

Consolidated (Propco & Opco)

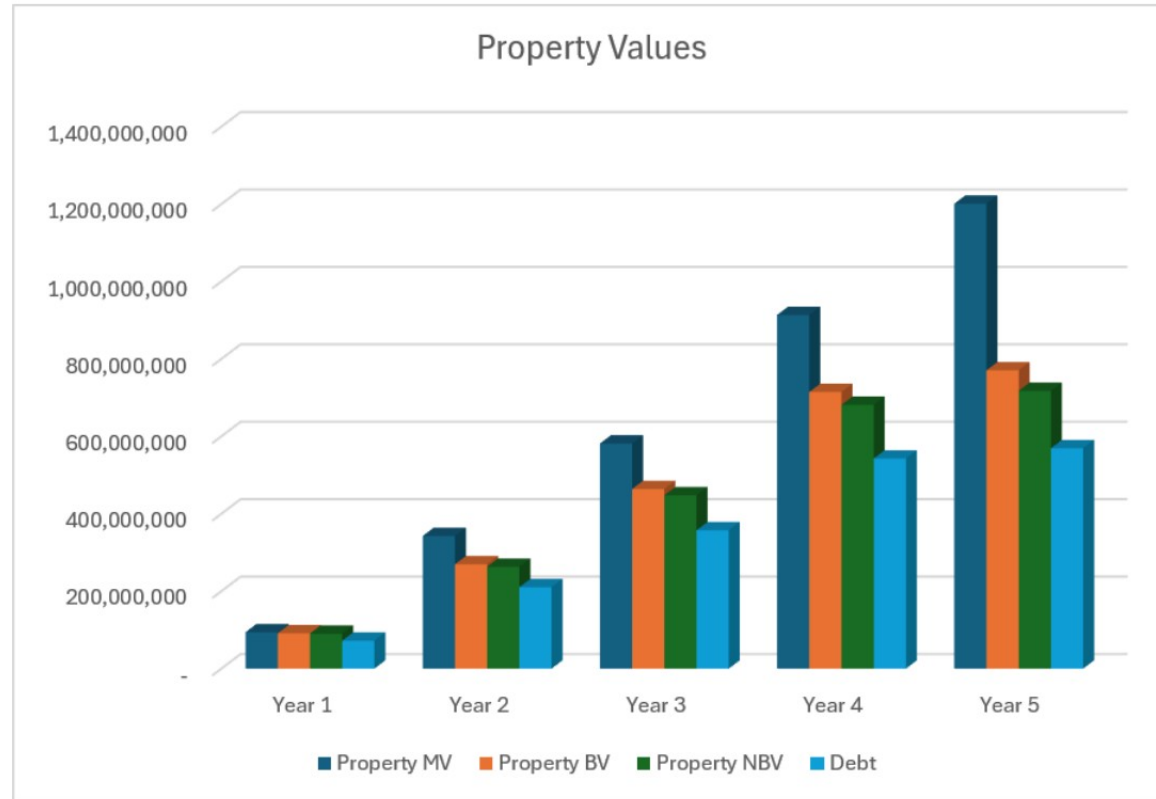
Statement of Operations

	Qtr	Qtr	Qtr	Qtr	YTD	Qtr	Qtr	Qtr	Qtr	YTD	YTD	YTD	YTD
	Year 1	Year 1	Year 1	Year 1	Year 1	Year 2	Year 2	Year 2	Year 2	Year 2	Year 3	Year 4	Year 5
	1	2	3	4		1	2	3	4				
Revenue	18,705,000	18,705,000	23,315,000	27,925,000	88,650,000	35,123,700	42,257,150	49,390,600	62,799,350	189,570,800	345,703,823	558,647,896	729,117,496
EBITDA	5,513,600	5,513,600	6,582,300	7,651,000	25,260,500	9,368,804	11,026,578	12,684,352	15,825,402	48,905,136	85,850,017	136,958,565	178,763,096
Depr & Amort	1,600,000	1,795,513	1,991,026	2,186,538	7,573,077	2,561,538	2,757,051	2,952,564	3,327,564	11,598,718	16,210,897	23,284,615	26,156,410
Interest	138,125	498,511	856,380	1,211,695	2,704,711	1,900,417	2,248,305	2,593,487	3,271,921	10,014,130	18,195,585	30,666,773	34,931,247
Brokerage/Investor Fees	1,300,000	3,080,000	3,080,000	3,080,000	10,540,000	3,080,000	3,080,000	3,080,000	3,080,000	12,320,000	12,320,000	20,685,492	31,802,282
Net Income	2,475,475	139,577	654,894	1,172,766	4,442,712	1,826,848	2,941,221	4,058,301	6,145,917	14,972,288	39,123,535	62,321,684	85,873,157

