



CONFIDENTIAL Executive Summary

SUB
SANDWICH

| | | |
|-----------------------------|-----------|--------------------------------|
| Purchase Price: | \$105,000 | #61241 - Subway |
| Total Annual Sales*: | \$345,616 | 1501 Sloat Blvd |
| Inventory: | \$3,500 | San Francisco, CA 94132 |
| Owner Operated Cash Flow**: | \$44,505 | |

List price does not include inventory, franchise transfer fees, or lease security deposits.

* Trailing 12 Months Ending 9/30/2020

** Cash Flow is a net income projection based on trailing 12 months sales and expenses as stated on Seller's P&Ls. Adjustments are made to reflect brand norms for the region and/or expected increases/decreases in costs. Analysis is for proforma purposes only, Buyer should complete his own due diligence review. Ask your agent for summary of adjustments.

Franchise Information:

Subway is the world's #1 QSR chain with over 43,000 restaurants in 110 countries. Franchisor requires sufficient net worth and liquidity, and buyer must live in the area.

| | | |
|---|-----------------------|--------------------------------|
| Franchise Agreement Expiration: 6/11/2032 | Transfer Fee: \$5,000 | Training Location: Milford, CT |
| Royalty: 8.0% | Advertising: 4.8% | Training Period: 2 weeks |
| Remodel Requirements: Every 7 years | | |

Lease Information:

| | | |
|----------------------------|--|-----------------------------|
| Monthly Base Rent: \$6,633 | Options: 2x5yr | Security Deposit: \$5,176 |
| Percentage Rent: None | CAM: Included in rent | Real Property Available: No |
| Expiration: 12/31/2024 | Monthly Property Tax: Included in rent | Increases: 3% |

Location Details:

| | | |
|---------------------------------|-----------------------------------|--------------------------|
| Business Established: 12/4/2014 | Building Type: Inline; endcap | Building Size: 876 SF |
| Owner Since: 12/4/2014 | Seating: 11 | Employees: 12 |
| Hours of Operation: M-Su 9a-9p | Licenses Needed: Business, Health | Equipment Value: \$7,500 |

Located right off of Sloat Blvd. near Lakeshore Plaza. Other tenants in plaza include Lucky grocery, Petco, Big 5 Sporting Goods, Ross, US Post Office and many others. Residential properties surround area. Other restaurants nearby include Ono Hawaiian BBQ, The Noodle House, Noah's NY Bagels and Chipotle.

Remember you have agreed to keep all FranBizNetwork listings confidential.

As a part of the due diligence process you are encouraged to contact other franchisees with questions about the brand, but remember you are bound by a confidentiality agreement and cannot share the location or any details about the business you are considering buying. Please direct any questions you might have for the Seller to your FranBizNetwork agent. Feel free to visit the location(s) as a customer, but be discreet and do not ask questions of employees, managers, or other customers. Please do not draw unnecessary attention to yourself, as rumors of a pending sale can hurt the business.

