



# SKY'S JEWELRY

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Owner:  
Arizona Hummingbird





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## **EXECUTIVE SUMMARY**





119 W Colorado Avenue • Telluride, Colorado 81435  
Phone: 970 704. 8510 • E-mail: info@skysjewelry.com

Mr. Stan Kirk  
UntiedTrust  
478 North Main Street  
Telluride, Colorado 81435

Re: Loan Request for 90,000

Dear Mr. Kirk,

With over five years working in the fashion industry, we are requesting an SBA Guaranteed Community Loan in order to open our own jewelry store, named Sky's Jewelry.

Current trends in society necessitate a jewelry store that caters to the social, affluent, and everyday occasion accessory needs of Telluride women. No store in the downtown Telluride area has the wide variety of accessory options, and the customization service that we will offer. These women have the financial stability and disposable income to make our store profitable. Our mission at Sky's Jewelry is to create an atmosphere that promotes creativity, encourages imagination, and fosters uniqueness through our customizable jewelry. This will be achieved by our devotion and passion for accessories joined with our high standards of merit.

Our education and experience of the retail industry include working at many different retailers with a wide variety of experience in all levels of business operations along with graduating with degrees in fashion marketing. This gives us a solid, well rounded knowledge of the retail industry and every aspect. Our research and financial forecasts show that investing our \$10,000, combined with a single \$90,000 loan, we will give Sky's Jewelry the funding to successfully achieve our goals, with the ability to pay back the loan in full in 10 to 15 years.

The funds we wish to borrow will enable us to open our business, initially allowing us to purchase opening inventory, fixtures, and promote Sky's Jewelry. We plan on opening our store November 1<sup>st</sup>, 2025. Granting us this loan will allow us to fulfill our goal to make the Telluride woman feel empowered, fashionable and look exceptional.

Our business plan is attached, in which you will find all the information you will need. If you have any questions or need more information, please contact Arizona hummingbird at (918) 704-8510.

Thank you for your consideration.

Arizona Hummingbird





## **BUSINESS DESCRIPTION**

Located on the corner of Colorado Ave and Fir Street, Sky's Jewelry offers a fully customizable jewelry design experience focusing on young girls to professional women seeking unique and tasteful treasures. Limitless choices and outstanding customer service will create a lasting and unforgettable memory for the Sky Jewelry shopper.

Sky's Jewelry target customer is a woman between the ages 7 and 65 who live and commute daily through Telluride, Colorado. This target age range melds with Telluride's population demographic making this location a great destination for our store. Sky's Jewelry target customer seeks to stand out stylishly. She aspires to create her daily outfit's accessories through careful thought but with a whimsical touch. She is up to date with current fashion trends knowing how to style her wardrobe. She desires creative and colorful pieces of jewelry that do not overpower her outfit but simply complete it.

Our store provides a unique service to the San Miguel County by providing do-it-yourself jewelry. This will entail choice options of chains, charms, and colors. Sky's Jewelry also offers engraved options for rings.

Sky's Jewelry will penetrate the market with affordable prices and differentiate our store from other jewelers by our unique service, fervent attitude for pleasing our customers and vast product knowledge.

Sky's jewelry will be a sole proprietorship store owned and operated by Arizona Hummingbird. Ms. Hummingbird has an extensive knowledge of her product offering, brand marketing, cultivating a successful store atmosphere for her customers and employees. These personal attributes will enable Ms. Hummingbird to manage and run a thriving small business.

Our mission at Sky's Jewelry is to create an atmosphere that promotes creativity, encourages imagination, and fosters uniqueness through our customizable jewelry.

## **PRODUCT AND SERVICE**

### **Business Description**

Sky's Jewelry offers a fully customizable jewelry design experience focusing on young girls to professional women seeking unique and tasteful treasures. Limitless choices and outstanding customer service will create a lasting and unforgettable memory for the Sky Jewelry shopper.

### **Store Merchandise**

Sky's Jewelry will sell fully customizable necklaces, rings, and earrings. We will offer sterling silver necklace chains, an array of small charms, gold or silver rings with engraving options, sterling silver earring studs with a magnetic function, and magnetic charms to attach to the stud earrings. Our charm choices will range from simplistic and sophisticated to youthful and quirky.

### **Customization**

At Sky's Jewelry we will offer a choice of sterling silver or gold necklace chains, earring studs, and rings that can then be customized with accompanying charms in many colors, styles, and designs. We will offer the option to engrave on our rings. This customization service will establish our competitive advantage and propel our business into the jewelry market, making way for a prosperous company.

### **Customer Service**

Our customers are the most important and first pillar within Sky's Jewelry customer service plan. At Sky's Jewelry we will put customers first each day by greeting every customer upon entrance, assist with any help needed when assembling jewelry, be apt to any concerns, and offer our undivided attention at every request. When customers enter our store, they will be greeted with a warm smile, refreshment, and/or snack of their choice. When assembling jewelry, they will be offered comfortable seating and background music of their choice. Along with this we will offer look books of past customer creations and our personal creations to provide inspiration.

## **Atmosphere**

The atmosphere of Sky's Jewelry will be one of our main priorities and at the forefront of our minds each day. When entering our store customer's will be greeted with a warm smile and choice of refreshment. We will play upbeat but peaceful music to entice customers and keep them entertained while making their pieces. We will have plush and comfortable seating for those making jewelry and spacious working tables to ensure our customers have all the space they need for their creations. Inside we will have bouquets of fresh flowers in corners of our store to fill the air with naturally pleasant smells. If the weather is nice, we plan to open our doors inviting in any people passing by, as well as letting in the fresh air of the Colorado mountains. Our store will strive each day to create a lively, welcoming, and awe-inspiring ambience for our shoppers.

## **Trend Research**

The fashion world is ever evolving, which is why our store will remain aware and up to date of changes in the jewelry market. Our store has done extensive research of what styles, colors and metals are leading the market and plan to implement these into our products with our own touch. We have studied our location with respects to population, median age, median income, household sizes and tourist seasons to aid our opening inventory purchases. Alongside the beginning research we plan to study fashion magazines like *Cosmopolitan* and *Vogue* daily to stay abreast of the changes in the jewelry world. Sky's jewelry will operate a social media page where we will follow jewelry producers and designers to inspire our inventory purchases. We will attend trade shows and expositions to purchase new items and generate ideas for our store. Sky's jewelry will also acquire customer feedback daily through in person questions and online surveys. These surveys will help us stay up to date with what is trending and what our customers think about our store. We will use our findings to shift and adjust product purchases, marketing efforts and our store operations.



## **LOCATION**

Sky's Jewelry, located on 119 W Colorado avenue sits at the foothills of the San Juan Mountain range. Our store is nestled in the valley of these mountains in the downtown area of Telluride with other many tenants creating a lively and populous shopping district. Our neighboring retailers include, restaurants, bookstores, drugstores and many other retailers such as clothing, furniture and sportswear. Further down the street includes Telluride's non-shopping businesses like a post office, bank and courthouse. On the backside of our store is another busy street that includes more restaurants, hotels, and retailers.

There are many reasons as to why Sky's jewelry is in Telluride, Colorado. One reason is that it one of biggest cities in the San Miguel County and has grown by 10% since the 2010 Census. Telluride is also known as one of the top skiing places in Colorado, thus bringing in people from all over the world to our store's location. With our wholesale jewelry prices being on the average to high side we needed a town that could afford our products, as well as be willing to afford our markup prices. Telluride is a higher income city within Colorado reaching a median income over \$60,000 therefore their income matches our desired pricing methods.

We wanted to place our store in a shopping district that also included forms of entertainment. Downtown Telluride fits this by offering numerous retail stores, a theater and many restaurants. With these nearby tenants many visitors and locals will see our store and become curious of what we offer.

The way our store was built we will be able to display current creations and service promotions daily. Our store has two full-size window displays on each side of the door with high glass walls. People walking by will be drawn into our store by our product displays and strategic renovations.

After entering our store customers will see our worktables, then to each side the wide variety of charms, necklaces, earrings and ring choices they will be offered. When walking further into our store they will see customer's creations, and our personal creations. Located at the back will be our checkout station so that customers will be prompted to see all the whole store before deciding to purchase.

The design concept of Sky's jewelry is going to create a cheerful, youthful but sophisticated, and colorful atmosphere. We will use colors like daffodil yellow, a blush pink, and periwinkle blue. Our side walls will be painted blush pink and our front and back walls will be painted daffodil yellow. Two silver, large-sized chandeliers will be hanging from the ceiling to bring the sophistication element in our store. Sprinkled throughout store will also be motivational and inspirational quotes to uplift the Sky jewelry customer. We will bring in local art that matches our value and design concept to inspire the inner artist in everyone. To encase our charms will be renovated vintage large-sized dressers to incorporate the whimsical feel we are going for. Our worktables will be daffodil yellow and triangle shaped. We wanted an out of the norm shaped table to bring a sense of uniqueness to our store. The accompanying seats will be 4 legged chairs with a comfortable back and bottom cushion to make our customers feel relaxed. Each decision of color, furniture and lighting was decided with our customer in mind. We plan to make our customer feel welcomed and excited for their new, personally created masterpiece.



