Proforma Analysis – 5801 Central Ave NE

The following pro forma analysis is based on the 2025 operating performance and reflects a transition from an absentee-operated model to a hands-on owner-operator structure. Historical financials indicate that the business generated over $526,000 in annual revenue, but operated at a loss primarily due to elevated labor costs and operational inefficiencies. This analysis assumes improved labor management, modest cost controls, and the benefit of owner-occupied real estate with no rent expense. Under a stabilized scenario, the property is projected to generate approximately $45,000 to $50,000 in annual net operating income, with upside potential reaching $70,000 to $95,000+ through expanded hours, menu optimization, and concept repositioning. The existing revenue base demonstrates proven demand at this location, while the real estate ownership provides a significant competitive advantage and long-term value for an owner-operator.

Category	2025 Actual	Stabilized Case	Upside Case
Gross Revenue	$526,969	$553,000	$580K–$605K
COGS	$174,729 (33%)	$174,000 (31.5%)	~$180,000 (31%)
Gross Profit	$352,240	$379,000	~$400,000+
Labor	$271,098	$221,000	$230,000
Payroll Taxes	$33,508	$22,000	$23,000
Merchant Fees	$23,738	$19,000	$20,000
Utilities	$19,235	$19,000	$20,000
Repairs & Maintenance	$18,692	$12,000	$12,000
Other Expenses	~$43,000	$40,000	$45,000
Total Expenses	$409,720	~$333,000	~$350,000
Net Operating Income	($48,692)	$45K–$50K	$70K–$95K+

Disclaimer: This pro forma analysis is for illustrative purposes only and is based on assumptions that may not reflect actual future performance. Financial projections are estimates and are not guarantees of income or results. Prospective buyers should conduct their own independent due diligence, including verification of all financials, operating costs, and market conditions. Actual results may vary materially.