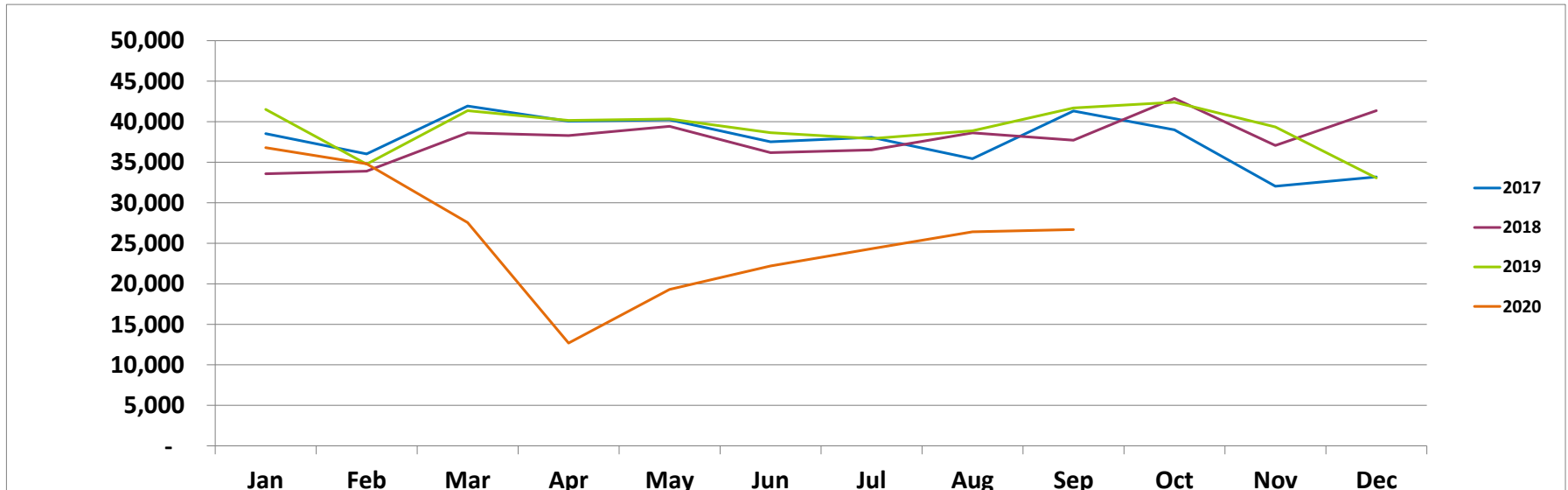


SUB SANDWICH

MONTHLY SALES

#61241 - Subway

| | Jan | Feb | Mar | Apr | May | June | July | Aug | Sep | Oct | Nov | Dec | TOTAL |
|---------------|-----------|-----------|------------|------------|------------|------------|------------|------------|------------|----------|----------|-----------|-------------|
| 2017 | \$38,520 | \$36,028 | \$41,934 | \$40,063 | \$40,234 | \$37,521 | \$38,072 | \$35,442 | \$41,319 | \$38,998 | \$32,036 | \$33,179 | \$453,345 |
| 2018 | \$33,577 | \$33,896 | \$38,630 | \$38,284 | \$39,432 | \$36,189 | \$36,518 | \$38,617 | \$37,710 | \$42,877 | \$37,071 | \$41,363 | \$454,166 |
| \$ +/- | (\$4,942) | (\$2,132) | (\$3,304) | (\$1,779) | (\$802) | (\$1,333) | (\$1,554) | \$3,175 | (\$3,609) | \$3,879 | \$5,036 | \$8,184 | \$820 |
| % +/- | -13% | -6% | -8% | -4% | -2% | -4% | -4% | 9% | -9% | 10% | 16% | 25% | 0% |
| | | | | | | | | | | | | | |
| 2018 | \$33,577 | \$33,896 | \$38,630 | \$38,284 | \$39,432 | \$36,189 | \$36,518 | \$38,617 | \$37,710 | \$42,877 | \$37,071 | \$41,363 | \$454,166 |
| 2019 | \$41,522 | \$34,760 | \$41,367 | \$40,157 | \$40,344 | \$38,640 | \$37,913 | \$38,887 | \$41,696 | \$42,404 | \$39,356 | \$33,064 | \$470,110 |
| \$ +/- | \$7,945 | \$864 | \$2,737 | \$1,873 | \$912 | \$2,451 | \$1,395 | \$270 | \$3,986 | (\$474) | \$2,284 | (\$8,299) | \$15,944 |
| % +/- | 24% | 3% | 7% | 5% | 2% | 7% | 4% | 1% | 11% | -1% | 6% | -20% | 4% |
| | | | | | | | | | | | | | |
| 2019 | \$41,522 | \$34,760 | \$41,367 | \$40,157 | \$40,344 | \$38,640 | \$37,913 | \$38,887 | \$41,696 | \$42,404 | \$39,356 | \$33,064 | \$470,110 |
| 2020 | \$36,797 | \$34,796 | \$27,550 | \$12,686 | \$19,309 | \$22,209 | \$24,331 | \$26,421 | \$26,696 | \$0 | \$0 | \$0 | \$230,793 |
| \$ +/- | (\$4,725) | \$36 | (\$13,817) | (\$27,471) | (\$21,036) | (\$16,431) | (\$13,582) | (\$12,466) | (\$15,000) | | | | (\$124,494) |
| % +/- | -11% | 0% | -33% | -68% | -52% | -43% | -36% | -32% | -36% | | | | -35% |



