



Funding PROFILER

Historical Financial

Project Strength

SOMEWHERE - SOMETIME COMPANY PROFILE

Credit Score

Liquidity/Cash Flow

Collateral

APPROVAL SCORE
79



RECOMMENDATION LETTER

Date: August 1, XXXX

123 Any Street
Any Town, OH 12345

Loan Score
79%

Dear Somewhere-Sometime, LLC,

After a thorough review of your profile documents, we have calculated a loan approval score based on a 100-point scale. If your score falls below 80%, it indicates that there are areas within your organization, documentation, or leadership that need improvement.

Common reasons for commercial loan denials typically revolve around Cash Flow and Collateral, but can also result from poor preparation, a lack of understanding of project needs, owner credit scores or leadership history, or issues stemming from income tax returns.

However, there are proactive steps you can take to enhance your likelihood of loan approval based on your specific circumstances.

RECOMMENDATIONS:

1. Improve Net Profit over the Next Six Months:

a. It's advisable to focus on stabilizing your business for the next 6-12 months, particularly considering the high Non-Recurring Expense (NRE) activity your company has experienced. Over the past three years, the company has opened two locations and closed one. While these transitions were justifiable, they may give the impression of operational instability. By concentrating on operating the business smoothly during this period, your Net Profit and Cash Flow are likely to improve, demonstrating a more stable organization.

b. Examine your payroll and office expenditures, as they have steadily increased above industry standards over the past 4 years. Reducing your operating expenses over the next 6-12 months will enhance your cash flow and decrease your loan risk

2. UCC Filings:

Although your debt schedule indicates the organization maintains 2 commercial loans, your UCC filings reflect 6 records under your company's name in your county registry. It's important to align these records and ensure accuracy.

3. Improve Your Business Plan:

- Your business plan should be in alignment with your financial plan.
- Your business plan lacks critical components:
 - o Area demographics.
 - o A thorough analysis of competition and differentiation, beyond just listing businesses in your local area selling similar items.
 - o A detailed customer profile highlighting your target market and its correlation with demographics.
 - o A comprehensive SWOT analysis.

The overall financial presentation of your business and supporting documentation is acceptable for loan submission. If you choose to implement our recommendations, we are prepared to update your loan package and score to better prepare your company for securing loan approval.

It's essential to understand that our services and recommendations do not guarantee approval. Our goal is to assess your probability of approval and compile your loan application for submission. We are committed to assisting you in strengthening your loan application and increasing your chances of securing the funding you need.

Sincerely,

Abigail Chasen
Lender Ready Team
The Funding Profiler
Po Box 250708
Atlanta, GA 30325
www.thefundingprofiler.com



INCLUDES
COMPANY SUMMARY
FINANCIAL FLASH
FINANCIAL FOOTNOTES
PFS CASH FLOW
BUSINESS RATIOS
INCOME STATEMENT
BALANCE SHEET
DEBT SCHEDULE



Somewhere-
Sometime, LLC

COMPANY SUMMARY

John Smith and James Williams, two ambitious entrepreneurs, embarked on a remarkable journey in the business world over the past 12 years. They took the bold step of investing in the franchise brand "Somewhere-Sometime Bakery and Café," bringing a taste of their vision to Ohio. Their partnership and dedication have led to the successful establishment of 7 franchise locations, earning them recognition as top-performing franchisees within the entire United States.

The heart of their business enterprise consists of two affiliated entities, "Somewhere-Sometime" and "Sometime-Somewhere." These entities have consistently achieved impressive sales revenue, each surpassing \$5 million annually over the past 4 years. Their commitment to excellence has shone through, even in the face of challenges.

Operating in the dynamic world of franchising, John and James have encountered their fair share of obstacles. The locations they leased have at times undergone environmental changes and shifts in ownership, directly impacting store sales. However, what sets these owners apart is their unwavering dedication to the success of their stores. They have made financial sacrifices to ensure the continued operation of their establishments, support their devoted employees, and contribute positively to their local communities, all while working toward their goal of expanding to more than 20 locations.

For potential lenders, this franchise ownership represents a low-risk investment opportunity with several key components:

1. **Strong Financial Performance:** A thorough review of the financial performance over the last four years, based on the corporate income tax returns of the primary corporation, demonstrates a consistent coverage ratio exceeding the required 1.25. This financial stability showcases their ability to handle debt responsibly.
2. **Extensive Industry Experience:** Collectively, John and James boast over 60 years of experience in restaurant ownership, leadership, and management. This wealth of knowledge and expertise greatly reduces the risks associated with expanding their business.
3. **Steady Financial Management:** Throughout the years of operational growth, including both the opening and closing of locations, their financial management practices have remained consistent. This demonstrates their adaptability and prudent financial planning.
4. **Thriving Franchise Concept:** Their chosen franchise concept, "Somewhere-Sometime Bakery and Café," continues to be one of the fastest-growing and stable opportunities for franchisees. This is evidenced by its strong financial performance and continuous growth within the franchise industry.