# **MARKETING PLAN**

## **Target customer**

After researching and analyzing our desired store location, we concluded that our target customer will come from the zip codes 81435 and 81427. Our target customer are women and girls ages seven to sixty-five. Women in their mid-thirties will be our main buyers, and our top targeted customer. These women will be pre-family or have a family with children older than six. According to the 2020 Census 22% of Telluride's population are ages 30-39, 18% 40-49, 14% 20-29, and 11% 10-19. Telluride's population is 49% women as opposed to its neighboring cities such as Mountain Village, CO (45% female) and Ridgeway, CO (47% female) therefore benefitting Sky's Jewelry. This age demographic will be financially stable enough to buy often due to the average income for Telluride, CO being over \$66,000 according the 2020 census. Our second target customer will be young girls, ages 7-12. This customer will accompany gatekeepers like mothers or grandmothers who will make the purchases. One of the services we will offer will be group jewelry making, which will bring in young groups of girls who can come for birthday parties and/or other celebrations. Our third target customer will be teenage girls ranging from 13 to 17 years old. This customer is supported by the average persons per household being 2.3 in Telluride and current trends in the jewelry market for teenage girls. Our fourth target customer will be women ages 18-25. This target customer is supported by the tourism aspect of Telluride. Telluride is known for their skiing and snowboarding because they are in the San Juan Mountains. Most college students ski or snowboard in between their school sessions, therefore an influx of people in Telluride. This targeted shopper is also due to current trends in the jewelry market.

## **Pricing and Sales strategies**

### **Markup**

When evaluating the wholesale price and competitor's retail price, we decided that our overall markup will be 100% to 120%. The average price of our necklace chains is \$10. We will retail them for \$22. Our earrings studs cost \$10 at wholesale price and we sell them for \$20. The average price of our rings at wholesale price cost \$15 but we will sell them for \$30. We will mark up our necklace chains, earring studs and rings by 100 percent to 120 percent because they are inexpensive to buy and come in large quantities. The average price of our necklace charms wholesale for \$3.15 but we sell them for \$5 each, making the markup 58.7 percent. Our earring charms cost on average \$3. We will mark up these by 66.7 percent making them cost \$5. We also chose these markup percentages because we offer customization options and to pay for packing and bagging of our jewelry at the checkout counter. Packaging costs include brown cardboard or pale-yellow bags, recycled newspaper or white tissue paper, store logo stickers and boxes.

### **Markdowns**

We will offer markdowns starting at 20 percent off and move down increments of 5 percent, until the merchandise is 10 percent off. Our markdown schedule will be as follows: 20 percent for necklace chains, 15 percent for earring studs and rings, 10 percent for necklace charms and earring charms. We will put emphasis on the necklace chains to allow our store to make a small profit while still offering a discount.

## **Competition's Pricing**

Our direct competitors have comparable pricing methods to Sky's Jewelry. Our direct competitors will be Tina's Jewelry Company, Lily's Handcrafted, Telluride's finest, and other forms of entertainment like Pinot's Palette. These stores sell similar jewelry with more options. These retailers can sell their jewelry at a lower price because there is no customization fee like our store. These stores also have an established customer base. Although we are new to Telluride, we will be able to penetrate the market with our unique offering and stylish designs.

Our indirect competitors will be big corporation jewelers like Zales, Kays, and Kendra Scott. Their prices are higher, but their products are made by professionals, therefore offering dependability. They are known around the world for their good quality jewelry and fast service. The success of these stores provides evidence that the jewelry business is popular, and our store has a potential in Telluride.

## **Customer Service**

Our customers are the most important and first pillar within Sky's Jewelry customer service plan. At Sky's Jewelry we will put customers first each day by greeting every customer upon entrance, assist with any help needed when assembling jewelry, be apt to any concerns, and offer our undivided attention at every request. When customers enter our store, they will be greeted with a warm smile, refreshment, and/or snack of their choice. When assembling jewelry, they will be offered comfortable seating and background music of their choice. Along with this we will offer look books of past customer creations and our personal creations to provide inspiration. We will accept Visa, Discover, Mastercard, Amex, personal checks and cash. We will not charge customers a credit card fee as we feel it is not necessary. We will process checks through our bank, Banc First.

## **Competition**

### **Direct competitors**

Our direct competitors are Tina's Jewelry Company, Lily's Handcrafted, Telluride's Finest and Pinot's Palette. These jewelry stores are all in Telluride, CO. These stores offer customization options like our store. They sell similar types of products, sometimes similar design concepts, and sometimes prices that are close to ours. We believe these stores are our direct competition because most local shoppers and tourists in Telluride will gravitate towards familiar brands. These stores also offer a simpler buying process as we have a couple steps before purchasing like picking the desired charms or engraved letters/words. These stores also have similar target markets as they target women in the mid-thirties. Since these stores are larger than our stores, they can afford to spend more money on extensive marketing efforts.

## **Indirect Competitors**

Our indirect competitors will include Zales, Kays, and Kendra Scott. They target women and men of higher income ages 25-50 which is similar to Sky's Jewelry target market. Our indirect competitors price their products similar to ours thus emphasizing the need to differentiate our store. Zales and Kays have been in Telluride for many years building customer relationship and establishing credibility to their name. This presents a challenge for us because we are new to Telluride. These stores offer promotional discounts like ten percent off if customers sign up for their credit card.

## **Advertising and Promotion**

### **Communication to Customers**

Located on the corner of Colorado Avenue and Fir Street, Sky's Jewelry offers fully customizable jewelry for stylish women in a unique setting. At Sky's Jewelry we will put customers first each day by greeting every customer upon entrance, assist with any help needed when assembling jewelry, be apt to any concerns, and offer our undivided attention at every request.

### **Methods**

At Sky's Jewelry we will use many methods to reach our customers and keep our customers up to date of new products, new events and/or new sales. We have reserved a 2-week radio advertisement on 102.4 The Edge. This advertisement will be a brief announcement of our business to inform Telluride of our store opening.

Before our store opening in October, we will have one-half of a page reserved in *Telluride Daily*. This ad will feature a couple example items, hours and opening day, and our location. In addition to *Telluride Daily* we will reserve one-quarter of a page within the *Telluride Publishing* to reach other target groups for our store. We will also direct mail 1500 brochures advertising our store and informing customers of our grand opening.

Our grand opening party will be one of our biggest forms of reaching our customers for year 1. This party will be held at our store on November 15<sup>th</sup> from 5:00 p.m. to 9:00 p.m. We will provide finger foods and beverages to celebrate. We will also be holding a contest to win a free group jewelry making party. Each customer will be given a ticket when entering our store then at the end of the night we will draw for the winner. During the party we will also offer customers the choice to either make necklace(s) or earring(s) for a discounted price. Customers will also have the chance to fill out customer information cards to receive upcoming events, new product announcements and discount offerings.

In addition to our radio advertisements, print advertisements and grand opening party, we will have a perfectly curated website. Our store values our online presence greatly and believe it is imperative we provide an accurate and consistent listing of what our store sells and promotes. Our website will list each product we have so customers can view them before coming in-store, but we will not allow customers to make their products online. We will offer products we have made to be sold online in limited quantities. This website will also include customer reviews, information about days and hours of operation, location information, contact information, staff and company bios, and information regarding our engraved option. We will have many visuals of our store to entice customers and to get to know what we represent. This website will be created through, *Square Online*, a free website creator.

## **PERSONNEL AND MANAGEMENT PLAN**

## **Background**

Arizona Hummingbird has a strong background in retail and store management that will enable her to successfully open a small business. Arizona has worked as Assistant Jewelry Designer at James Avery, a nationwide jewelry store, where she built a vast knowledge of gems, stones, pearls, assembling jewelry and designing pieces according to the store's style and/or customer's customization orders. Arizona also developed great leadership skills, learned a wealth of information about brand marketing, expanded her market research abilities and assisted in financial planning for the marketing expense account while working for Plenty Mercantile, a home goods store in the Oklahoma City Metro area. Arizona has developed many skills that will ensure her new small business is prosperous.

## **Strength and weaknesses**

Arizona Hummingbird has developed hard skills in marketing, financial planning, and business to business operations over the years. Her soft skills entail great communication skills, organization and remaining an optimistic person. Her weaknesses are that she can be a perfectionist and likes to be as efficient as possible. Despite these weaknesses Arizona possesses the necessary skills to own and operate a small business.

## **Compensation**

At Sky's Jewelry there will be two part-time associates who work 30 hours a week, while I work full-time to overtime each week. During the first year the part-time employees will be paid \$8 an hour and Arizona will not take a salary out for herself. The part-time associates will make \$240 a week and roughly \$12,240 a year. There will not be any benefits or vacations offered in the first year. When the business generates more profit, these will be reconsidered.

Arizona will work each day from open to close Monday through Sunday with varying hours each day as she will be running errands for business operations or working in store with customers. There will always be at least two workers in the store at all times.

