

Financial Summary

A focused look at the numbers behind the offering.

WILD BIRDS UNLIMITED · MEDFORD, OREGON · ESTABLISHED 1992

ASKING PRICE

\$85,000

Business goodwill + FF&E

2025 REVENUE

\$640,360

49.3% gross margin

ADJUSTED 2025 SDE

~\$70,700

After non-recurring add-backs

OPTIMIZED SDE POTENTIAL

\$90K-\$100K+

Buyer-driven optimization scenario



PRESENTED BY

Andrea Adams

John L. Scott Real Estate · Lic. #201249931
(541) 324-2935 · andreaadams@johnlscott.com

Chris Pfau

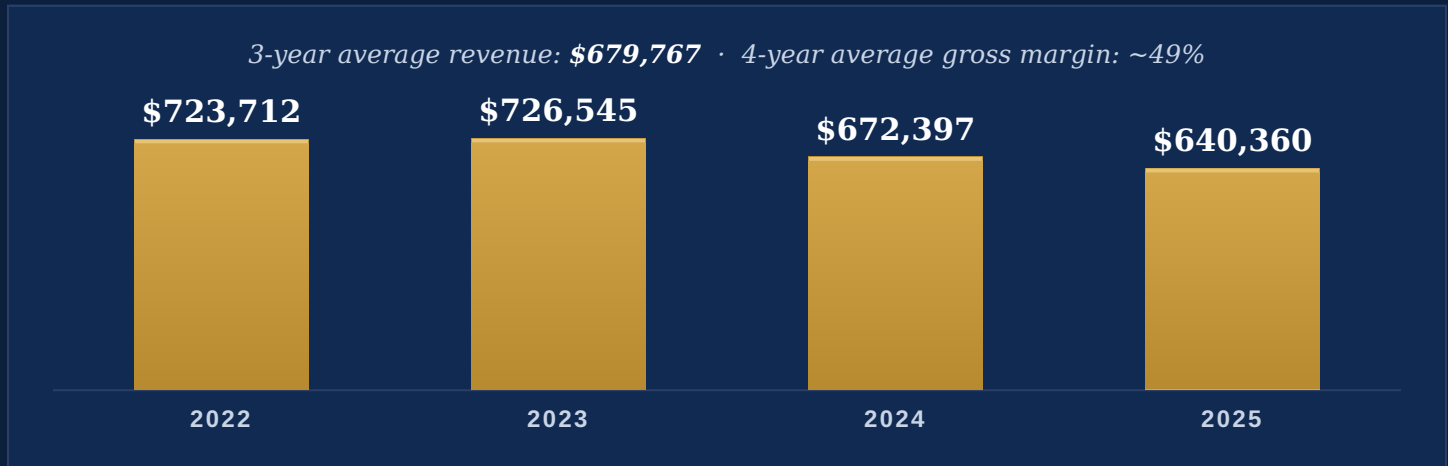
Coldwell Banker Professional Group · Lic. #201241465
(458) 220-8881 · chrisrealtorpro@gmail.com

SECTION 01

Revenue & Profitability

The store has generated revenue in a tight, predictable band over the past four years — supported by an exclusive Jackson County territory and a recession-resilient backyard bird-feeding category. The two most recent years carry expense headwinds the seller has documented as non-recurring (page 3); underlying revenue durability is unchanged.

FOUR-YEAR REVENUE TREND



2025 P&L SUMMARY

LINE ITEM	AMOUNT	% OF REVENUE
Gross Sales	\$640,360	100.0%
Cost of Goods Sold	\$324,414	50.7%
Gross Profit	\$315,946	49.3%
OPERATING EXPENSES		
Labor (owner + fixed + variable)	\$131,826	20.6%
Occupancy (rent + CAM + utilities)	\$55,393	8.7%
Marketing	\$41,669	6.5%
Royalties (4% of applicable sales)	\$25,597	4.0%
Payroll Taxes & Benefits	\$20,626	3.2%
Maintenance & Repair (incl. one-time HVAC)	\$15,626	2.4%
Merchant Fees	\$12,383	1.9%
Miscellaneous (legal, accounting, payroll svc.)	\$7,369	1.2%
Depreciation & Amortization	\$4,845	0.8%
All Other (supplies, insurance, computer)	\$14,222	2.2%
Total Operating Expenses	\$329,556	51.5%
Net Operating Income	(\$13,610)	(2.1%)

Source. 2025 Standard Profit & Loss Statement prepared by Debbie Pearson, CPA. Occupancy line consolidates Rent + CAM (\$49,308) and Utilities (\$6,085). Reported NOI before SDE add-backs; see page 3 for the SDE bridge.

SECTION 02

SDE Bridge & Earnings Normalization

Reported 2025 Seller's Discretionary Earnings of **\$26,416** reflects two non-recurring items the seller has documented in the Seller's Narrative Addendum: a one-time HVAC system replacement absorbed by the seller, and a voluntary reduction in owner's wages tied to a household income change unrelated to the business. Adjusting only for these items produces an Adjusted SDE of **~\$70,700**.