To support their plans for expansion, John and James have attached a comprehensive funding profile that outlines their vision for the new location, the existing ownership structure, and their well-thought-out development plans. Their commitment to excellence, track record of success, and extensive industry knowledge makes them prime candidates for obtaining a loan to further grow their thriving franchise enterprise.



Funding
PROFILER

Financial Flash Report

General Customer Information

Company Name: STSW
 Address: 123 Any
 Owner Name: John Smith
 How many years in current business: 12
 Current Business Structure: STSW, LLC
 Owners:

General Customer Information	
Company Name	STSW, LLC
Address	123 Any Street, Any City, CA 92101
Owner Name	John Smith, James Williams
How many years in current business	12
Current Business Structure	STSW, LLC
Owners: John Smith & James Williams, Location: Valley (10%), Random (10%), Center (10), Some (10)	

Type of Statement	YTD	YTD	YTD	YTD
YTD	YTD	YTD	YTD	YTD

Cash Flow Forecast Flash				
Cash from Sales	8,700	8,100	8,000	8,000
Other Cash Income	5,000	4,200	4,300	4,200
Cash Operating Expenses	7,400	6,800	6,200	6,200
Other Income (Expense)	0	0	-	-
Net Cash after Operations	1,400	500	200	200
Net New Additions	-	200	400	200
Net New Reductions	-	-	-	-
Ending Cash Position	1,400	700	600	400
Accounts Payable	100	200	200	200
Accounts Receivable	100	100	100	100
Inventory	100	100	100	100
PP&E	100	100	100	100
Owner Management Fees	100	100	100	100
Cash Flow	100	100	100	100
Operational Cash Available Cash	100	100	100	100

Operations Ability to Cover new debt				
Operational Cash	100	100	100	100
Available Cash	100	100	100	100
Net Cash Available	100	100	100	100
+ Interest	100	100	100	100
Coverage Ratio	100	100	100	100

603
16
94

ation
ation

NRE
Owners Management Fees

Cash Flow

Operational Cash
Available Cash



Financial Footnotes for Non-recurring Expenses:

High G&A Expenses: Currently, our General and Administrative (G&A) expenses appear elevated relative to the size of our business. This is primarily due to the deliberate strategy of the two owners drawing substantial salaries for tax optimization purposes. As the number of restaurants increases, it is expected that the G&A expenditure will stabilize and align with the greater number of stores, resulting in a more proportional expense structure.

Debt-Free Status: As of the latest financial report, we are proud to confirm that our company, STSW, maintains a debt-free status. This reflects our commitment to fiscal responsibility and sustainable financial practices.

Non-Recurring Expenses (NRE) Explanation: It is important to note that in certain instances, our financial performance has been impacted by non-recurring expenses (NRE), which have been duly accounted for in our financial statements. These NREs are associated with specific events that are extraordinary in nature and are isolated in their own account numbers for clear transparency. The following events have contributed to these non-recurring expenses:

Opening of the Franklin Store in Year 2: The opening of the Franklin Store occurred at the intersection of calendar years, resulting in a portion of the associated NRE being attributed to Year 3. This transition period involved various costs related to setting up and establishing the new store.

Opening of the Burner Store in Year 3: In Year 3, we embarked on the opening of the Burner Store. This expansion project incurred unique, one-time costs, which are classified as non-recurring expenses.

City Work on the Main Thoroughfare (Cumber Location): A significant event impacting our Cumber location's financial performance was the city's construction work on the main thoroughfare. This construction blocked the line of sight to our store, resulting in an adverse impact on sales and operations. All costs associated with mitigating the effects of this construction and any additional expenses incurred are accounted for separately as non-recurring expenses.

We are committed to transparent reporting and have diligently segregated these extraordinary costs in our financial statements, ensuring that they do not distort the assessment of our ongoing operational performance. These footnotes aim to provide clarity regarding the nature and origin of these non-recurring expenses.

