming is projected at \$195 per vacuum per month - 8 vacuums. (National average) First 4 months \$100 per.												
	Product/Service Category D	Vending Revenue--Vending revenue projected at national average of \$370 per month (net of cost). First 4 months \$250.												
	Product/Service Category E													
	Product/Service Category F													
	Product/Service Category G													
	Less: Returns & Allowances													
	Other Income													
	Sales (cash)													
Sales (credit)														
Received on Account														
Bad Debt Expense														

SALES PROJECTIONS
Sparkle and Gleam Car Wash

Year 2		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Sales Budget														
YEAR 2	Product/Service Category A	4,125	8,250	8,250	8,250	8,250	4,125	4,125	4,125	4,125	4,125	4,125	4,125	66,000
	Product/Service Category B	5,400	10,800	10,800	10,800	10,800	5,400	5,400	5,400	5,400	5,400	5,400	5,400	86,400
	Product/Service Category C	1,470	2,940	2,940	2,940	2,940	1,470	1,470	1,470	1,470	1,470	1,470	1,470	23,520
	Product/Service Category D	370	745	745	745	745	370	370	370	370	370	370	370	5,940
YEAR 2	Product/Service Category E	-	-	-	-	-	-	-	-	-	-	-	-	-
	Product/Service Category F	-	-	-	-	-	-	-	-	-	-	-	-	-
	Product/Service Category G	-	-	-	-	-	-	-	-	-	-	-	-	-
YEAR 2	Gross Sales	11,365	22,735	22,735	22,735	22,735	11,365	11,365	11,365	11,365	11,365	11,365	11,365	181,860
	Less: Returns & Allowances	-	-	-	-	-	-	-	-	-	-	-	-	-
	Net Sales	11,365	22,735	22,735	22,735	22,735	11,365	11,365	11,365	11,365	11,365	11,365	11,365	181,860
YEAR 2	Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Income	11,365	22,735	22,735	22,735	22,735	11,365	11,365	11,365	11,365	11,365	11,365	11,365	181,860
	Credit Management													
	Sales (cash)	11,365	22,735	22,735	22,735	22,735	11,365	11,365	11,365	11,365	11,365	11,365	11,365	181,860
YEAR 2	Sales (credit)	-	-	-	-	-	-	-	-	-	-	-	-	-
	Received on Account	-	-	-	-	-	-	-	-	-	-	-	-	-
	Bad Debt Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Year 2 Assumptions														
YEAR 2	Product/Service Category A	Assumed a 50% increase in revenues in year 2. 50% of revenues in Feb-May timeframe (late winter/early spring)												
	Product/Service Category B	Assumed a 50% increase in revenues in year 2. 50% of revenues in Feb-May timeframe (late winter/early spring)												
	Product/Service Category C	Assumed a 50% increase in revenues in year 2. 50% of revenues in Feb-May timeframe (late winter/early spring)												
	Product/Service Category D	Assumed a 50% increase in revenues in year 2. 50% of revenues in Feb-May timeframe (late winter/early spring)												
YEAR 2	Product/Service Category E													
	Product/Service Category F													
	Product/Service Category G													
	Less: Returns & Allowances													
YEAR 2	Other Income													
	Sales (cash)													
	Sales (credit)													
	Received on Account													
YEAR 2	Bad Debt Expense													

