

# 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.