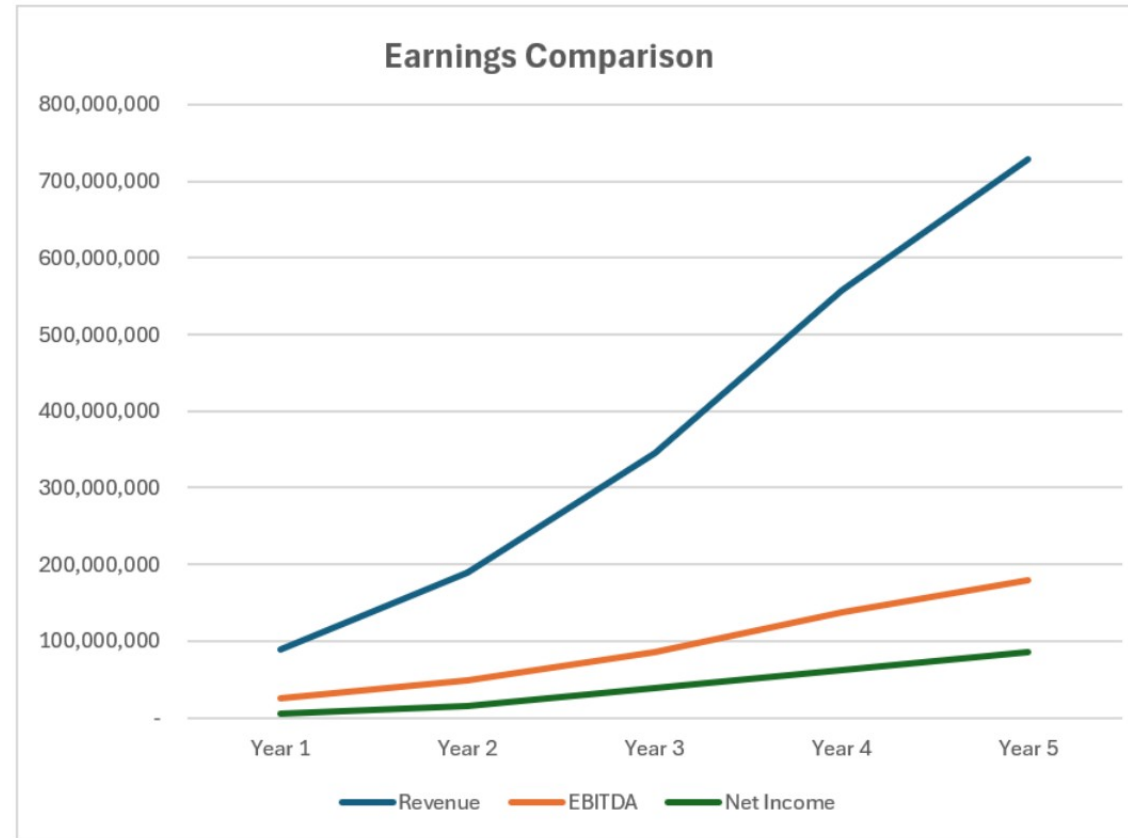
Consolidated (Propco & Opco)
Balance Sheet