SALES PROJECTIONS
Sparkle and Gleam Car Wash

Year 3		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Sales Budget														
YEAR 3	Product/Service Category A	5,775	11,550	11,550	11,550	11,550	5,775	5,775	5,775	5,775	5,775	5,775	5,775	92,400
	Product/Service Category B	7,560	15,120	15,120	15,120	15,120	7,560	7,560	7,560	7,560	7,560	7,560	7,560	120,960
	Product/Service Category C	2,058	4,116	4,116	4,116	4,116	2,058	2,058	2,058	2,058	2,058	2,058	2,058	32,928
	Product/Service Category D	518	1,043	1,043	1,043	1,043	518	518	518	518	518	518	518	8,316
YEAR 3	Product/Service Category E	-	-	-	-	-	-	-	-	-	-	-	-	-
	Product/Service Category F	-	-	-	-	-	-	-	-	-	-	-	-	-
	Product/Service Category G	-	-	-	-	-	-	-	-	-	-	-	-	-
YEAR 3	Gross Sales	15,911	31,829	31,829	31,829	31,829	15,911	15,911	15,911	15,911	15,911	15,911	15,911	254,604
	Less: Returns & Allowances	-	-	-	-	-	-	-	-	-	-	-	-	-
	Net Sales	15,911	31,829	31,829	31,829	31,829	15,911	15,911	15,911	15,911	15,911	15,911	15,911	254,604
	Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-
YEAR 3	Total Income	15,911	31,829	31,829	31,829	31,829	15,911	15,911	15,911	15,911	15,911	15,911	15,911	254,604
	Credit Management													
	Sales (cash)	15,911	31,829	31,829	31,829	31,829	15,911	15,911	15,911	15,911	15,911	15,911	15,911	254,604
	Sales (credit)	-	-	-	-	-	-	-	-	-	-	-	-	-
	Received on Account	-	-	-	-	-	-	-	-	-	-	-	-	-
	Bad Debt Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Year 3 Assumptions														
YEAR 3	Product/Service Category A	Assumed a 40% increase in revenues in year 3 (over year 2).												
	Product/Service Category B	Assumed a 40% increase in revenues in year 3 (over year 2).												
	Product/Service Category C	Assumed a 40% increase in revenues in year 3 (over year 2).												
	Product/Service Category D	Assumed a 40% increase in revenues in year 3 (over year 2).												
YEAR 3	Product/Service Category E													
	Product/Service Category F													
	Product/Service Category G													
YEAR 3	Less: Returns & Allowances													
	Other Income													
	Sales (cash)													
	Sales (credit)													
	Received on Account													
	Bad Debt Expense													