## **FINANCIAL PLAN**

SALES PLAN EXERCISE	
Customers per day	20
Average purchase	\$35
Daily sales	\$700
Days open annually	361
Annual Sales	\$252,700

BREAK-EVEN SALES REVENUE FORECAST Year 1, Per Annum	
	DOLLAR
Annual sales	\$252,700
Annual fixed costs	\$27,386
Gross profit	44.9%
Break-even Sales	\$60,993
Sales over Breakeven	\$191,707
Profit	\$86,076

SALES REVENUE FORECAST		
MONTH	SALES, IN DOLLARS	SALES, IN PERCENT
November	\$17,942	7.1%
December	\$19,205	7.6%
January	\$21,480	8.5%
February	\$20,721	8.2%
March	\$22,996	9.1%
April	\$18,447	7.3%
May	\$20,721	8.2%
June	\$24,765	9.8%
July	\$20,721	8.2%
August	\$25,523	10.1%
September	\$20,721	8.2%
October	\$19,458	7.7%
<b>Totals</b>	<b>\$252,700</b>	<b>100%</b>
Sales per selling square foot: \$290 Selling square feet: 870 Total year 1 sales: \$252,700		



November	\$17,941 (-13%) Below average due to just opening but supported with marketing and promotional efforts.
December	\$19,205 (-7%) Slightly below average due to just opening and no established clients yet.
January	\$21,480 (+4%) Above average due to gaining market share and small inflow of tourists.
February	\$20,721 (average) An average month due to settlement of tourists and gained considerable market share.
March	\$22,996 (+11%) Above average due to middle of busy season and small inflow of tourists.
April	\$18,447 (-11%) Below average due to cessation of winter season.
May	\$20,721 (average) An average month.
June	\$24,765 (+20%) Above average due to change of seasons and inflow of tourists.
July	\$20,721 (average) An average month.
August	\$25,523 (+23%) Above average due to inflow of tourists, summer events, like weddings, and/or concerts.
September	\$20,721 (average) An average month.
October	\$19,458 (-6%) Below average due to change of seasons, middle of summer events and winter sport activities.
<b>Year 1 Total</b>	<b>\$252,700</b>

SALES AND GROSS MARGIN EXERCISE										
	REGULAR NECKLACE CHAINS	SALE NECKLACE CHAINS	REGUALR EARRING STUDS	SALE EARRING STUDS	REGULAR RINGS	SALE RINGS	REGULAR NECKLACE CHARMS	SALE NECKLACE CHARMS	REGUALR EARRING CHARMS	SALE EARRING CHARMS
Average Cost	\$10	\$10	\$10	\$10	\$15	\$15	\$3.15	\$3.15	\$3	\$3
Bags and Wrap	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1
Total Cost	\$11	\$11	\$11	\$11	\$16	\$16	\$3.44	\$4.15	\$4	\$4
Average selling price	\$22	\$17.60 (35%)	\$20	\$17 (35%)	\$30	\$25.50 (30%)	\$5	\$4.50 (25%)	\$5	\$4.50 (25%)
Gross profit	\$11	\$6.60	\$9	\$6	\$14	\$9.50	\$1.56	35¢	\$1	50¢
Gross Profit Percent	55%	43%	50%	41%	50%	41%	37%	30%	40%	33%
Annual Sales Percent	16%	9%	13%	7%	18%	7%	11%	4%	11%	4%
Annual sales	\$41,063.75	\$22,111.25	\$32,851	\$17,689	\$44,222.50	\$18,952.50	\$28,428.75	\$9,476.25	\$28,428.75	\$9,476.25
Annual Gross Profit	\$22,585	9,508	\$16,426	\$7,253	\$22,111	\$7,771	\$10,519	\$2,843	\$11,372	\$3,127
Total Gross profit	45%	(\$113,515/\$252,700)								
Sales and Gross Margin Assumptions: Total Sales Percent: 25% Necklace Chains, 20% Earring Studs, 25% Rings, 15% Necklace and Earring Charms 15% Chains Sales: 65% Full price, 35% Sale price Earring Studs Sales: 65% Full price, 35% Sale price Rings Sales: 70% Full price, 30% Sale price Necklace & Earring Charms Sales: 75% Full price, 25% Sale price										

## **Sales and Gross Margin Justification**

Sky's Jewelry will sell fully customizable necklaces, rings, and earrings. We will offer sterling silver necklace chains, an array of small charms, gold or silver rings with engraving options, sterling silver earring studs with a magnetic function, and magnetic charms to attach to the stud earrings. Our charm choices will range from simplistic and sophisticated to youthful and quirky.

First-year sales will be \$252,700. Based on the 870 square feet of selling space that our store provides, the average sales per square foot will be \$290. We will aim to have a daily sales goal of \$700. We will be open 362 days of the year. Our days of operation will be Monday through Saturday 10 a.m. to 8 p.m. and Sunday 1 p.m. to 6 p.m. We will be closed on Thanksgiving, Christmas Eve and Christmas Day.

For overall sales, we plan that 65% will be necklace chains, 65% earring studs, 70% will be rings, 75% will be necklace and earring charms. The storewide total gross profit will 44.9 percent, based on total gross profit dollars of \$113,515.

We will offer markdowns starting at 20 percent off and move down increments of 5 percent, until the merchandise is 10 percent off. Our markdown schedule will be as follows: 20 percent for necklace chains, 15 percent for earring studs and rings, 10 percent for necklace charms and earring charms. We will put emphasis on the necklace chains to allow our store to make a small profit while still offering a discount.

### **Necklace Chains**

The average price of our necklace chains is \$10. We will retail them for \$22. We will mark up our necklace chains, earring studs and rings by 100 percent to 120 percent because they are inexpensive to buy and come in large quantities. Packaging will cost us on average one dollar per order. Packaging includes brown cardboard or pale-yellow bags, recycled newspaper or white tissue paper, store logo stickers and boxes.

## **Sales and Gross Margin Justification** *(continued)*

### **Earring Studs**

Our earrings studs cost \$10 at wholesale price and we sell them for \$20. We will mark up our necklace chains, earring studs and rings by 100 percent to 120 percent because they are inexpensive to buy and come in large quantities. Packaging will cost us on average one dollar per order. Packaging includes brown cardboard or pale-yellow bags, recycled newspaper or white tissue paper, store logo stickers and boxes.

### **Rings**

The average price of our rings at wholesale price cost \$15 but we will sell them for \$30. We will mark up our necklace chains, earring studs and rings by 100 percent to 120 percent because they are inexpensive to buy and come in large quantities. Packaging will cost us on average one dollar per order. Packaging includes brown cardboard or pale-yellow bags, recycled newspaper or white tissue paper, store logo stickers and boxes.

### **Necklace Charms**

The average price of our necklace charms wholesale for \$3.15 but we sell them for \$5 each, making the markup 58.7 percent. Packaging will cost us on average one dollar per order. Packaging includes brown cardboard or pale-yellow bags, recycled newspaper or white tissue paper, store logo stickers and boxes.

### **Earring Charms**

Our earring charms cost on average \$3. We will mark up these by 66.7 percent making them cost \$5. We also chose these markup percentages because we offer customization options and to pay for packing and bagging of our jewelry at the checkout counter. Packaging includes brown cardboard or pale-yellow bags, recycled newspaper or white tissue paper, store logo stickers and boxes.

FIXED COST FORECAST	
Per Annum	
Accounting	\$2,779
Banking Services	\$1,263
Electric	\$1,944
Gas and Water	\$1,200
Insurance	\$1,010
Maintenance	\$758
Miscellaneous	\$1,010
POS System Maint.	\$808
Staffing	\$19,963
Staffing taxes	\$2,906
Supplies	\$1,516
Telephone/Internet	\$1,263
Travel	\$3,285
<b>TOTAL</b>	<b>\$27,386</b>

CAPITAL SPENDING PLAN	
CAPITAL ITEMS	
POS system	\$3,000
Telephone/ fax	\$400
Renovations	\$4,000
Fixtures/furniture	\$9,000
Store sign	\$1,400
<b>TOTAL</b>	<b>\$17,800</b>
EXPENSE ITEMS	
Rent/security deposit	\$4,300
Electric	\$1,000
Gas and Water	\$1,500
Security/internet	\$200
Telephone/fax	\$200
Insurance deposit	\$400
Supplies/ postage	\$400
Advertising/marketing	\$4,000
Travel	\$1,500
Legal advice	\$500
Accounting/ booking	\$600
Inventory	\$53,000
<b>TOTAL</b>	<b>\$67,600</b>
TOTAL	
Total Capital Items	\$17,800
Total Expense Items	\$67,600
<b>GRAND TOTAL</b>	<b>\$85,400</b>

### Start-up Justification

The majority of Sky's Jewelry costs are fixed and therefore permanent. The previous tenant cleared out most fixtures so our store will require a lot of additions and renovating. The wood floor, walls and ceiling of our store is in great condition, therefore not needing any fixing. We will repaint the walls and a few touch ups for the wood floor and ceiling.

### Loan

Arizona the owner will invest \$10,000 in the business. This has been acquired through her previous job income and savings.

After completing the capital spending plan, it became apparent that the business would need around \$85,000 to cover expenses. The number was then rounded, and another \$5,000 bumper added on the total. The loan amount needed will be \$90,000.

After looking on the SBA (Small Business Administration) website, a loan was found through UnitedTrust in Telluride, Colorado. We were granted the loan and will pay 15% interest on this loan.

