

899 East Shore Drive

Asset Profile: 165+ Year Historic General Store & Deli
Current Inventory Valuation: \$55,023 – \$58,469 Baseline
Property Footprint: 5,178+ Sq. Ft. Mixed-Use Core

Underwriting Metric: Seller's Discretionary Earnings (SDE)
Consolidated 3-Yr Cash Flow: Max \$171,201 / Year
Lead Advisory: Carr Real Estate Group LLC

1. THREE-YEAR NORMALIZED OPERATING PROFORMA

The operating ledger below details the historical net sales lines, segmented by functional profit centers (Café vs. Non-Café retail operations), alongside stabilized operational business expenses.

Financial Proforma Line Item	Year 1	Year 2	Year 3
Gross Sales	\$453,297	\$462,280	\$358,147
Net Sales (Total)	\$451,288	\$460,897	\$356,193
<i>Café Net Sales (45% / 46% / 47%)</i>	\$204,666	\$212,237	\$167,007
<i>Non-Café Net Sales (55% / 54% / 53%)</i>	\$246,622	\$248,660	\$189,186
Total Cost of Goods Sold (COGS)	(\$209,296)	(\$203,904)	(\$140,553)
<i>Café COGS (% of Café Sales: 45% / 42% / 32%)</i>	(\$93,055)	(\$89,280)	(\$53,513)
<i>Non-Café COGS (% of Retail Sales: 47% / 46% / 46%)</i>	(\$116,241)	(\$114,624)	(\$87,040)
GROSS PROFIT BASELINE	\$241,992	\$256,993	\$215,640
Payroll Related Expenses	(\$128,655)	(\$143,556)	(\$78,527)
Building Insurance	(\$5,710)	(\$5,864)	(\$6,020)
Utilities (Electric & General Maintenance)	(\$20,097)	(\$16,085)	(\$17,995)
Building Services (Inspections, Lawn, Pest, Septic, Trash)	(\$13,050)	(\$12,226)	(\$11,303)
Credit Card & Payroll Processing Fees	(\$6,826)	(\$8,015)	(\$7,232)
Office Expenses, Supplies & Phone/Cable/Internet	(\$16,672)	(\$12,584)	(\$11,221)
Fixed Property Taxes (County & School Allocation)	(\$2,969)	(\$2,759)	(\$2,828)
Licensing	(\$650)	(\$880)	(\$376)
Total Normalized Business Expenses	(\$194,629)	(\$201,969)	(\$135,502)
REPORTED OPERATIONAL NET INCOME	\$34,153	\$50,865	\$78,715

2. INVESTOR UNDERWRITING ADD-BACK MATRIX (SDE CAPITALIZATION)

To determine true cash flow capacity for commercial lending, personal write-offs, non-cash entries, and one-time capital expenditures are added back to state clear Seller's Discretionary Earnings (SDE).

Underwriting Recapture Categories	Year 1	Year 2	Year 3
Reported Operational Net Income Base	\$34,153	\$50,865	\$78,715
(+) Discretionary Donations	\$10,864	\$11,891	\$18,001
(+) Owner Personal Groceries / Fuel / Auto / T&E	\$29,113	\$27,043	\$25,338
(+) Building Improvements (Capital Expenditures CapEx)	\$13,605	\$4,111	\$4,424
(+) Non-Cash Depreciation Expense	\$0	(\$2,877)	\$12,689
(+) Discretionary Building / Kitchen Supplies & House Expenses	\$7,630	\$4,004	\$7,740
(+) Owner Personal Pass-Through IRS Taxes & Interest	\$18,042	\$550	\$0
(+) Miscellaneous / Professional Fees / Postage / Recruiting / Uniforms	\$4,923	\$3,412	\$4,425
Total Investor Recapture Add-Backs	\$94,177	\$48,134	\$72,617
TRUE STORE CASH VELOCITY (NORMALIZED SDE)	\$128,330	\$98,999	\$151,332

3. CONSOLIDATED ENTERPRISE CASH FLOW MATRIX

Integrating passive residential tenant distributions, cash-backed catering contracts, and the secondary boutique Liquor Closet operations creates the total net profit capacity of the combined enterprise footprint.

Enterprise Operational Layer	Year 1	Year 2	Year 3
True Store Cash Velocity (SDE)	\$128,330	\$98,999	\$151,332
(+) Net Income - Liquor Closet	\$3,998	\$2,008	\$3,311
(+) Cash Received - Catering Infrastructure	\$12,000	\$17,000	\$15,000
(+) Non-Business Passive Residential Rental Income	\$13,200	\$13,200	\$13,200
CONSOLIDATED TOTAL INVESTOR DISCRETIONARY EBITDA	\$157,528	\$131,207	\$182,843

4. TECHNICAL UNDERWRITING & EFFICIENCY NOTES

- **Margin Expansion Dynamics:** Core Café COGS efficiency compressed sharply from a high of 45% in Year 1 down to an elite ****32%**** by Year 3, signaling immense localized pricing control and strong margin retention.
- **Daily Sales Compression:** Operational days contracted from 237 days down to 124 days across the multi-year cycle. Concurrently, average gross sales velocity expanded from ****\$1,913/day to \$2,888/day****, showing high-density revenue capture during seasonal periods.
- **Forward Payroll Projections:** The loss of the head chef position indicates that an incoming owner-operator can capture an immediate unmodeled reduction in future payroll overhead lines.