Personal Financial Cash Flow Report

PERSONAL CASH FLOW
John Smith (80%) (820)
 PTR

	James Williams (20%) (780)	Consolidated
	155,769	
	26,089	
	5,532	
	34,435	
Income		
Wages, Salaries, Tips, etc.	155,769	155,769
Interest Dividends, etc.	26,089	26,089
Capital Gains	5,532	5,532
Net Contributions	34,435	34,435
Personal Services	15,000	15,000
Other Schedule E Income	-	-
Rental Net Inc.	-	-
Business Income	-	-
Distributions from S-Corp Partners	-	-
Total Cash Inflow	236,805	236,805
Outflow		
Personal Contributions, Other	15,000	15,000
Tax Payments	20,000	20,000
State & Local Taxes	-	-
Charitable Donations	-	-
Children Living Expenses	-	-
Total Cash Outflow	35,000	35,000
Available for Debt Service	201,805	201,805
Current Personal Debt Schedule	Annually	
Mortgages	15,000	
Other Household Debt	15,000	
Summary		
Available for Debt Services		186,805
Debt Service Pro Forma		15,000
Excess Available for Debt Service		171,805

Available for Debt Service

Current Personal Debt Schedule

Mortgages

Other Household Debt

Summary

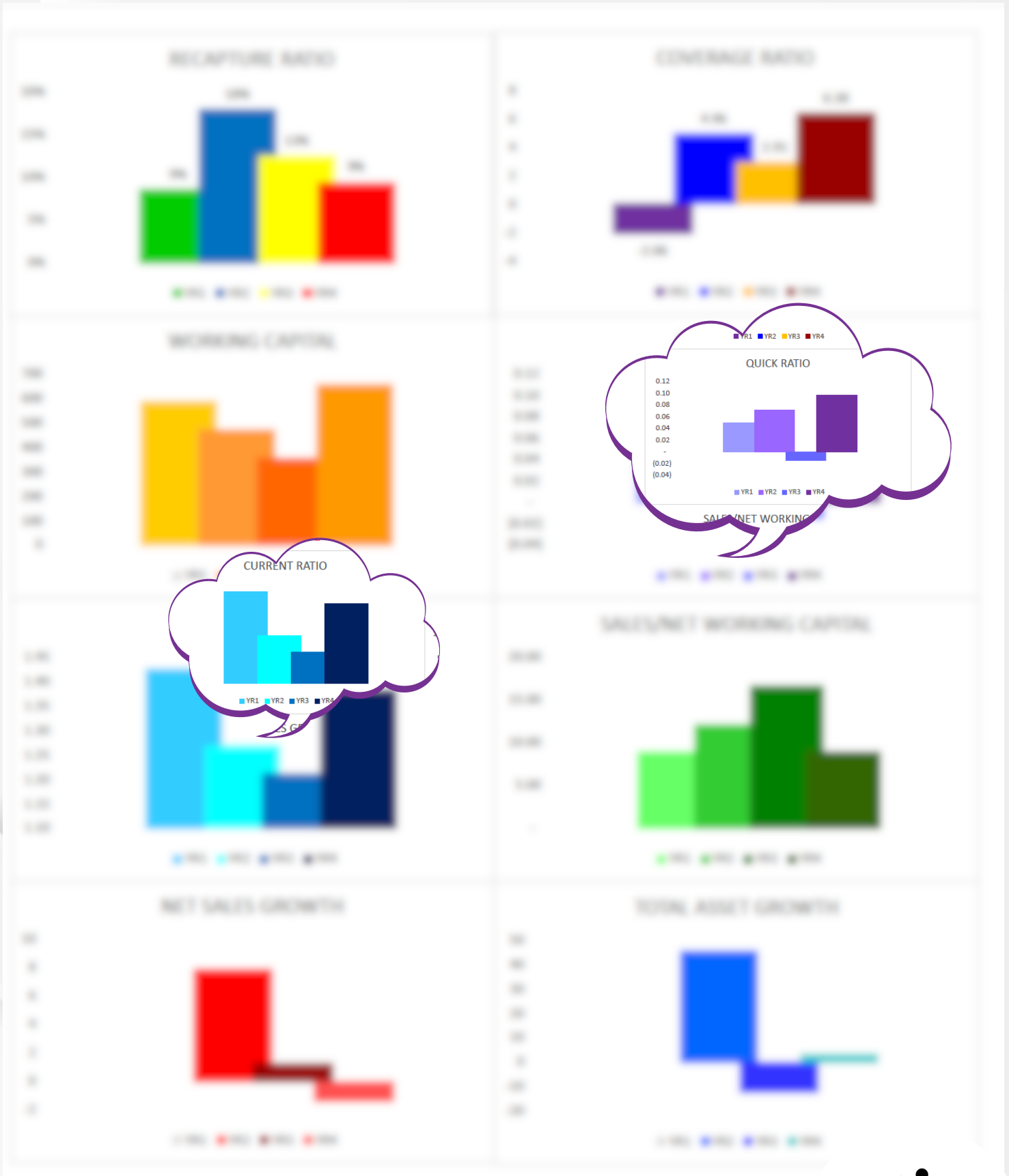
Available for Debt Services

Debt Service Pro Forma

Excess Available for Debt Service



Business Ratios Report



Income Statement Summary

	2019	2018	2017	2016
Revenue	1,234,567	1,123,456	1,012,345	901,234
Cost of Sales	(345,678)	(312,345)	(289,012)	(267,890)
Gross Profit	888,889	811,111	723,333	633,344
Operating Expenses	(567,890)	(543,210)	(521,098)	(509,876)
Operating Income	321,000	267,901	202,235	123,468
Interest Expense	(12,345)	(11,234)	(10,123)	(9,012)
Income Before Tax	308,655	256,667	192,112	114,456
Income Tax Expense	(76,664)	(64,167)	(48,028)	(28,614)
Net Income	231,991	192,500	144,084	85,842
Other Comprehensive Income	12,345	11,234	10,123	9,012
Comprehensive Income	244,336	203,734	154,207	94,854
Basic EPS	2.32	1.93	1.44	0.86
Diluted EPS	2.28	1.89	1.40	0.83

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COVERAGE RATIO