Forecasted Financial Statement: Year 1													
PROFIT AND LOSS STATEMENT													
Year 1: November 1st, 2025 to October 31st, 2026													
	NOV	DEC	JAN	FEB	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT	OCT	Total
Net Sales	\$17,942	\$19,205	\$21,480	\$20,721	\$22,996	\$18,447	\$20,721	\$24,765	\$20,721	\$25,523	\$20,721	\$19,458	\$252,700
Cost of Goods Sold	\$9,886	\$10,582	\$11,835	\$11,418	\$12,671	\$10,164	\$11,417	\$13,645	\$11,417	\$14,063	\$11,417	\$107,146	\$235,661
Gross Profit	\$8,056	\$8,623	\$9,644	\$9,304	\$10,325	\$8,283	\$9,304	\$11,119	\$9,304	\$11,460	\$9,304	\$8,737	\$113,462
Itemized Expenses													
Staffing	\$1,417	\$1,517	\$1,697	\$1,637	\$1,820	\$1,457	\$1,637	\$1,956	\$1,638	\$2,016	\$1,637	\$1,537	\$19,967
Staffing/Taxes	\$206	\$221	\$247	\$238	\$264	\$212	\$311	\$285	\$311	\$294	\$311	\$224	\$2,906
Rent	\$2,106	\$2,106	\$2,106	\$2,106	\$2,106	\$2,106	\$2,106	\$2,106	\$2,106	\$2,106	\$2,106	\$2,106	\$25,270
Electric	\$162	\$162	\$162	\$162	\$162	\$162	\$162	\$162	\$162	\$162	\$162	\$162	\$1,938
Gas and Water	\$91	\$91	\$91	\$91	\$91	\$91	\$91	\$91	\$91	\$91	\$91	\$91	\$1,094
Maintenance	\$63	\$63	\$63	\$63	\$63	\$63	\$63	\$63	\$63	\$63	\$63	\$63	\$758
Telephone/Fax	\$105	\$105	\$105	\$105	\$105	\$105	\$105	\$105	\$105	\$105	\$105	\$105	\$1,263
Security/Internet	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$303
POS System Maintenance	\$67	\$67	\$67	\$67	\$67	\$67	\$67	\$67	\$67	\$67	\$67	\$67	\$808
Insurance	\$84	\$84	\$84	\$84	\$84	\$84	\$84	\$84	\$84	\$84	\$84	\$84	\$1,010
Supplies	\$126	\$126	\$126	\$126	\$126	\$126	\$126	\$126	\$126	\$126	\$126	\$126	\$1,516
Marketing/ Advertising	\$779	\$779	\$779	\$779	\$779	\$779	\$779	\$779	\$779	\$779	\$779	\$779	\$9,349
Travel	\$273	\$273	\$273	\$273	\$273	\$273	\$273	\$273	\$273	\$273	\$273	\$273	\$3,285
Accounting	\$231	\$231	\$231	\$231	\$231	\$231	\$231	\$231	\$231	\$231	\$231	\$231	\$2,779
Banking Services	\$105	\$105	\$105	\$105	\$105	\$105	\$105	\$105	\$105	\$105	\$105	\$105	\$1,263
Miscellaneous	\$84	\$84	\$84	\$84	\$84	\$84	\$84	\$84	\$84	\$84	\$84	\$84	\$1,010
Total Fixed Expenses	\$5,924	\$6,039	\$6,245	\$6,176	\$6,385	\$5,970	\$6,249	\$6,542	\$6,250	\$6,611	\$6,249	\$6,062	\$74,519
Net Profit/Loss	\$2,132	\$2,584	\$3,399	\$3,128	\$3,940	\$2,313	\$3,055	\$4,577	\$3,054	\$4,848	\$3,055	\$2,675	\$38,944
													15.4%

**Profit and Loss Statement Justifications**  
**Year 1: November 1<sup>st</sup>, 2025 to October 31<sup>st</sup>, 2026**

<b>Accounting</b>	Payroll and bookkeeping to be done by an accountant at \$231 per month; staying a steady price throughout the year because of the firm being able to work with us.
<b>Alarm System</b>	With Telluride Security, monthly fee covers 24-hour coverage any time of the day.
<b>Advertising/Promotion</b>	We will see a steady price of marketing per month. Nothing will change much with our marketing schedule and the ways we promote the business.
<b>Banking Services</b>	Through Banc First located in close proximity to the business; covers the cost of the business account including the costs for cashier's checks and money orders; will also cover the costs of the credit card processing company for Visa, Master Card, and American Express transactions.
<b>Electric</b>	With Telluride Electric, standard rates, cost for 1000 square-foot retail business lighting needs.
<b>Gas and Water</b>	With the city utilities, Gas usage will go up in winter months which will result in higher bills for the winter seasons; water is going to remain constant; price is together and stays constant.
<b>Insurance</b>	Through Telluride Insurance Group; liability insurance.
<b>Maintenance</b>	The lease is a triple net lease; the lessee will be responsible for all issues; we will save money each month in case repairs is needed.
<b>Miscellaneous</b>	Saving money for each month in case it is needed.

**Profit and Loss Statement Justifications (*continued*)**  
**Year 1: November 1<sup>st</sup>, 2025 to October 31<sup>st</sup>, 2026**

<b>POS System Maintenance</b>	Blue POS program: this will cover any maintenance for the system; company can work through phone and make visits; \$67 flat fee for both options.
<b>Rent</b>	1,000 square feet x \$25 per square foot; was able to get cost of rent on a steady payment of \$2,106 per month since they will provide extra services to us.
<b>Staffing</b>	Two part-time employees for the first year; owners draw is not included in this cost; \$1600 average per month to the part-time employees giving him \$20,000 a year rounded up.
<b>Staffing Taxes</b>	payroll taxes; spread over the 12 months at a rate of 12.5 percent.
<b>Supplies</b>	Many of these items are necessities for daily operations: stamps, paper, printer ink, lightbulbs, and so on.
<b>Telephone/Internet</b>	Through AT&T; both of these costs are included; quoted for the business rate of monthly service and calls; higher cost due to use of internet and amount of long distant phone calls with vendors.
<b>Travel</b>	Save money over the months; will make trips during new seasons; cost of hotel to be added in each monthly cost; one employee will make the trip resulting in the cost of \$9,349 per year. The cost for this would include the cost of flights and hotel stays. If we were able to get cheap flights within the first few years, we would be able to save money. Each flight would cost around \$300 both ways a person. Hotel costs would be \$150 a night. In the end, we would possibly have money left over.





## **Cash Flow Statement Justifications**

### **Year 1: November 1<sup>st</sup>, 2025 to October 31<sup>st</sup>, 2026**

Cash on hand	Arizona will invest 10,000 into the business. This money will come from a savings account.										
Décor	Each, \$200 has been allotted for fresh flowers, \$35 of which will be used.										
Inventory	Inventory will be paid for by the loan provided in the first year with the COD because of the lack of business credit, having the inventory paid for with the month it was received. In later years, when credit is built up, the business will pay for inventory with billing/net 30 terms, paying for the inventory of which it was received. Enough inventory will be purchased to help provide for multiple sales through internet purchases and in person purchases.										
Loan	<p>Arizona will be requesting a loan of \$90,000 to help cover start-up costs.</p> <table> <tr> <td>\$53,000</td><td>Opening Inventory</td></tr> <tr> <td>\$1400</td><td>Signage</td></tr> <tr> <td>\$3000</td><td>POS System</td></tr> <tr> <td>\$1000</td><td>Décor</td></tr> <tr> <td>\$400</td><td>Small Office Equipment</td></tr> </table>	\$53,000	Opening Inventory	\$1400	Signage	\$3000	POS System	\$1000	Décor	\$400	Small Office Equipment
\$53,000	Opening Inventory										
\$1400	Signage										
\$3000	POS System										
\$1000	Décor										
\$400	Small Office Equipment										
Revolving line of Credit	A line of credit for the amount of \$20,000 has been requested. For projection purposes, interest accrues at a rate of 9 percent and will be paid monthly. We will draw from this account when needed.										

