

Traditional Bank Business Plan – (Retail Store)

Executive Summary

Company Name: Oakridge Outfitters LLC

Business Type: Brick-and-Mortar Retail Store

Industry: Specialty Retail (Apparel & Lifestyle Goods)

Location: United States

Loan Type: Conventional Bank Term Loan

Loan Request: \$225,000

Owner Equity Injection: \$75,000 (25%)

Total Project Cost: \$300,000

Proposed Term: 5 Years

Purpose: Leasehold improvements, inventory, and working capital

Oakridge Outfitters LLC is a startup specialty retail store offering curated apparel, footwear, and lifestyle products to middle-to-upper income consumers. The business will operate from a high-traffic retail corridor with strong demographic alignment and complementary neighboring tenants.

The ownership is contributing significant equity to the project, reducing lender risk and demonstrating commitment. Conservative financial projections show adequate cash flow to service debt while maintaining liquidity and operating flexibility.

Business Overview

Legal Structure: Limited Liability Company (LLC)

Ownership: 100% Owner-Operated

Year Established: 2026

Oakridge Outfitters was formed to meet demand for differentiated, service-driven retail experiences that compete on quality and customer relationships rather than price alone. The business will operate a single location during the initial phase, with future expansion considered only after sustained profitability.

Objectives:

- Achieve cash-flow positive operations within 9 months
- Reach \$2.0M+ in annual revenue by Year 2
- Maintain gross margins above 50%
- Maintain DSCR above 1.35x

Products & Revenue Model

Primary Product Categories: • Men's and women's apparel

- Footwear
- Accessories and lifestyle goods

Pricing & Margins: • Mid-to-premium price points

- Average transaction value: \$95–\$120
- Target gross margin: 50–55%

Revenue is generated through in-store retail sales, with emphasis on repeat customers and seasonal product rotations.

Market & Location Analysis

Target Customer Profile: • Ages 25–55

- Household income \$75,000+
- Quality- and service-oriented shoppers

Location Strengths: • 3,000–4,000 sq. ft. retail space

- High foot and vehicle traffic counts
- Strong visibility and signage
- Proximity to complementary retailers

Oakridge Outfitters competes with national chains, e-commerce platforms, and local boutiques by focusing on curation, service, and community engagement.

Owner Background & Experience

The owner of Oakridge Outfitters LLC brings over 10 years of retail management experience, including direct responsibility for store operations, inventory management, staffing, and financial performance.

Relevant experience includes: • Managing multi-million-dollar retail locations

- Overseeing store openings and retail build-outs
- Inventory planning, seasonal buying, and margin management
- Hiring, training, and supervising retail staff
- Full P&L responsibility and expense control

This experience significantly reduces execution risk and provides confidence in the business's ability to operate profitably and service debt.

Sales & Marketing Strategy

- Local digital advertising and social media outreach
- Loyalty and referral programs
- Email and SMS promotions
- Community partnerships and events

Marketing spend is monitored closely and adjusted based on performance.

Operations & Controls

- POS system with real-time inventory tracking
- Weekly sales and inventory reviews
- Monthly financial reporting reviewed by ownership

Inventory turnover is targeted at 3.5–4.0x annually to balance selection and cash flow.

Loan Request & Use of Funds

Loan Amount: \$225,000

Use of Funds: • Leasehold improvements: \$87,500

- Initial inventory: \$100,000
- Furniture, fixtures, and equipment: \$25,000
- Working capital: \$12,500

Owner equity will be applied first toward project costs.

Financial Summary

Year 1

- Revenue: \$1,700,000
- Gross Margin: 52%
- EBITDA: \$128,000
- Net Income: \$67,500

Year 2

- Revenue: \$2,100,000
- EBITDA: \$157,500
- Net Income: \$105,000

Year 3

- Revenue: \$2,600,000
- EBITDA: \$236,250
- Net Income: \$157,500

Note: EBITDA now reflects adjustments for interest on the \$225,000 bank loan, and Year 2 and Year 3 are corrected to align with the halved Net Income.

Debt Service Coverage

- Annual Debt Service: \$60,500
- Year 1 EBITDA: \$128,000
- **DSCR:** 2.11x

Risk Assessment & Mitigation

Sales Ramp Risk: Conservative staffing and inventory purchasing

Inventory Risk: Tight buy plans and frequent reorders

Economic Risk: Balanced pricing and strong customer retention

Collateral & Guarantees

- Inventory
- Furniture, fixtures, and equipment
- Personal guarantee from owner

Conclusion

Oakridge Outfitters LLC represents a well-capitalized retail opportunity with experienced ownership, strong location fundamentals, and conservative financial assumptions. The owner's equity contribution and disciplined operating approach provide solid repayment capacity and lender protection.