	Qtr Year 1 1	Qtr Year 1 2	Qtr Year 1 3	Qtr Year 1 4	YTD Year 1 4	Qtr Year 2 1	Qtr Year 2 2	Qtr Year 2 3	Qtr Year 2 4	YTD Year 2 4	YTD Year 3 4	YTD Year 4 4	YTD Year 5 4
Assets													
Cash	15,611,270	103,096,761	102,125,173	87,824,472	87,824,472	82,505,147	83,917,817	86,462,482	61,990,520	61,990,520	39,284,799	12,079,655	96,142,366
Fixed Asset													
FA Infrastructure	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000
FA-Locations	-	30,500,000	61,000,000	91,500,000	91,500,000	150,000,000	180,500,000	211,000,000	269,500,000	269,500,000	464,000,000	714,500,000	770,500,000
Goodwill	52,000,000	52,000,000	52,000,000	52,000,000	52,000,000	52,000,000	52,000,000	52,000,000	52,000,000	52,000,000	52,000,000	52,000,000	52,000,000
Accum Depr & Amort	(1,600,000)	(3,395,513)	(5,386,538)	(7,573,077)	(7,573,077)	(10,134,615)	(12,891,667)	(15,844,231)	(19,171,795)	(19,171,795)	(35,382,692)	(58,667,308)	(84,823,718)
Total Fixed Assets	59,400,000	88,104,487	116,613,462	144,926,923	144,926,923	200,865,385	228,608,333	256,155,769	311,328,205	311,328,205	489,617,308	716,832,692	746,676,282
Total Assets	75,011,270	191,201,248	218,738,634	232,751,395	232,751,395	283,370,532	312,526,151	342,618,251	373,318,725	373,318,725	528,902,107	728,912,347	842,818,648
Liabilities													
ST Loan	6,235,795	5,965,976	5,690,423	5,409,014	5,409,014	5,121,626	4,828,130	4,528,398	4,222,297	4,222,297	2,931,447	1,527,328	(0)
SBA Loans	-	24,240,221	48,318,266	72,231,703	72,231,703	118,231,380	141,659,272	164,912,805	210,242,678	210,242,678	357,336,026	542,790,972	569,310,681
- Closing Fees	-	-	-	-	-	-	-	-	-	-	-	-	-
Investor Notes Payable	1,300,000	4,380,000	7,460,000	-	-	3,080,000	6,160,000	9,240,000	-	-	-	-	5,574,563
Total Liabilities	7,535,795	34,586,197	61,468,689	77,640,717	77,640,717	126,433,005	152,647,403	178,681,203	214,464,975	214,464,975	360,267,473	544,318,300	574,885,244
Equity													
Partner Equity	65,000,000	154,000,000	154,000,000	150,667,966	150,667,966	150,667,966	150,667,966	150,667,966	139,438,750	139,438,750	110,096,099	63,733,829	61,200,027
Retained Earnings	-	-	-	-	-	6,794,166	6,794,166	6,794,166	6,794,166	6,794,166	29,121,564	75,265,593	144,952,077
Net Income	2,475,475	2,615,052	3,269,946	4,442,712	4,442,712	(524,606)	2,416,616	6,474,917	12,620,834	12,620,834	29,416,971	45,594,625	61,781,299
Total Equity	67,475,475	156,615,052	157,269,946	155,110,678	155,110,678	156,937,526	159,878,748	163,937,049	158,853,750	158,853,750	168,634,634	184,594,047	267,933,403
Total Equity and Liability	75,011,270	191,201,248	218,738,634	232,751,395	232,751,395	283,370,532	312,526,151	342,618,251	373,318,725	373,318,725	528,902,107	728,912,347	842,818,648

