

**Ice House, 12 Year Operating Projections
(with 5 year debt services)**

Average Bag per day	100											
Total Bags per year	36500											
Price per bag sold	1.5											
Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
Gross Annual Income	\$54,750	\$55,845	\$56,962	\$58,101	\$59,263	\$60,448	\$61,657	\$62,891	\$64,148	\$65,431	\$66,740	\$68,075

Operating Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
Repair & Maintenance	\$600	\$623	\$648	\$674	\$701	\$729	\$758	\$788	\$820	\$852	\$886	\$922
Utilities	\$6,000	\$6,060	\$6,121	\$6,182	\$6,244	\$6,306	\$6,369	\$6,433	\$6,497	\$6,562	\$6,628	\$6,694
Annual Licensing Fee	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750
Land Lease	\$4,000	\$4,000	\$4,000	\$5,000	\$5,000	\$5,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
Insurance	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600
Miscellaneous	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300
Real Estate Tax	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Sales Tax on ice vends	\$3,582	\$3,653	\$3,726	\$3,801	\$3,877	\$3,955	\$4,034	\$4,114	\$4,197	\$4,281	\$4,366	\$4,453
Bag Expenses	\$2,738	\$2,792	\$2,848	\$2,905	\$2,963	\$3,022	\$3,083	\$3,145	\$3,207	\$3,272	\$3,337	\$3,404
Expense per unit	\$19,069	\$19,278	\$19,493	\$20,711	\$20,934	\$21,162	\$22,393	\$22,630	\$22,871	\$23,117	\$23,367	\$23,623

Net Operating Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
Income	\$54,750	\$55,845	\$56,962	\$58,101	\$59,263	\$60,448	\$61,657	\$62,891	\$64,148	\$65,431	\$66,740	\$68,075
Expense	\$19,069	\$19,278	\$19,493	\$20,711	\$20,934	\$21,162	\$22,393	\$22,630	\$22,871	\$23,117	\$23,367	\$23,623
Net Operating Income	\$35,681	\$36,567	\$37,469	\$37,390	\$38,329	\$39,287	\$39,264	\$40,261	\$41,278	\$42,315	\$43,373	\$44,452

Debt Services Coverage	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
Net Operating Income	\$35,681	\$36,567	\$37,469	\$37,390	\$38,329	\$39,287	\$39,264	\$40,261	\$41,278	\$42,315	\$43,373	\$44,452
Annual debt services	\$22,248	\$22,248	\$22,248	\$22,248	\$22,248	\$22,248	\$22,248	\$22,248	\$22,248	\$22,248	\$22,248	\$22,248

Annual Cash Flow	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
Annual Return	\$13,433	\$14,319	\$15,221	\$15,142	\$16,081	\$16,987	\$17,858	\$18,694	\$19,495	\$20,261	\$21,002	\$21,718
Cumulative Cash Flow/Payback	56.02%	59.72%	63.48%	63.15%	67.07%	71.15%	75.54%	80.24%	85.24%	90.54%	96.14%	102.04%
Cash on Cash Cumulative Return	56.02%	115.74%	179.22%	242.37%	309.44%	473.29%	637.04%	804.95%	977.10%	1153.58%	1334.47%	1519.86%

Assumptions	
Ice House	\$104,100
Average Delivery and Installation	\$3,500
Average Site Improvements	\$5,000
Sales Tax	\$7,287
Total Investment	\$119,887
Down Payment	\$23,977
Bank Loan Interest	6.00%
Monthly Bank Payments	\$1,854
Annual Expense Increase	1.00%

No Representation:

Buyer agrees that Company has not made any representation or warranty as to the accuracy or completeness of this information. Buyer further agrees that Company will not have any liability to Buyer or any of Buyer's representatives arising from the delivery or use of the information, except to the extent expressly set forth in any definitive written agreement that the parties may execute in the future. Buyer acknowledges that Buyer has received and reviewed actual performance pro-formas of existing houses which have been in operation for less than two years. Buyer further acknowledges that the financial performance of the ice house or ice houses which is/are the subject of future Agreements, as operated in the defined Territory, will depend entirely on Buyer's efforts to select a suitable location and promote and manage the ice house or ice houses; and Company makes no promise that Buyer's ice houses will meet or exceed the performance of the ice houses which are the subject of the pro-forma information disseminated by Company.