<b>Pro Forma Income Statement</b> <b>November 1st, 2025 to October 31, 2026</b>	
<b>Gross Sales</b>	\$252,700
<b>Cost of Good Sold</b>	
Beginning Inventory	\$53,000
(+) Purchases	\$97,000
(-) Ending Inventory	\$10,762
<b>Gross Profit\$</b>	<b>\$113,462</b>
<b>Operating Expenses</b>	
Staffing	\$19,967
Staffing Taxes	\$2,906
Rent	\$25,270
Gas and Water	\$1,094
Electricity	\$1,938
Maintenance and Repairs	\$758
Security	\$303
Telephone and Fax	\$1,263
Interest on Loan	\$11,624
Point of Sale System Maintenance/ Updates	\$808
Insurance	\$1,010
Postage and Supplies	\$1,516
Marketing and Advertising	\$9,349
Travel and Entertainment	\$3,285
Accounting and Bookkeeping	\$2,779
Banking Services	\$1,263
Depreciation and Amortization	\$3,000
Miscellaneous	\$1,010
<b>Total</b>	<b>\$89,143</b>
<b>Operating Profit</b>	<b>\$24,319</b>

<p style="text-align: center;"><b>Income Statement Justifications</b> <b>Year 1: Ending October 31<sup>st</sup>, 2026</b></p>
<p><b>Gross Sales</b></p> <p>We plan on having a very conservative first year of sales with our current plan. Being a new store, it might be difficult with a limited budget, we cannot afford to put ourselves into a large amount of debt. By not having an aggressive marketing plan, we plan on relying on the internet and word of mouth to get the recognition. Our predicted gross sales will be \$252,700.</p> <p><b>Returns and Allowances</b></p> <p>Being a new store in the market, we will allow our guests to make returns in order to satisfy and build a relationship with them. Different types of customers will gain incentives based on purchases. If it is found out that a customer is trying to abuse our policies, we will not allow the customer to return items.</p> <p><b>Cost of Goods Sold</b></p> <p>Since we are a new store, we plan on trying to build our name and credit by not asking for discounts or specials from vendors. We plan on purchasing \$53,000 worth of inventory for the first year.</p> <p><b>Net Profit/ Loss</b></p> <p>Once the math was computed, our store will have a profit of \$24,319. This will put our business in a great position to be successful. We did not want to exaggerate the amount at which we think we could sell, therefore we believe these numbers are most realistic for our business. In the following years we will approach the market with more tenacity as we build our customer relationships and establish credibility.</p>

**Income Statement Justifications (continued)**  
**Year 1: Ending October 31<sup>st</sup>, 2026**

**Operating Expenses**

These will be the main expenses used to run the business for the first year along with the years after.

- Accounting: We will be hiring an accountant for bookkeeping purposes to make sure we do not go down as a business.
- Advertising/Promotion: The advertising for the first year will be a small amount due to the funding and in which we will mostly rely on the internet to get our advertising done. We will have a Web site, reserve ads in magazines, and social media advertisements.
- Alarm Services: The store will be protected 24 hours, 7 days a week.
- Banking Services: We will use the bank in order to assist us in any financial needs along with the process of purchases.
- Electric: Electric will be used to run the store when it is open. We will try to conserve energy.
- Gas and Water: These utilities will be used to keep the store open and running.
- Insurance: Insurance will be used in order to protect us and the store.
- Miscellaneous: This will assist us for any unforeseen costs.
- POS System Maintenance: We will need maintenance on our system to ensure it does not shut down.
- Rent: Rent will be paid in order to keep our location at the store.
- Staffing: This will go towards paying our employees.
- Supplies: Supplies will be anything that is a necessity such as paper, ink, and many other daily use items.
- Telephone/Internet: This will be used for daily store operations with customers and vendors.
- Travel: Travel will be an important aspect of the business in order to meet with vendors and travel to fashion shows.

## Opening Pro Forma Balance Sheet

### November 1, 2025

#### Current Assets

Cash	\$5,000.00
Inventory	\$53,000.00
Prepaid Rent-Security Deposit	\$4,300.00
Prepaid Electricity	\$1,000.00
Prepaid Insurance Deposit	\$400.00
Prepaid Heating and Water	\$1,500.00
Prepaid Marketing Expenses	\$4,000.00
Prepaid Travel Expenses	\$1,500.00
Security Internet	\$100.00
Prepaid Accounting and Legal Services	\$11,000.00
Postage and Supplies	\$400.00
<b>Total</b>	<b>\$82,200.00</b>

#### Other Assets

Point of Sale System	\$3,000.00
Telephone and Fax Equipment	\$400.00
Leasehold Improvements Renovations	\$4,000.00
Furniture and Fixtures	\$9,000.00
Store Sign	\$1,400.00
<b>Total</b>	<b>\$17,800.00</b>

#### Total Assets

**\$100,000.00**

#### Current Liabilities

Current Portion of Long-Term Debt	\$2,640.00
Line of Credit	\$-
<b>Total</b>	<b>\$2,640.00</b>

#### Long Term Liabilities

Long Term Debt	\$87,360.00
<b>Total</b>	<b>\$90,000.00</b>

#### Owners' Equity

Owners Investment	\$10,000.00
Retained Earnings	\$-
Plus: Net Income (Profit)	\$-
Less: Owners Draw	\$-
<b>Total</b>	<b>\$10,000.00</b>

#### Total Liabilities and Owner Equity

**\$100,000.00**

#### Current Ratio

31.14

#### Net Working Capital

\$79,560.00

#### Debt to Worth Ratio

9.0

<p style="text-align: center;"><b>Balance Sheet Justification</b> <b>Year 1: Ending October 31<sup>st</sup>, 2026</b></p>
<p><b>Assets</b></p> <p>Our current assets will end up being anything that we are able to turn into cash within one year. This will include our cash at the end of the year in October, which is \$5,000.</p> <p>Many of our fixed assets will consist of items purchased long-term, or over the year. This includes fixtures, furniture, and computer valued at \$17,800. These will be replaced every 5 years if needed.</p> <p><b>Liabilities</b></p> <p>To pay the loan of \$90,000 in full in 60 months, including the interest that is added on, it will be \$99,000. Current liabilities of the portion of the loan that we will have to repay in the first year, which is \$2,640. The remainder of this long-term debt consists of the portion of the whole loan that will be paid off in the following years.</p> <p><b>Total Equity and Net Worth</b></p> <p>After determining the amount of assets possessed and taking that away from the total amount of liabilities we have gathered, Sky's Jewelry will be worth \$34,319 with the investment of \$10,000 and profit of \$24,319 at the end.</p>





## **PRODUCT AND SERVICE FORMS**

CORE VENDORS			
Designer	Address	Contact Number	Price Point
<b>Chains</b>			
Etsy	987 E 2nd St NYC 10018	T: 123.256.789	\$10, \$15, \$20
Hobby Lobby	546 N Ave Colorado Springs, CO 80840	T: 123.356.789	\$10, \$15, \$20
Jewels and Designs	345 W Avenue, Telluride CO 81435	T: 123.456.789	\$10, \$15, \$20
Telluride Crafters	789 S 5th St Telluride, CO 81435	T: 123.556.789	\$15, \$20, \$25
<b>Charms</b>			
Etsy	987 E 2nd St NYC 10018	T: 123.756.789	\$5, \$10, \$15
Hobby Lobby	546 N Ave Colorado Springs, CO 80840	T: 123.856.789	\$5, \$10, \$15
Ingrid's Charms	256 E 126th St Telluride, CO 81435	T: 123.956.789	\$7, \$10, \$12
<b>Rings</b>			
Telluride Crafters	789 S 5th St Telluride, CO 81435	T: 123.126.789	\$13, \$15, \$25
Etsy	987 E 2nd St NYC 10018	T: 123.136.789	\$12, \$15, \$20
Ella's Designs	345 N Ave Ouray, CO 81427	T: 123.146.789	\$20, \$23, \$27
<b>Earrings</b>			
Telluride Crafters	789 S 5th St Telluride, CO 81435	T: 123.166.789	\$10, \$14, \$18
Faye's Designs	549 E 3rd St Ouray, CO 81427	T: 123.176.789	\$17, \$20, \$26

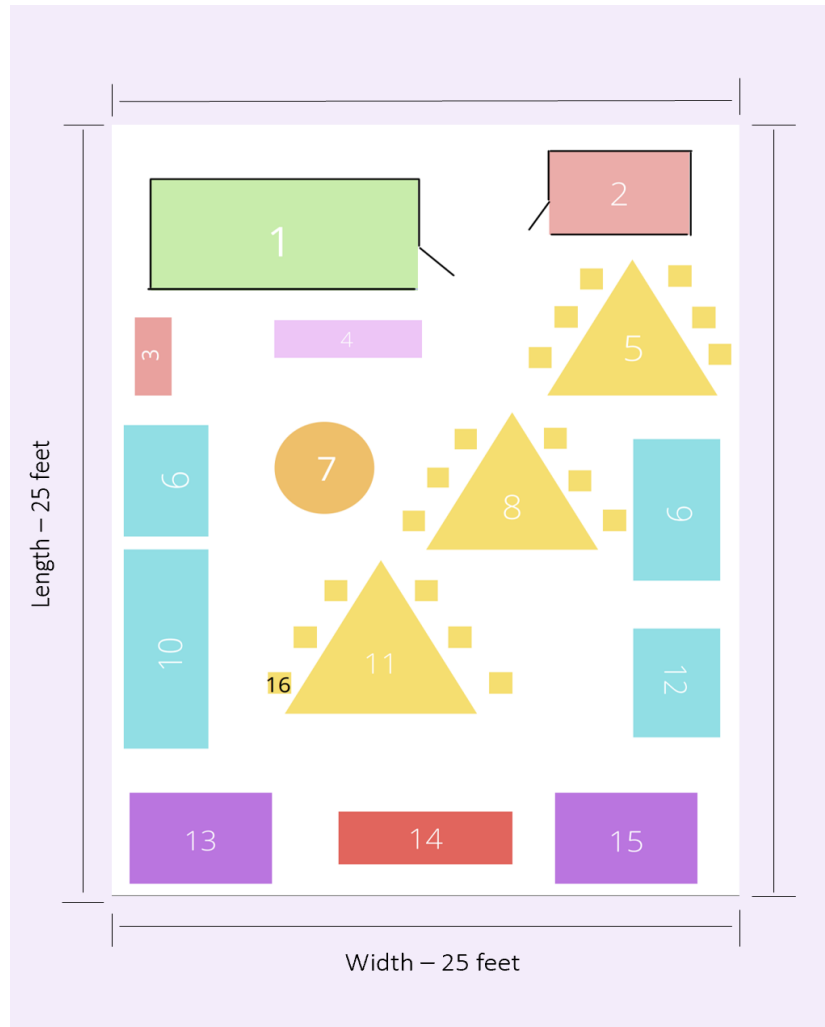
OPENING INVENTORY							
CATEGORY	PRICE POINT, COST	PRICE POINT, RETAIL	PERCENT AT PRICE POINT	PIECES PER PRICE POINT	TOTAL AT COST	TOTAL AT RETAIL	
NECKLACE CHAINS	\$10.00	\$22.00					
TOTAL			25%	1700	\$17,000	\$37,400	
EARRING STUDS	\$10.00	\$20.00					
TOTAL			20%	960	\$9,600	\$19,200	
RINGS	\$15.00	\$30.00					
TOTAL			25%	800	\$12,000	\$24,000	
NECKLACE CHARMS	\$3.15	\$5.00					
TOTAL			15%	2285	\$7,200	\$11,425	
EARRING CHARMS	\$3.00	\$5.00					
TOTAL			15%	2400	\$7,200	\$12,000	
GRAND TOTAL			100%	8145	\$53,000	\$104,025	