0.0
330.0
146.9
1.45

Balance Sheet Summary

	2017		2016		2015		2014	
	A	N	A	N	A	N	A	N
Assets								
Current Assets								
Cash	11.00	1.20	101.00	1.20	10.00	1.20	101.00	1.20
Accounts Receivable	11.00	1.20	101.00	1.20	10.00	1.20	101.00	1.20
Inventory	11.00	1.20	101.00	1.20	10.00	1.20	101.00	1.20
Prepaid Expenses	-	1.20	-	1.20	-	1.20	-	1.20
Other	-	1.20	-	1.20	-	1.20	-	1.20
Total	22.00	2.80	202.00	2.80	20.00	2.80	202.00	2.80
Long Term Assets								
Land	-	1.20	-	1.20	-	1.20	-	1.20
Buildings	10.00	1.20	101.00	1.20	10.00	1.20	101.00	1.20
Equipment & Intangibles	-	1.20	-	1.20	-	1.20	-	1.20
Other	-	1.20	-	1.20	-	1.20	-	1.20
Total	10.00	2.80	101.00	2.80	10.00	2.80	101.00	2.80
Total Assets	32.00	5.60	303.00	5.60	30.00	5.60	303.00	5.60
Liabilities								
Current Liabilities								
Accounts Payable	10.00	1.20	101.00	1.20	10.00	1.20	101.00	1.20
Other	-	1.20	-	1.20	-	1.20	-	1.20
Total	10.00	2.40	101.00	2.40	10.00	2.40	101.00	2.40
Long Term Liabilities								
Long Term Debt	10.00	1.20	101.00	1.20	10.00	1.20	101.00	1.20
Other	-	1.20	-	1.20	-	1.20	-	1.20
Total	10.00	2.40	101.00	2.40	10.00	2.40	101.00	2.40
Total Liabilities	20.00	4.80	202.00	4.80	20.00	4.80	202.00	4.80
Equity								
Common Stock	-	1.20	-	1.20	-	1.20	-	1.20
Retained Earnings	10.00	1.20	101.00	1.20	10.00	1.20	101.00	1.20
Other	-	1.20	-	1.20	-	1.20	-	1.20
Total	10.00	3.20	101.00	3.20	10.00	3.20	101.00	3.20
Total Liab & Equity	32.00	8.00	303.00	8.00	30.00	8.00	303.00	8.00

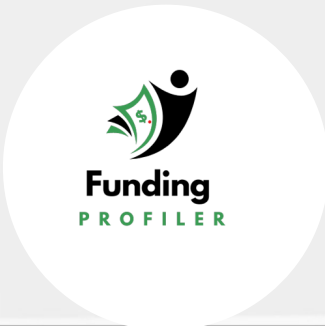
Debt Schedule

DEBT SCHEDULE

Company Name: XXXXXXXXXXXXXXXXXXXX

Date: MM/DD/YYYY

Line	Original Balance	Current Balance	Interest Rate	Monthly Payment	Term (Months)	Balance at Maturity
1	100,000.00	100,000.00	5.00%	1,000.00	120	0.00
2	100,000.00	100,000.00	5.00%	1,000.00	120	0.00
Total		200,000.00				





BUSINESS PLAN

INCLUDES:

BUSINESS PLAN

12 MTH PROFORMAS

4 YR PROFORMAS