OPERATING EXPENSE PROJECTIONS

Sparkle and Gleam Car Wash

Year 1		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	
YEAR 1	Operating Expenses														
	Advertising	4,900	100	100	100	100	100	100	100	100	100	100	100	6,000	
	Bank Charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Dues & Subscriptions	550	-	-	-	-	-	-	-	-	-	-	-	-	550
	Insurance	3,000	-	-	-	-	-	3,000	-	-	-	-	-	-	6,000
	Licenses & Fees	6,000	-	-	-	-	-	-	-	-	-	-	-	-	6,000
	Marketing & Promotion	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Meals & Entertainment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Miscellaneous	100	100	100	100	193	193	193	193	192	192	192	192	192	1,940
	Office Expense (postage)	219	219	219	219	421	421	421	421	421	421	421	421	420	4,243
	Office Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Outside Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Payroll Expenses														
	Salaries & Wages	2,625	2,625	2,625	2,625	3,203	3,203	3,203	3,203	3,203	3,203	3,203	3,203	3,203	36,124
	Payroll Taxes	368	368	368	368	448	448	448	448	448	448	448	448	449	5,057
	Benefits	53	53	53	53	64	64	64	64	64	64	64	63	63	722
	Professional Fees	-	-	1,000	-	-	-	-	-	-	-	-	-	-	1,000
	Property Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rent	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Repairs & Maintenance	507	507	507	508	977	977	977	977	977	977	977	977	977	9,845
	Shipping & Delivery	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Telephone	50	50	50	50	50	50	50	50	50	50	50	50	50	600
	Training & Development	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Travel	-	-	-	-	1,500	-	-	-	-	-	-	-	-	1,500
	Utilities	681	682	682	682	1,311	1,311	1,311	1,311	1,311	1,311	1,311	1,311	1,311	13,215
	Vehicle	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Operating Expenses	19,053	4,704	5,704	4,705	8,287	6,767	9,767	6,767	6,766	6,766	6,765	6,765	6,765	92,796	
YEAR 1	Assumptions - Year 1														
	Advertising	<u>Initial month broadcast, print and direct mail. Monthly coupon program with coop mail pac after the first month.</u>													
	Bank Charges														
	Dues & Subscriptions	<u>Trade associations and publications.</u>													
	Insurance	<u>Based on quote from insurance agent</u>													
	Licenses & Fees	<u>Based on state property tax rates.</u>													
	Marketing & Promotion														
	Meals & Entertainment														
	Miscellaneous	<u>Miscellaneous expenses including security at 1.6% of sales - industry averages.</u>													
	Office Expense (postage)	<u>Soap/Wax,Chemical estimated at 3.5% of sales based on industry averages.</u>													
	Office Supplies														
	Outside Services														
	Payroll Expenses														
	Salaries & Wages	<u>Part-time attendant budgeted at 10% of sales, based on industry averages. Owner salary of \$24000 the first year.</u>													
	Payroll Taxes	<u>Projected at 14% of salaries</u>													
	Benefits	<u>Projected at 2% of Salaries</u>													
	Professional Fees	<u>To pay accountant for tax preparation and financial advice.</u>													
	Property Taxes														
	Rent														
	Repairs & Maintenance	<u>Sewer-2.17% of sales, Pit Cleaning-.9% of sales, Replacement Parts-3.28% of sales, Vandalism-.74% of sales, Waste Removal-1.03% of sales-industry</u>													
	Shipping & Delivery														
	Telephone	<u>To cover cell phone expenses for owner</u>													
	Training & Development														
	Travel	<u>To one annual industr meeting per year.</u>													
	Utilities	<u>Electricity estimated at 5.3% of sales, Fuel at 2.9% of sales, Water at 2.7% of sales - based on industry averages.</u>													
	Vehicle														
	Other														
	Other														
Other															