## **LOCATION FORMS AND FLOOR PLAN**

## Store Location Fact List

Address	119 W Colorado Avenue, Telluride, Colorado 81435 On the nearest corner of W Colorado Ave and N Fir Street
Square Footage	Total: 1000 square feet (width: 25 feet, length: 40 feet) Restroom: 20 square feet (width: 10 feet, length: 10 feet) Office and Storage Room: 110 square feet (width: 10 feet, length: 11 feet) Selling Space: 870 (space does not include office/storage room, or bathroom) Square footage as provided by the Live Sotheby's International Realty, excluding calculation of selling space.
Location of Entrance/ Exit	The front entrance is also the exit of the store. The entrance/ exit is location in the center front facing Colorado Avenue.
Location of Windows	There are two windows located at the front of the store. One is in the right corner facing Colorado Avenue and the other is in the left corner facing Colorado Avenue.
Monthly Rent	\$25/ sq. ft. yearly, or \$2,106 per month.
Terms of Lease	Flat rate, with no cost increase in second year. No subletting. The lease would be a triple net lease, meaning that lessee is fully responsible for all cost associated with the property being leased.
Common area fees	No.
Security deposit	One month's rent, or \$2,106.
Realtor fees	No, I contacted the leaser, Live Sotheby's International Realty.
Cost of Utilities	Electricity, power, and water to be paid by lessee, per triple net lease standards.
Allowable renovations	Interior: consisting of nonpermanent structures. Exterior: paneling, painting, awning Live Sotheby's international realty group is not willing to pay for any improvements or renovations.



1. Storage room/ Office
2. Employee/ Customer Bathroom
3. Refreshments
4. Checkout Counter
5. Worktable
6. Earrings, Open-face Cubbies
7. Example Designs
8. Worktable
9. Charms, Chains Hanging, and Flat-lay
10. Product cubbies
11. Worktable
12. Rings, Open-face Cubbies
13. Window Display
14. Front Door
15. Window Display
16. Chairs

**Dimensions:**

Building - 1000 square feet

Selling space - 870 square feet

Office/ Storage room - 110 square feet

Restroom - 20 square feet

**THIS DEED OF LEASE AGREEMENT** (this “Lease”), is made as of this 25<sup>th</sup> of **October, 2025**, by and between **JOSH SMITH** (the “Landlord”), **ARIZONA HUMMINGBIRD** (the “Tenant”), and **Live Sotheby's International Realty** (the “Agent”).

WITNESSETH

THAT for and in consideration of the below stated rent and other terms and conditions stipulated in this Lease, Landlord does hereby lease to Tenant, and Tenant does hereby rent from Landlord, the following described property located in the **Telluride /County of San Miguel, Colorado** (the “Leased Premises”) and more particularly described on Exhibit A, attached hereto and by this reference made a part hereof.

TO HAVE AND TO HOLD said Leased Premises and the privileges and appurtenances thereunto belonging unto Tenant, its successors and permitted assigns, for the term hereinafter provided, and upon all of the following terms and conditions, to which Landlord, Tenant and Agent hereby mutually covenant and agree:

**1. TERM:**

The original term of this Lease (the “Term”) shall be for 1 year and shall commence on the 1st day of **November, 2025** (the “Commencement Date”) , and shall end on the 1st day of **November, 2026** (the “Expiration Date”). The twelve-month period following each anniversary of the Commencement Date is referred to herein as a “Lease Year”. Notwithstanding anything contained herein to the contrary, Landlord and Tenant mutually agree that if the Leased Premises cannot be delivered to Tenant on the Commencement Date for any reason, then the Commencement Date shall be adjusted to the date possession is given to Tenant and the Expiration Date shall be adjusted to reflect the Term of this Lease as contemplated herein. Tenant agrees that it shall not be entitled to any damages, rights or remedies whatsoever which Tenant might otherwise have by reason of possession of the Leased Premises not being given on the originally contemplated Commencement Date; provided, however, that if Landlord is unable to give possession of the Leased Premises to Tenant on the Commencement Date due to work undertaken by Landlord at Tenant’s request, then the Rent (as hereinafter defined) shall nevertheless commence as scheduled on the Commencement Date without abatement or allowance and the Expiration Date and the term of this Lease shall not be adjusted.

In the event Tenant (i) shall fail to take possession and open for business in the Leased Premises fully fixtured, stocked and staffed on the Commencement Date, or (ii) shall vacate, abandon or desert the Leased Premises, or (iii) shall cease operating Tenant’s business therein, then and in any of such events (hereinafter collectively referred to as “Failure to do Business”) Landlord shall have the right, at its option (i) to collect not only the Rent, but also Additional Rent (as hereinafter defined) equal to one-half (1/2) of the Rent reserved for the period of Tenant’s Failure to do Business, computed at a daily rate for each and every day during such period, and such Additional Rent shall be deemed to be in lieu of any Percentage Rent (as hereinafter defined) that might have been earned by Landlord during such period, or in addition, at Landlord’s option, (ii) to treat such Failure to do Business as a default under this Lease.



## **2. RENT:**

During the Term of this Lease Tenant covenants to pay a base annual rental to Landlord, without any demand, offset, or reduction whatsoever, the sum of **twenty five thousand two hundred and seventy dollars (\$25,270)**, payable in equal monthly installments in advance on the first day of each month in the amount of **two thousand one hundred and six dollars (\$2106)** (together with the Percentage Rent and the Renewal Rent, as hereinafter defined, and all additional charges and rental (hereinafter collectively referred to as "Additional Rent"), the "Rent");

## **LATE CHARGES:**

Tenant recognizes and acknowledges that if Rent or other payments required under this Lease are not received when due, Landlord will suffer damages and additional expense thereby and Tenant therefore agrees that a late charge equal to ten percent (10%) of the Rent due may be assessed by Landlord as Additional Rent if Landlord has not received any monthly installment of base monthly rent or any Additional Rent due pursuant to this Lease within seven (7) days after its due date. In addition, any amount due to Landlord not received by Landlord when due shall bear simple interest at a rate equal to fifteen percent (15%) per annum from the date due until the date Landlord receives payment thereof. If any check given in payment of Rent is not honored when due, Landlord may require that subsequent Rent payments be made by certified or cashier's check.

## **SECURITY DEPOSIT:**

Tenant shall deposit with Agent upon execution of this Lease the sum of **five hundred dollars (\$500)** as security for the full and faithful performance by Tenant of Tenant's obligations contained in this Lease (the "Security Deposit"). Agent shall maintain the Security Deposit in a non-interest bearing account. If Tenant fails to pay any amount which Tenant is obligated to pay pursuant to this Lease or fails to perform any other obligation for which it is liable under this Lease, Landlord may, at its option (but Landlord shall not be obligated to), apply any portion of such Security Deposit to any damages incurred by Landlord, any sums advanced by Landlord, any commissions due to Agent and all other amounts to which Landlord is entitled upon Tenant's failure to perform or comply with all of its obligations under this Lease. Any such application by Landlord shall not waive the default created by Tenant's failure to pay or perform. If any portion of the Security Deposit is so applied by Landlord, Tenant shall, within five (5) days after demand from Landlord, restore the Security Deposit held by Landlord to its original amount. After the Expiration Date, the Security Deposit, less amounts charged against same, shall be refunded to Tenant within thirty (30) days after Tenant has paid all amounts owed and performed all of its obligations under this Lease.

## **USE OF LEASED PREMISES:**

Tenant shall use the Leased Premises solely for **Retail Store** and in strict accordance with all applicable laws, ordinances and regulations of governmental authorities and all applicable restrictions, covenants and agreements. Tenant shall not use the Leased Premises for any other purpose without the prior written consent of Landlord, in its sole discretion. Tenant will not use or permit or suffer the use of the Leased Premises for any unlawful or offensive business or purpose. Tenant will not, without the prior written consent of Landlord in its sole discretion, use or permit the walls, fences, roof or any other part of the Leased Premises to be used for advertising purposes.