*Ice Houses, delivery & installation, licensing fee, and supplies subject to cost increases.

*It is the responsibility of the buyer to determine the cost associated with building codes, accessing utilities, and possible impact fees.

*Tax code, section 179, allows up to \$50,000 of equipment to be depreciated in one year. Limitations do apply.

*Tax law subject to change.

Ice House, 12 Year Operating Projections (with 5 year debt services)

Average Bag per day	75											
Total Bags per year	27375											
Price per bag sold	1.5											
Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
Gross Annual Income	\$41,063	\$41,884	\$42,721	\$43,576	\$44,447	\$45,336	\$46,243	\$47,168	\$48,111	\$49,073	\$50,055	\$51,056

Operating Expenses												
Repair & Maintenance	\$600	\$623	\$648	\$674	\$701	\$729	\$758	\$788	\$820	\$852	\$886	\$922
Utilities	\$6,000	\$6,060	\$6,121	\$6,182	\$6,244	\$6,306	\$6,369	\$6,433	\$6,497	\$6,562	\$6,628	\$6,694
Annual Licensing Fee	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750
Land Lease	\$4,000	\$4,000	\$4,000	\$5,000	\$5,000	\$5,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
Insurance	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600
Miscellaneous	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300
Real Estate Tax	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Sales Tax on ice vends	\$2,686	\$2,740	\$2,795	\$2,851	\$2,908	\$2,966	\$3,025	\$3,086	\$3,147	\$3,210	\$3,275	\$3,340
Bag Expenses	\$2,053	\$2,094	\$2,136	\$2,179	\$2,222	\$2,267	\$2,312	\$2,358	\$2,406	\$2,454	\$2,503	\$2,553
Expense per unit	\$17,489	\$17,667	\$17,849	\$19,035	\$19,224	\$19,417	\$20,614	\$20,815	\$21,020	\$21,229	\$21,442	\$21,659

Net Operating Income												
Income	\$41,063	\$41,884	\$42,721	\$43,576	\$44,447	\$45,336	\$46,243	\$47,168	\$48,111	\$49,073	\$50,055	\$51,056
Expense	\$17,489	\$17,667	\$17,849	\$19,035	\$19,224	\$19,417	\$20,614	\$20,815	\$21,020	\$21,229	\$21,442	\$21,659
Net Operating Income	\$23,573	\$24,217	\$24,872	\$24,541	\$25,223	\$25,919	\$25,629	\$26,353	\$27,092	\$27,845	\$28,613	\$29,397

Debt Services Coverage												
Net Operating Income	\$23,573	\$24,217	\$24,872	\$24,541	\$25,223	\$25,919	\$25,629	\$26,353	\$27,092	\$27,845	\$28,613	\$29,397
Annual debt services	\$22,248	\$22,248	\$22,248	\$22,248	\$22,248	\$22,248						

Annual Cash Flow	\$1,325	\$1,969	\$2,624	\$2,293	\$2,975	\$25,919	\$25,629	\$26,353	\$27,092	\$27,845	\$28,613	\$29,397
Annual Return	5.53%	8.21%	10.94%	9.56%	12.41%	108.10%	106.89%	109.91%	112.99%	116.13%	119.33%	122.60%
Cumulative Cash Flow/Payback	\$1,325	\$3,294	\$5,918	\$8,211	\$11,186	\$37,105	\$62,734	\$89,086	\$116,178	\$144,023	\$172,636	\$202,034
Cash on Cash Cumulative Return	5.53%	13.74%	24.68%	34.24%	46.65%	154.75%	261.64%	371.54%	484.53%	600.66%	720.00%	842.60%

Assumptions

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