Northbay Subs LLC
Profit & Loss #61241
January through August 2019

| | TOTAL | |
|---|---------------------|---------------|
| | Jan - Aug 19 | % |
| Income | | |
| Sales | | |
| Sales-Oth | \$299,619 | 95.25% |
| Sales-SFHSCO | \$14,958 | 4.75% |
| Total Income | \$314,577 | 100.0% |
| Cost of Goods Sold | | |
| Beverage Cost | \$287 | 0.09% |
| Food Cost | \$89,056 | 28.31% |
| Gift Card Cost | \$23 | 0.01% |
| Total COGS | \$89,366 | 28.41% |
| Gross Profit | \$225,211 | 71.59% |
| Expense | | |
| Advertising and Promotion - FAF | \$14,834 | 4.72% |
| Bank Service Charges - Other | \$198 | 0.06% |
| SFHSCO Surcharge | \$14,859 | 4.72% |
| Workers Compensation | \$586 | 0.19% |
| Merchant Account Fee | \$5,163 | 1.64% |
| Payroll Processing Expenses - Subsource | \$120 | 0.04% |
| Pest Control | \$192 | 0.06% |
| CAM | \$10,944 | 3.48% |
| Rent Expense - Other | \$36,736 | 11.68% |
| Equipment Repair | \$318 | 0.1% |
| Equipment Repairs-wages & exp | \$611 | 0.19% |
| Royalties | \$23,971 | 7.62% |
| Salaries & Wages | \$76,508 | 24.32% |
| Local Tax | \$1,186 | 0.38% |
| Payroll Tax | \$7,333 | 2.33% |
| Property Tax | \$1,156 | 0.37% |
| State Tax | \$800 | 0.25% |
| Gas and Electric | \$6,827 | 2.17% |
| Telephone & Internet | \$828 | 0.26% |
| Total Expense | \$203,173 | 64.59% |
| Net Income | 22,038.35 | 7.01% |
| Adjustments: | | |
| Add Back Manager Salary | \$24,000 | 7.63% |
| Rent Adjustment | -\$4,227 | -1.34% |
| Royalty Adjustment | -\$1,195 | -0.38% |
| Advertising Adjustment | -\$108 | -0.03% |
| Adjusted Net Income | \$40,508 | 12.88% |
| Trailing 12 Month Sales ending 9/30/2020 | \$345,616 | |
| TTM Adjusted Net Income | \$44,505 | 12.88% |

Northbay Subs LLC
Profit & Loss #61241
January through December 2018

| | <u>TOTAL</u> | |
|---|----------------|--------------|
| Income | | |
| Rebate | \$3,343 | 0.73% |
| Sales | | |
| Sales-Oth | \$435,947 | 94.55% |
| Sales-SFHSCO | \$21,781 | 4.72% |
| Total Income | \$461,071 | 100.00% |
| Cost of Goods Sold | | |
| Beverage Cost | \$314 | 0.07% |
| Food Cost | \$129,989 | 28.19% |
| Gift Card Cost | \$134 | 0.03% |
| Total COGS | \$130,437 | 28.29% |
| Gross Profit | \$330,634 | 71.71% |
| Expense | | |
| Advertising and Promotion - FAF | \$21,755 | 4.72% |
| Alarm and Security | \$290 | 0.06% |
| Bank Service Charges - Other | \$368 | 0.08% |
| EBP SFHSCO Surcharge | \$15,981 | 3.47% |
| Workers Compensation | \$5,707 | 1.24% |
| Merchant Account Fee | \$7,591 | 1.65% |
| Payroll Processing Expenses - Subsource | \$160 | 0.03% |
| Pest Control | \$466 | 0.10% |
| CAM | \$15,169 | 3.29% |
| Rent Expense - Other | \$60,039 | 13.02% |
| Building Repair | \$375 | 0.08% |
| Equipment Repair | \$4,098 | 0.89% |
| Equipment Repairs-wages & exp | \$2,460 | 0.53% |
| Royalties | \$37,209 | 8.07% |
| Salaries & Wages | \$124,210 | 26.94% |
| Licenses & Permits | \$1,213 | 0.26% |
| Sales Tax | \$1,851 | 0.40% |
| Payroll Tax | \$11,565 | 2.51% |
| Property Tax | \$1,226 | 0.27% |
| State Tax | \$800 | 0.17% |
| Garbage Disposal | \$7 | 0.00% |
| Gas and Electric | \$9,767 | 2.12% |
| Telephone & Internet | \$1,474 | 0.32% |
| Total Expense | \$323,781 | 70.22% |
| Net Income | \$6,853 | 1.49% |