**1. CONDITION OF LEASED PREMISES:**

Tenant has examined and is satisfied with the present condition of the Leased Premises and the equipment thereon, if any. No representation has been made to Tenant, or Tenant's agents, by Landlord, or Agent concerning the condition of the Leased Premises (and the equipment thereon, if any) or any particular use that can be made thereof. Neither Landlord nor Agent shall be under any duty to instruct Tenant or others as to the use of any equipment on the Leased Premises. Tenant acknowledges that the Leased Premises are suitable for the proposed business use and is in compliance with all ordinances, regulations, zoning and municipal or State law as relates to the Leased Premises and Tenant's intended use thereof.

**2. TENANT SIGN APPROVAL:**

Tenant may install Tenant's sign in the place designated for Tenant's sign on the Leased Premises provided Tenant's sign meets Landlord's criteria, size requirements, and any applicable local, state or federal laws, ordinances, rules and regulations and provided further that such sign shall be subject to Landlord's prior written approval as to material, color, design and content.

Tenant must deliver to Landlord two (2) copies of detailed plans and specifications of Tenant's proposed sign showing the size, shape and color of Tenant's proposed sign for Landlord's approval. If Tenant fails to properly maintain signage, Landlord, at Tenant's expense, can repair the sign.

Prior to the expiration or sooner termination of this Lease, Tenant shall remove all signage and repair any holes or damage.

**3. UTILITIES:**

During the term of this Lease, Tenant shall pay, before the same shall be due and payable, all fuel, water, gas, electricity, sewerage, telephone and other utility bills, as the same become due, it being understood and agreed that Tenant shall make all required deposits and payments for meters and utilities services directly to the provider of such meters and utilities. Landlord shall not be liable for any interruption or failure in the supply of any utility to the Leased Premises.

**4. COMMON AREA MAINTENANCE:**

All costs and expenses of every kind and nature paid or incurred by Landlord in its discretion in operation and maintenance of the Leased Premises and, if applicable, the shopping center or building in which the Leased Premises are located (herein referred to as the "Common Area Maintenance Costs") shall be prorated as hereinafter set forth. Such Common Area Maintenance Costs, including, but not be limited to, water and sewer charges; utilities system installation charges; fees for required business licenses and permits; costs of supplies; costs for utilities serving the shopping center or building in which the Leased Premises are located (including on and off-site utilities and facilities such as sewer lift stations, retention/detention ponds, drainage facilities, roadways, driveways, and all expenses relating thereto); security; common area improvements; elevators and stairways; any costs or expenses which Landlord has elected to amortize over a period of years until such costs or expenses are fully recovered; project related legal and accounting costs; solid waste assessments; costs of operation and maintenance of lift stations; property management fees at the rate of zero (0%) of the Rent, Percentage Rent and Additional Rent which may be payable to Landlord or a third party; costs of equipping, cleaning, lighting, traffic control, striping, resurfacing, resealing, snow removal and maintaining all parking

facilities and driveways; reserves for repairs, maintenance and replacement of shopping center or building facilities; costs for painting exterior walls; costs for maintaining and monitoring fire sprinkler systems and costs for the maintenance, planting, replanting and replacement of all landscaping and gardening and the maintenance of sprinkler or irrigation systems for such landscaping or gardening.

As Additional Rent, and in addition to taxes and assessments payable by Tenant pursuant to Section 4 of this Lease and fire and special form coverage insurance payable by Tenant pursuant to Section 9 of this Lease, Tenant agrees to pay its prorata share of (i) all Common Area Maintenance Costs, (ii) all costs and expenses of every kind associated with property insurance and commercial general liability insurance including but not limited to premiums and other costs of insurance for the shopping center or building in which the Leased Premises are located and/or its common areas, and (iii) an administrative fee of fifteen percent (15%) of an amount equal to the total amount of all of such Common Area Maintenance Costs, taxes and insurance.

Tenant's prorata share of Common Area Maintenance Costs shall be paid concurrently with payments of Rent based upon reasonable estimates for such charges made by Landlord. An adjustment shall be made for each of said charges on a calendar year basis when the actual costs from the preceding year and reasonable estimates for the upcoming year have been determined. Should the Term end prior to a full calendar year, Tenant's prorata share of Common Area Maintenance Costs shall be prorated on a monthly basis for such partial calendar year.

In the event the annual reconciliation reveals a balance due from Tenant, Landlord will invoice Tenant for the remaining balance of its prorata share of Common Area Maintenance Costs. Tenant shall have ten (10) days from the date of such invoice to pay Landlord the balance due. Should the annual reconciliation reveal an overpayment by Tenant, Landlord shall notify Tenant of such overpayment and apply a credit to the next payment of Rent, Percentage Rent or Additional Rent due hereunder. Should there be an overpayment by Tenant during the final Lease Year, Landlord shall notify Tenant of such overpayment and upon Tenant's request, refund any monies due to Tenant within forty-five (45) days after receipt of such request from Tenant.

## **5. LIMITATION OF LIABILITY:**

Notwithstanding anything contained herein to the contrary, there shall be absolutely no personal liability on persons, firms or entities which constitute Landlord with respect to any of the terms, covenants, conditions and provisions of this Lease, and Tenant agrees to look solely to the interest of Landlord, its successors and assigns, in the Leased Premises for the satisfaction of each and every remedy of Tenant in the event of default by Landlord hereunder. Such exculpation of personal liability is absolute and without any exception whatsoever.

**LANDLORD AND TENANT HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN AND HAVE HAD AN OPPORTUNITY TO SEEK LEGAL ADVICE WITH RESPECT TO THIS LEASE. BY EXECUTION OF THIS LEASE LANDLORD AND TENANT EVIDENCE THEIR INFORMED AND VOLUNTARY CONSENT HERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LANDLORD AND TENANT WITH RESPECT TO THE LEASED PREMISES.**

IN WITNESS WHEREOF, each individual party hereto has hereunto signed his or her name and affixed his or her seal, and each corporate party hereto has caused its name to be signed and its seal to be affixed by its duly authorized officers.

Date: October 25<sup>th</sup>, 2025

**LANDLORD: JOHN SMITH**

Live Sotheby's International Realty

By: John Smith

Name: \_\_\_\_\_

Title: Landlord

**TENANT: ARIZONA HUMMINGBIRD**

Date: October 25<sup>th</sup>, 2025

Jewelry Store

By: Arizona Hummingbird

Name: \_\_\_\_\_

Title: Owner

## **MARKETING PLAN FORMS**

<b>MONTHLY MARKETING PLAN</b> <b>Year 1: November 2025 to October 2026</b>			
<b>PROMOTIONAL EVENT</b>	<b>PREOPENING</b>	<b>MONTH(S) PLANNED</b>	<b>TOTAL COSTS</b>
Website Creation	\$300	October	\$300
Business Cards	\$200	October	\$200
Business Flyer	\$150	September	\$150
2-week radio ad on local station	\$1000	October	\$1000
½ ad in <i>Telluride Daily</i>	\$500	October	\$500
1500 Direct Mail brochures	\$700	October	\$700
Grand Opening Party	\$1200	November	\$1200
<b>TOTAL OPENING COSTS</b>			\$4050
¼-page <i>Telluride Daily</i> ads		November, December, January, February, March, April, May, June, July, August, September, October	\$3500
½-page <i>Telluride Publishing</i> ads		November, January, March, May, July, September	\$700
Direct-mail postcards		November, January, March, May, July, September	\$400
Internet emails		December, March, June, October	0
Update of Web site		November, August	\$300
Business Flyers		November, January, March, May, July, September	\$400
<b>TOTAL ANNUAL EXPENSES</b>			<b>\$5,300</b>

PROFILE FOR ZIP CODE 81435			
POPULATION		Out of the 2,450 women who live in this area, over half are within my target market, ages 7 to 60 with emphasis on ages 20 to 40.	
Total Population	5,252		
0-9	230		
10-19	274		
20-29	367		
30-39	490		
40-49	437		
50-59	378		
Median Age	37.5		
Female	2,448		
Female over 18	1403		
HOUSEHOLDS		Of the 1610 people aged 25 and older this will further segment my target market into women ages 25 to 35.	
Total housing units	5,085		
Total households	4,956		
Average household size	2.2		
Female over 18	1.5		
EDUCATIONAL ATTAINMENT			Of the 2500 people reaching between \$20,000 and \$65,000 for an annual income, this will determine my medium to high price range for my products.
Population 25 and older	1612		
High school graduate	1201		
Associate degree	153		
Bachelor’s degree	1710		
Graduate or professional degree	113		
High school graduate or higher, in percent	32%		
Bachelor’s degree or higher, in percent	46%		
INCOME		With the largest number (598) of families reaching between \$60,000 and 99,000 for an annual income this will further segment my target market into women part of families with more one kid or more.	
HOUSHOLDS			
Less than \$10,000	500		
\$10,000 to \$19,999	573		
\$20,000 to \$29,999	550		
\$30,000 to \$39,999	622		
\$40,000 to \$49,999	450		
\$50,000 to \$64,999	454		
\$65,000 to \$74,999	88		
\$75,000 to \$99,999	268		
\$100,000+	22		
Median household income	\$62,567	Data Source: U.S. Census Bureau	
FAMILIES			
Less than \$25,000	313		
\$25,000 to \$44,999	388		
\$45,000 to \$59,999	246		
\$60,000 to \$99,999	598		
\$100,000 to \$149,999	308		
\$150,000 to \$199,999	116		
\$200,000+	206		
Median household income	\$65,356		