Consolidated (Propco & Opco)													
Statement of Cash Flows													
	Qtr	Qtr	Qtr	Qtr	YTD	Qtr	Qtr	Qtr	Qtr	YTD	YTD	YTD	YTD
	Year 1	Year 1	Year 1	Year 1	Year 1	Year 2	Year 2	Year 2	Year 2	Year 2	Year 3	Year 4	Year 5
	1	2	3	4	4	1	2	3	4	4	4	4	4
Net Income	2,475,475	139,577	654,894	1,172,766	4,442,712	1,826,848	2,941,221	4,058,301	6,145,917	14,972,288	39,123,535	62,321,684	85,873,157
+ Depr & Amort	1,600,000	1,795,513	1,991,026	2,186,538	7,573,077	2,561,538	2,757,051	2,952,564	3,327,564	11,598,718	16,210,897	23,284,615	26,156,410
Cash from Operations	4,075,475	1,935,089	2,645,920	3,359,305	12,015,789	4,388,387	5,698,273	7,010,865	9,473,481	26,571,006	55,334,432	85,606,299	112,029,568
Investment - Cap Expansion	61,000,000	30,500,000	30,500,000	30,500,000	152,500,000	58,500,000	30,500,000	30,500,000	58,500,000	178,000,000	194,500,000	250,500,000	56,000,000
Fianancing													
Debt	7,535,795	27,050,402	26,882,492	16,172,028	77,640,717	48,792,288	26,214,397	26,033,800	35,783,772	136,824,258	145,802,498	184,050,827	30,566,945
Equity Investment	65,000,000	89,000,000	-	(3,332,034)	150,667,966	-	-	-	(11,229,216)	(11,229,216)	(29,342,651)	(46,362,270)	(2,533,801)
Cash From Financing	72,535,795	116,050,402	26,882,492	12,839,994	228,308,683	48,792,288	26,214,397	26,033,800	24,554,556	125,595,041	116,459,847	137,688,557	28,033,143
Net Cash	15,611,270	87,485,491	(971,588)	(14,300,701)	87,824,472	(5,319,325)	1,412,670	2,544,665	(24,471,963)	(25,833,952)	(22,705,721)	(27,205,144)	84,062,711
Beginning Balance	-	15,611,270	103,096,761	102,125,173	-	87,824,472	82,505,147	83,917,817	86,462,482	87,824,472	61,990,520	39,284,799	12,079,655
Ending Balance	15,611,270	103,096,761	102,125,173	87,824,472	87,824,472	82,505,147	83,917,817	86,462,482	61,990,520	61,990,520	39,284,799	12,079,655	96,142,366



	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Property MV	94,090,000	342,691,300	581,426,245	913,672,754	1,200,917,900
Property BV	91,500,000	269,500,000	464,000,000	714,500,000	770,500,000
Property NBV	90,326,923	263,128,205	447,817,308	681,432,692	717,676,282
Debt	72,231,703	210,242,678	357,336,026	542,790,972	569,310,681



	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Revenue	88,650,000	189,570,800	345,703,823	558,647,896	729,117,496
EBITDA	25,260,500	48,905,136	85,850,017	136,958,565	178,763,096
Net Income	4,442,712	14,972,288	39,123,535	62,321,684	85,873,157
EBITDA% of Rec	28.5%	25.8%	24.8%	24.5%	24.5%
NI% of Rev	5.0%	7.9%	11.3%	11.2%	11.8%

Source and Use of Funds

Consolidated

Real Estate Acq & Development		150,000,000
Closing and Legal	9%	13,500,000
12 Months Mortgage Payments Reserve		20,353,481
Acq Spend		52,000,000
Infrastructure		9,000,000
Operating Cost		13,000,000
Cash Need		<u>257,853,481</u>

Source

Lending		150,000,000
- Less Downpayment and Fees	30%	(45,000,000)
Net SBA Lending Proceeds		105,000,000
Operating Profits		5,000,000
Investor Participation		154,000,000
Brokerage Fee		(6,100,000)
Cash Source		<u>257,900,000</u>

Remainder		46,519
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Brand rollout schedule

Store Count

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Beauty & Essex	1	3	4	6	8
Staton Social	0	1	3	5	7
Provisions	0	1	2	5	7
Vandal	0	1	2	3	7
Candy	0	1	2	3	7
Avli	5	11	16	22	22
Friends & Neighbors	0	6	11	17	17
Beefy Boys	5	11	16	22	22