OPERATING EXPENSE PROJECTIONS

Sparkle and Gleam Car Wash

Year 2		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
YEAR 2	Operating Expenses													
	Advertising	150	150	150	150	150	150	150	150	150	150	150	150	1,800
	Bank Charges	-	-	-	-	-	-	-	-	-	-	-	-	-
	Dues & Subscriptions	550	-	-	-	-	-	-	-	-	-	-	-	550
	Insurance	3,300	-	-	-	-	-	3,300	-	-	-	-	-	6,600
	Licenses & Fees	6,600	-	-	-	-	-	-	-	-	-	-	-	6,600
	Marketing & Promotion	-	-	-	-	-	-	-	-	-	-	-	-	-
	Meals & Entertainment	-	-	-	-	-	-	-	-	-	-	-	-	-
	Miscellaneous	182	364	364	364	364	182	182	182	182	182	182	182	2,910
	Office Expense (postage)	398	796	796	796	796	398	398	398	398	398	398	398	6,365
	Office Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-
	Outside Services	-	-	-	-	-	-	-	-	-	-	-	-	-
	Payroll Expenses													
	Salaries & Wages	4,137	5,274	5,274	5,274	5,274	4,137	4,137	4,137	4,137	4,137	4,137	4,137	54,186
	Payroll Taxes	579	738	738	738	738	579	579	579	579	579	579	579	7,586
	Benefits	83	105	105	105	105	83	83	83	83	83	83	83	1,084
	Professional Fees	-	-	1,100	-	-	-	-	-	-	-	-	-	1,100
	Property Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rent	-	-	-	-	-	-	-	-	-	-	-	-	-
	Repairs & Maintenance	923	1,846	1,846	1,846	1,846	923	923	923	923	923	923	923	14,767
	Shipping & Delivery	-	-	-	-	-	-	-	-	-	-	-	-	-
	Telephone	75	75	75	75	75	75	75	75	75	75	75	75	900
	Training & Development	-	-	-	-	-	-	-	-	-	-	-	-	-
	Travel	-	-	-	-	1,500	-	-	-	-	-	-	-	1,500
	Utilities	1,239	2,478	2,478	2,478	2,478	1,239	1,239	1,239	1,239	1,239	1,239	1,239	19,823
	Vehicle	-	-	-	-	-	-	-	-	-	-	-	-	-
	Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Operating Expenses	18,215	11,826	12,926	11,826	13,326	7,765	11,065	7,765	7,765	7,765	7,765	7,765	125,770	
YEAR 2	Assumptions - Year 2													
	Advertising	Assumed 50% increase over prior year monthly mailing cost.												
	Bank Charges													
	Dues & Subscriptions	Trade associations and publications.												
	Insurance	Assumed 10% increase over prior year												
	Licenses & Fees	Assumed 10% increase over prior year												
	Marketing & Promotion													
	Meals & Entertainment													
	Miscellaneous	Miscellaneous expenses including security at 1.6% of sales - industry averages.												
	Office Expense (postage)	Soap/Wax,Chemical estimated at 3.5% of sales based on industry averages.												
	Office Supplies													
	Outside Services													
	Payroll Expenses													
	Salaries & Wages	Part-time attendant budgeted at 10% of sales, based on industry averages. Owner salary of \$36000 the second year.												
	Payroll Taxes	Projected at 14% of salaries												
	Benefits	Projected at 2% of Salaries												
	Professional Fees	To pay accountant for tax preparation and financial advice. Assumed 10% increase over prior year.												
	Property Taxes													
Rent														
Repairs & Maintenance	Sewer-2.17% of sales, Pit Cleaning-.9% of sales, Replacement Parts-3.28% of sales, Vandalism-.74% of sales, Waste Removal-1.03% of sales-industry													
Shipping & Delivery														
Telephone	To cover cell phone expenses for owner													
Training & Development														
Travel	To one annual industry meeting per year.													
Utilities	Electricity estimated at 5.3% of sales, Fuel at 2.9% of sales, Water at 2.7% of sales - based on industry averages.													
Vehicle														
Other														
Other														
Other														