2025 ADJUSTED SDE BRIDGE

2025 Reported SDE	<i>Net Income + Owner Wages + D&A + benefits</i>	\$26,416
+ HVAC Replacement Add-Back	<i>Non-recurring · one-time capital event</i>	+ \$15,626
+ Owner Wages Normalization	<i>Restore to 2022-2024 baseline (\$60K)</i>	+ \$28,649
Adjusted 2025 SDE		~\$70,691

CONTEXT FOR THE TWO ADD-BACKS

HVAC Replacement — \$15,626

The store's commercial HVAC system failed during 2025 and required full replacement. Neither the property management company nor the business's insurance carrier covered the replacement; the seller absorbed the cost from operating funds. A fully replaced system is now in place and is not expected to require replacement under new ownership, making this a true non-recurring capital event.

Owner Wages Reduction — \$28,649

2025 Owner's Wages were \$31,351, compared with approximately \$60,000 in each of 2022, 2023, and 2024 — a one-year reduction of \$28,649. This was a voluntary decision driven by a household income change (spousal supplemental income) unrelated to business performance. It does not reflect any change in earning capacity.

FOUR-YEAR OWNER COMPENSATION HISTORY

YEAR	OWNER'S WAGES	NOTES
2022	\$60,500	Baseline market-rate compensation
2023	\$62,000	Baseline market-rate compensation
2024	\$60,000	Baseline market-rate compensation
2025	\$31,351	Voluntary reduction — household decision (see narrative)

Note on SDE methodology. Adjusted SDE includes only verifiable non-recurring add-backs. Buyer-driven operational optimization is presented separately on page 4 and is not combined with the figures above; combining produces the optimized scenario shown on the cover.

SECTION 03

Buyer Optimization & Offering Terms

The 49.3% gross margin is healthy for specialty retail; profitability improvement opportunities sit on the operating-expense side. The tiles below quantify what a disciplined, hands-on operator could realistically recover. These are operational changes a new owner would actively execute — distinct from the non-recurring add-backs on page 3.

OPTIMIZATION OPPORTUNITIES — 2025 BASELINE

LABOR · \$131,826

\$13K-\$20K

Variable hours and contract labor account for **\$55,225** of the total. An owner working 30+ hrs/week on the floor can eliminate some variable shifts; even a 10% cut to variable labor recovers ~\$5,500/year, with downstream payroll tax savings.

MARKETING · \$41,669

\$8K-\$15K

TV & radio spend of **\$19,868** should be reviewed against attribution data before cutting. **\$11,414** in customer mailings can be migrated to email through WBU's platform at a fraction of the cost.

OCCUPANCY · \$49,308

2027 Renewal

Lease through Jan 2027 cannot be renegotiated mid-term. A 2026 buyer enters renewal with 12 months of operating history and demonstrated \$640K+ sales — strong leverage for a flat or reduced rate, or a rent-free improvement period.

LEGAL & ACCOUNTING · \$5,804

\$2K-\$3K

2025 figure is partially elevated by sale-preparation costs (financial statement prep, broker coordination). Post-acquisition routine accounting and tax prep should run closer to **\$2,500-\$3,500** annually.

COMBINED EARNINGS SCENARIO

ADJUSTED SDE + BUYER OPTIMIZATION — ILLUSTRATIVE

*Conservative scenario***\$93K-\$95K**

\$70,700 Adjusted SDE + \$23K of low-risk operational savings (10% labor cut + email migration + L&A normalization).

*Aggressive but achievable***\$100K+**

Adjusted SDE + full \$38K optimization plus 2027 occupancy improvement. Requires owner on the floor 30+ hrs/week.

OFFERING TERMS

Asking Price	\$85,000 — business goodwill + all FF&E included
Inventory	Sold separately at cost — \$60,000 to \$90,000 (seasonal range)
Franchise Transfer Fee	\$26,000 at closing (\$20K Assignment + \$5K Training + \$1K Advertising)
Total Acquisition	\$111,000 + inventory at cost · vs. \$224K-\$380K to open a new WBU store
Lease	\$1.79/sq. ft. + CAM, assumable through January 2027
Royalty	4% of applicable gross sales (per WBU franchise agreement)
Financing	Cash or conventional; SBA financing may be available for qualified buyers
Seller Training	Up to two months hands-on transition support
Buyer Approval	Financial qualification + formal approval by Wild Birds Unlimited, Inc.

Disclaimer. Figures derived from the 2025 Standard P&L (Debbie Pearson, CPA) and seller's representations. Optimization estimates and combined-earnings scenarios are illustrative; actual results depend on owner involvement and execution. Not legal, tax, or investment advice. Full P&L, tax returns, and lease available to qualified buyers under NDA.