PROFILE FOR ZIP CODE 81427			
POPULATION		Of the 589 women living in 81427 I estimate that 350 will be in my target market, aged 7 to 60. The average age the zip code is 34.6 which falls into my narrowed target market.	
Total Population	1,117		
0-9	45		
10-19	78		
20-29	179		
30-39	112		
40-49	134		
50-59	145		
Median Age	34.6		
Female	589		
Female over 18	473		
HOUSEHOLDS		Of the 238 people attaining a bachelor’s degree or higher, 100 are women which falls into my target market. I feel that educational attainment is critical towards a successful future which can mean a higher income.	
Total housing units	961		
Total households	509		
Average household size	2.2		
Female over 18	1.1		
EDUCATIONAL ATTAINMENT			Of the 250 reaching between \$20,000 and \$65,000 for an annual income, over half are women. These women aged from 25 to 50, which fall into my narrow target market. 30% of these women are apart of 3 to 5 persons household, which falls into my desired target market of families with one or more kids.
Population 25 and older	852		
High school graduate	269		
Associate degree	29		
Bachelor’s degree	238		
Graduate or professional degree	30		
High school graduate or higher, in percent	40%		
Bachelor’s degree or higher, in percent	2%		
INCOME		Data Source: U.S. Census Bureau	
HOUSHOLDS			
Less than \$10,000	135		
\$10,000 to \$19,999	55		
\$20,000 to \$29,999	63		
\$30,000 to \$39,999	89		
\$40,000 to \$49,999	51		
\$50,000 to \$64,999	88		
\$65,000 to \$74,999	11		
\$75,000 to \$99,999	25		
\$100,000+	23		
Median household income	\$62,000		
FAMILIES			
Less than \$25,000	62		
\$25,000 to \$44,999	71		
\$45,000 to \$59,999	51		
\$60,000 to \$99,999	107		
\$100,000 to \$149,999	79		
\$150,000 to \$199,999	13		
\$200,000+	3		
Median household income	\$64,000		



# **PERSONNEL AND MANAGEMENT PLAN DOCUMENTS**

PAYROLL BUDGET FOR WEEK OF:  
November 1, 2025

Sales Associate	SUNDAY		MONDAY		TUESDAY		WEDNESDAY		THURSDAY		FRIDAY		SATURDAY		Total Hours
	Time	Hours	Time	Hours	Time	Hours	Time	Hours	Time	Hours	Time	Hours	Time	Hours	
PT Associate	1 to 6	5	10 to 2	4	10 to 2	4	10 to 2	4	10 to 2	4	10 to 2	4	3 to 8	5	30
PT Associate	1 to 6	5	4 to 8	4	4 to 8	4	4 to 8	4	4 to 8	4	4 to 8	4	10 to 3	5	30
<b>Total</b>		<b>10</b>		<b>8</b>		<b>8</b>		<b>8</b>		<b>8</b>		<b>8</b>		<b>10</b>	60

Weekly sales budget: \$5,000  
\$4,485  
Weekly staff hours budget: 60  
Average hourly rate: \$8  
Weekly payroll budget: \$480  
Weekly payroll to sales 9.6%  
percent: 10.7%  
Hours open: M-Sa 10-8  
Sun 1-6



119 W Colorado Avenue • Telluride, Colorado 81435  
Phone: 970 704. 8510 • E-mail: info@skysjewelry.com

## **SALES ASSOCIATE POSITION**

### **Overview**

Located on the corner of Colorado Ave and Fir Street, Sky's Jewelry offers a fully customizable jewelry design experience focusing on young girls to professional women seeking unique and tasteful treasures. Limitless choices and outstanding customer service will create a lasting and unforgettable memory for the Sky Jewelry shopper.

### **Responsibilities:**

- Ensure high levels of customer satisfaction through excellent sales service.
- Assess customers' needs and provide assistance and information on product features.
- Welcome customers to the store and answer their queries.
- Follow and achieve department's sales goals on a monthly, quarterly and yearly basis.
- "Go the extra mile" to drive sales.
- Maintain in-stock and presentable condition assigned areas.
- Actively seek out customers in store.
- Remain knowledgeable on products offered and discuss available options.
- Process POS (point of sale) purchases.
- Handle returns of merchandise.
- Team up with co-workers to ensure proper customer service.
- Build productive trust relationships with customers.
- Comply with inventory control procedures.
- Suggest ways to improve sales (e.g., planning marketing activities, changing the store's design)
- Requirements:
  - Proven work experience as a Retail Sales Associate, Sales Representative or similar role.
  - Hands-on experience with POS transactions.
  - Ability to lift to 30 pounds.
  - Ability to stand for up to five hours at a time.
  - Ability to compute basic math.

# Arizona Hummingbird

801 PINTAIL PLACES • EDMOND, OKLAHOMA 73003  
PHONE 918.704.8510 • EMAIL [AHUMMINGBIRD@UCO.EDU](mailto:AHUMMINGBIRD@UCO.EDU)

## WORK EXPERIENCE

### **Plenty Mercantile**

2023-2025

Edmond, Oklahoma

#### *Assistant Marketing Lead*

- Undertaking daily administrative tasks to ensure the functionality and coordination of the department's activities.
- Supporting marketing executives in organizing various projects.
- Conducting market research and analyzing consumer rating reports/ questionnaires.
- Update spreadsheets, databases and inventories with statistical, financial and non-financial information.
- Assist in the organizing of promotional events and traditional or digital campaigns and attend them to facilitate their success.

### **James Avery**

2021-2023

Oklahoma City, Oklahoma

#### *Assistant Jewelry Designer*

- A jewelry store offering accessories for both men and women that focuses on building a lifestyle brand that caters to creative, tasteful and affluent men and women of all ages.
- Created visually enticing jewelry for the customer with respect to the company's values and vision.
- Collaborated with key designing leaders about assembling process, planning, and execution.
- Responsible for the assembling process 20 hours per week and, while 10+ hours retail service, selling, and daily operating procedures.

## EDUCATION

### **University of Central Oklahoma**

May 2023 MBA

Edmond, Oklahoma

Master's in Business Administration

### **University of Central Oklahoma**

August 2021 Graduate

Edmond, Oklahoma

B.S. Fashion Marketing, Minor in Management-Entrepreneurship

- Participated in semester-long class studying aspects of costume and jewelry from ancient times to present.
- Attended a semester-long class studying various aspects of hard goods.

## Personal Financial Statements

ARIZONA HUMMINGBIRD			
<b>ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Savings & Loan Bank	Checking Acct #123456789		\$5,000
Savings & Loan Bank	Savings Acct. #123457890		\$10,000
		<b>TOTAL</b>	<b>\$15,000</b>
<b>Marketable Securities</b>			
Google	50 shares on NYSE		\$500
Amazon	50 shares on NYSE		\$500
Spotify	50 shares on NYSE		\$500
		<b>TOTAL</b>	<b>\$1,500</b>
<b>Cash Value of Life Insurance</b>			
Whole Life Policy	Allstate Insurance		\$3,000
		<b>TOTAL</b>	<b>\$3,000</b>
<b>Personal Property</b>			
Antique Mirror			\$250
Jewelry			\$250
Laptop			\$1,200
		<b>TOTAL</b>	<b>\$1,700</b>
<b>Accounts and Notes Receivable</b>			
Unsecured Loan	Molly Martin, Aunt; payable \$500 monthly		
		<b>TOTAL</b>	<b>\$2,000</b>
		<b>ASSETS TOTAL</b>	<b>\$23,200</b>

ARIZONA HUMMINGBIRD			
<b>LIABILITIES AND NET WORTH</b>			
<b>Credit Cards and Revolving Credit Account</b>			
Mastercard			\$500
Discover			\$500
		<b>TOTAL</b>	<b>\$1,000</b>
		<b>LIABILITIES AND NET WORTH TOTAL</b>	<b>\$1,000</b>

## ARIZONA HUMMINGBIRD

### ANNUAL EXPENSES

#### Real Estate Payments or Rent

Baltimore Properties	20-year fixed-rate loan, maturing in 2045 \$170,000 to be paid in monthly installments of \$1,500		\$9,000
		<b>TOTAL</b>	<b>\$9,000</b>

#### Federal and State Income Taxes

Federal Taxes	Single		\$3,000
State Taxes	State of Telluride, based on tax table		\$1,200
		<b>TOTAL</b>	<b>\$4,200</b>

#### Car Payment

Car Mart payable	\$8,000 to be paid in monthly installments of \$265		\$1,590
		<b>TOTAL</b>	<b>\$1,590</b>

#### Living Expenses

Utilities	Total bill split with roommates		\$1,200
Food and Entertainment	Budgeted \$100/week		\$600
		<b>TOTAL</b>	<b>\$1,800</b>

<b>ANNUAL EXPENSES TOTAL</b>	<b>\$16,590</b>	
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