OPERATING EXPENSE PROJECTIONS

Sparkle and Gleam Car Wash

Year 3		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
YEAR 3	Operating Expenses													
	Advertising	210	210	210	210	210	210	210	210	210	210	210	210	2,520
	Bank Charges	-	-	-	-	-	-	-	-	-	-	-	-	-
	Dues & Subscriptions	550	-	-	-	-	-	-	-	-	-	-	-	550
	Insurance	3,630	-	-	-	-	-	3,630	-	-	-	-	-	7,260
	Licenses & Fees	7,260	-	-	-	-	-	-	-	-	-	-	-	7,260
	Marketing & Promotion	-	-	-	-	-	-	-	-	-	-	-	-	-
	Meals & Entertainment	-	-	-	-	-	-	-	-	-	-	-	-	-
	Miscellaneous	255	509	509	509	509	255	255	255	255	255	255	255	4,074
	Office Expense (postage)	557	1,114	1,114	1,114	1,114	557	557	557	557	557	557	557	8,911
	Office Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-
	Outside Services	-	-	-	-	-	-	-	-	-	-	-	-	-
	Payroll Expenses													
	Salaries & Wages	5,091	6,683	6,683	6,683	6,683	5,091	5,091	5,091	5,091	5,091	5,091	5,091	67,460
	Payroll Taxes	713	936	936	936	936	713	713	713	713	713	713	713	9,444
	Benefits	102	134	134	134	134	102	102	102	102	102	102	102	1,349
	Professional Fees	-	-	1,210	-	-	-	-	-	-	-	-	-	1,210
	Property Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
	Rent	-	-	-	-	-	-	-	-	-	-	-	-	-
	Repairs & Maintenance	1,292	2,585	2,585	2,585	2,585	1,292	1,292	1,292	1,292	1,292	1,292	1,292	20,674
	Shipping & Delivery	-	-	-	-	-	-	-	-	-	-	-	-	-
	Telephone	75	75	75	75	75	75	75	75	75	75	75	75	900
	Training & Development	-	-	-	-	-	-	-	-	-	-	-	-	-
	Travel	-	-	-	-	1,500	-	-	-	-	-	-	-	1,500
	Utilities	1,734	3,469	3,469	3,469	3,469	1,734	1,734	1,734	1,734	1,734	1,734	1,734	27,752
	Vehicle	-	-	-	-	-	-	-	-	-	-	-	-	-
	Other	-	-	-	-	-	-	-	-	-	-	-	-	-
	Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Operating Expenses	21,468	15,714	16,924	15,714	17,214	10,028	13,658	10,028	10,028	10,028	10,028	10,028	10,028	160,865
YEAR 3	Assumptions - Year 3													
	Advertising	Assumed 40% increase over prior year monthly mailing cost.												
	Bank Charges													
	Dues & Subscriptions	Trade associations and publications.												
	Insurance	Assumed 10% increase over prior year												
	Licenses & Fees	Assumed 10% increase over prior year												
	Marketing & Promotion													
	Meals & Entertainment													
	Miscellaneous	Miscellaneous expenses including security at 1.6% of sales - industry averages.												
	Office Expense (postage)	Soap/Wax,Chemical estimated at 3.5% of sales based on industry averages.												
	Office Supplies													
	Outside Services													
	Payroll Expenses													
	Salaries & Wages	Part-time attendant budgeted at 10% of sales, based on industry averages. Owner salary of \$42000 the third year.												
	Payroll Taxes	Projected at 14% of salaries												
	Benefits	Projected at 2% of Salaries												
	Professional Fees	To pay accountant for tax preparation and financial advice. Assumed 10% increase over prior year.												
	Property Taxes													
	Rent													
	Repairs & Maintenance	Sewer-2.17% of sales, Pit Cleaning-.9% of sales, Replacement Parts-3.28% of sales, Vandalism-.74% of sales, Waste Removal-1.03% of sales-industry												
Shipping & Delivery														
Telephone	To cover cell phone expenses for owner													
Training & Development														
Travel	To one annual industry meeting per year.													
Utilities	Electricity estimated at 5.3% of sales, Fuel at 2.9% of sales, Water at 2.7% of sales - based on industry averages.													
Vehicle														
Other														
Other														
Other														

DEPRECIATION SCHEDULES

Sparkle and Gleam Car Wash

Year 1 Existing Assets	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Set-up Assets (no detail entered)	-	-	-	-	-	-	-	-	-	-	-	-	-
Set-up Assets (detail entered)	-	-	-	-	-	-	-	-	-	-	-	-	-
Start-up Purchases	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	31,250
Total	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	31,250
Year 2 Existing Assets													
Set-up Assets (no detail entered)	-	-	-	-	-	-	-	-	-	-	-	-	-
Set-up Assets (detail entered)	-	-	-	-	-	-	-	-	-	-	-	-	-
Start-up Purchases	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	31,250
Total	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	31,250
Year 3 Existing Assets													
Set-up Assets (no detail entered)	-	-	-	-	-	-	-	-	-	-	-	-	-
Set-up Assets (detail entered)	-	-	-	-	-	-	-	-	-	-	-	-	-
Start-up Purchases	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	31,250
Total	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	2,604	31,250
Year 1 New Purchases													
Computer Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
Computer Equipment Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment/Machinery	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Furniture	-	-	-	-	-	-	-	-	-	-	-	-	-
Furniture Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Leasehold Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-
Leasehold Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicle Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Building	-	-	-	-	-	-	-	-	-	-	-	-	-
Building Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Year 2 New Purchases													
Computer Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
Computer Equipment Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment/Machinery	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Furniture	-	-	-	-	-	-	-	-	-	-	-	-	-
Furniture Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Leasehold Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-
Leasehold Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicle Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Building	-	-	-	-	-	-	-	-	-	-	-	-	-
Building Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Year 3 New Purchases													
Computer Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
Computer Equipment Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment/Machinery	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Furniture	-	-	-	-	-	-	-	-	-	-	-	-	-
Furniture Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Leasehold Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-
Leasehold Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicle Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Building	-	-	-	-	-	-	-	-	-	-	-	-	-
Building Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-

Equity Investment

Sparkle and Gleam Car Wash

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Year 1	-	-	-	-	-	-	-	-	-	-	-	-	-
Year 2	-	-	-	-	-	-	-	-	-	-	-	-	-
Year 3	-	-	-	-	-	-	-	-	-	-	-	-	-

Real Estate Loans

Sparkle and Gleam Car Wash

Existing Balance

244,000

New Borrowing

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Year 1	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding balance	243,586	243,169	242,749	242,324	241,896	241,465	241,031	240,594	240,154	239,711	239,265	238,816	-
Year 2	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding balance	238,367	237,915	237,460	237,002	236,541	236,077	235,610	235,140	234,667	234,191	233,712	233,229	-
Year 3	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding balance	232,743	232,254	231,762	231,266	230,767	230,265	229,759	229,350	228,838	228,322	227,803	227,280	-

Repayment

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Year 1 - principal	414	417	420	425	428	431	434	437	440	443	446	449	5,184
Year 1 - interest	1,627	1,624	1,621	1,616	1,613	1,610	1,607	1,604	1,601	1,598	1,595	1,592	19,308
Year 2 - principal	449	452	455	458	461	464	467	470	473	476	479	483	5,587
Year 2 - interest	1,592	1,589	1,586	1,583	1,580	1,577	1,574	1,571	1,568	1,565	1,562	1,558	18,905
Year 3 - principal	486	489	492	496	499	502	506	409	512	516	519	523	5,949
Year 3 - interest	1,555	1,552	1,549	1,545	1,542	1,539	1,535	1,632	1,529	1,525	1,522	1,518	18,543

Traditional Business Loan and/or other Long-term Loans

Sparkle and Gleam Car Wash

Loan 1

Existing Balance

211,000

New Borrowing

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Year 1	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding balance	209,970	208,931	207,884	206,828	205,763	204,689	203,606	202,514	201,413	200,303	199,184	198,055	-
Year 2	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding balance	196,917	195,770	194,613	193,446	192,270	191,084	189,888	188,682	187,466	186,240	185,004	183,757	-
Year 3	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding balance	182,500	181,232	179,954	178,665	177,366	176,056	174,735	173,403	172,060	170,705	169,339	167,962	-

Repayment

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Year 1 - principal	1,030	1,039	1,047	1,056	1,065	1,074	1,083	1,092	1,101	1,110	1,119	1,129	12,945
Year 1 - interest	1,758	1,749	1,741	1,732	1,723	1,714	1,705	1,696	1,687	1,678	1,669	1,659	20,511
Year 2 - principal	1,138	1,147	1,157	1,167	1,176	1,186	1,196	1,206	1,216	1,226	1,236	1,247	14,298
Year 2 - interest	1,650	1,641	1,631	1,621	1,612	1,602	1,592	1,582	1,572	1,562	1,552	1,541	19,158
Year 3 - principal	1,257	1,268	1,278	1,289	1,299	1,310	1,321	1,332	1,343	1,355	1,366	1,377	15,795
Year 3 - interest	1,531	1,520	1,510	1,499	1,489	1,478	1,467	1,456	1,445	1,433	1,422	1,411	17,661

Loan 2

Borrowing

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Year 1	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding balance	-	-	-	-	-	-	-	-	-	-	-	-	-
Year 2	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding balance	-	-	-	-	-	-	-	-	-	-	-	-	-
Year 3	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding balance	-	-	-	-	-	-	-	-	-	-	-	-	-

Repayment

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Year 1 - principal	-	-	-	-	-	-	-	-	-	-	-	-	-
Year 1 - interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Year 2 - principal	-	-	-	-	-	-	-	-	-	-	-	-	-
Year 2 - interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Year 3 - principal	-	-	-	-	-	-	-	-	-	-	-	-	-
Year 3 - interest	-	-	-	-	-	-	-	-	-	-	-	-	-

Line of Credit

Sparkle and Gleam Car Wash

Existing Balance

-

Borrowing

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Year 1	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding balance	-	-	-	-	-	-	-	-	-	-	-	-	-
Year 2	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding balance	-	-	-	-	-	-	-	-	-	-	-	-	-
Year 3	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding balance	-	-	-	-	-	-	-	-	-	-	-	-	-

Repayment

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Year 1 - principal	-	-	-	-	-	-	-	-	-	-	-	-	-
Year 1 - interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Year 2 - principal	-	-	-	-	-	-	-	-	-	-	-	-	-
Year 2 - interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Year 3 - principal	-	-	-	-	-	-	-	-	-	-	-	-	-
Year 3 - interest	-	-	-	-	-	-	-	-	-	-	-	-	-

Year 1 - total principal paid

18,129

Year 1 - total interest paid

39,819

Year 2 - total principal paid

19,885

Year 2 - total interest paid

38,063

Year 3 - total principal paid

21,744

Year 3 - total interest paid

36,204

Amount of Loan	211,000
Annual Interest Rate	10.0%
Term of Loan (in months)	120

Month	Monthly Payment	Principal	Interest	Outstanding Balance
				211,000.00
1	\$2,788.38	1,030.05	1,758.33	209,969.95
2	2,788.38	1,038.63	1,749.75	208,931.32
3	2,788.38	1,047.29	1,741.09	207,884.04
4	2,788.38	1,056.01	1,732.37	206,828.02
5	2,788.38	1,064.81	1,723.57	205,763.21
6	2,788.38	1,073.69	1,714.69	204,689.52
7	2,788.38	1,082.63	1,705.75	203,606.89
8	2,788.38	1,091.66	1,696.72	202,515.23
9	2,788.38	1,100.75	1,687.63	201,414.48
10	2,788.38	1,109.93	1,678.45	200,304.55
11	2,788.38	1,119.18	1,669.20	199,185.37
12	2,788.38	1,128.50	1,659.88	198,056.87
13	2,788.38	1,137.91	1,650.47	196,918.96
14	2,788.38	1,147.39	1,640.99	195,771.58
15	2,788.38	1,156.95	1,631.43	194,614.63
16	2,788.38	1,166.59	1,621.79	193,448.03
17	2,788.38	1,176.31	1,612.07	192,271.72
18	2,788.38	1,186.12	1,602.26	191,085.60
19	2,788.38	1,196.00	1,592.38	189,889.60
20	2,788.38	1,205.97	1,582.41	188,683.64
21	2,788.38	1,216.02	1,572.36	187,467.62
22	2,788.38	1,226.15	1,562.23	186,241.47
23	2,788.38	1,236.37	1,552.01	185,005.10
24	2,788.38	1,246.67	1,541.71	183,758.43
25	2,788.38	1,257.06	1,531.32	182,501.37
26	2,788.38	1,267.54	1,520.84	181,233.83
27	2,788.38	1,278.10	1,510.28	179,955.73
28	2,788.38	1,288.75	1,499.63	178,666.98
29	2,788.38	1,299.49	1,488.89	177,367.50
30	2,788.38	1,310.32	1,478.06	176,057.18
31	2,788.38	1,321.24	1,467.14	174,735.94
32	2,788.38	1,332.25	1,456.13	173,403.69
33	2,788.38	1,343.35	1,445.03	172,060.34
34	2,788.38	1,354.54	1,433.84	170,705.80
35	2,788.38	1,365.83	1,422.55	169,339.97
36	2,788.38	1,377.21	1,411.17	167,962.75
37	2,788.38	1,388.69	1,399.69	166,574.06