|  |
| --- |
|  |
| **Executive Summary** |
|  |
|  |
| **11/15/2014** |
|  |
|  |
|  |



**Disclaimer**

This Business Plan (and any and all drafts and parts thereof) is/are based upon information supplied by the Company, its managing executives and its stockholders or membership shareholders (collectively Mundi Homes LLC “the Company” and/or “management”), and is being furnished on a confidential basis, solely for use by prospective investors in and/or potential strategic business associates of the company (collectively “recipient”). The use or distribution of this Business Plan to any other parties or for any other purposes is not authorized.

Neither the company nor any of its employees, affiliates or representatives makes any representation or warranty, express or implied, as to the accuracy or completeness of any of the information contained in this Business Plan or in any other written or oral communication transmitted or made available to a recipient. Each of such parties expressly disclaims any and all liability relating to or resulting from the use of this Business Plan or such communications by a recipient or any of its affiliates or representatives. Only those specific, express representations and warranties, if any, which may be made to a recipient in one or more definitive written agreements when, as and if executed, and subject to all such limitations and restrictions as may be specified in such definitive written agreements, may be relied on by a recipient or have any legal effect whatsoever.

Material portions of the information presented in this Business Plan constitute “forward-looking statements” which can be identified by the use of forward-looking terminology such as “may”, “will”, “expect”, “anticipate”, “estimate”, “plan”, or “continue” or the negative form thereof or other variations thereon or comparable terminology. Such forward-looking statements represent the subjective views of the management of the company, and management’s current estimates of future performance are based on assumptions which management believes are reasonable but which may or may not prove to be correct. There can be no assurance that management’s views are accurate or that management’s estimates will be realized, and nothing contained herein is or should be relied on as a representation, warranty or promise as to the future performance or condition of the company. Industry experts may disagree with these assumptions and with management’s view of the market and the prospects of the company.

The sole purpose of the Business Plan is to assist a recipient in deciding whether to proceed with further investigation but this Business Plan does not purport to contain all material information that an interested party might consider in investigating the company. A recipient should conduct his or her own independent analysis and investigation. This Business Plan shall not be construed to indicate that there has not been any change in the financial condition, business, operations, plans or other affairs of the company since the date of preparation. The company does not expect to update or otherwise revise this Plan to reflect any such changes.

The recipient of this Business Plan acknowledges and agrees that: (a) all of the information contained herein or received in written or oral form from the company will be kept confidential; (b) the recipient will not reproduce this Plan, in whole or in part; (c) if the recipient does not wish to pursue this matter, it will return the Business Plan to the company as soon as practicable, together with any other material relating to the company which the recipient may have received from the company; and (d) proposed actions by the recipient which are inconsistent in any manner with the foregoing agreement will require the prior written consent of the company.

**THIS BUSINESS PLAN IS FOR INFORMATIONAL PURPOSES ONLY AND DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES**.

The company reserves the right, in its sole discretion, to reject any and all proposals made by or on behalf of any recipient, to accept any such proposal, to negotiate with one or more recipients at any time, and to enter into a definitive agreement without prior notice to other recipients. The company also reserves the right to terminate, at any time, further participation in the investigation and proposal process by, or discussions or negotiations with, any recipient without reason.

**Table of Contents**

[Executive Summary 1](#_Toc274908268)

[Company Overview 1](#_Toc274908269)

[Product & Service Offering 1](#_Toc274908270)

[Business Model 1](#_Toc274908271)

[Industry Analysis 2](#_Toc274908272)

[Market Analysis 2](#_Toc274908273)

[Competitive Analysis 3](#_Toc274908274)

[Marketing Plan 3](#_Toc274908275)

[Operations Plan 3](#_Toc274908276)

[Financial Summary and Exit Strategy 3](#_Toc274908277)

# Executive Summary

## Company Overview

Mundi Homes LLC (Mundi Homes or “the Company”) is the premier developer, designer, and builder of Green residential homes in the U.S. Utilizing a comprehensive “Green Building Structural Analysis,” the Company incorporates efficiency and aesthetic design into its developments to increase functionality and architectural appeal. ***With Mundi Homes, home owners live a greener and healthier lifestyle.***

The Company was founded in 2002 by Michael Mundi who has over 20 years of industry experience. Among the features and values that make Mundi Homes the Preferred Green Building Home Company include: green building structural analysis, customer service and satisfaction, and unique aesthetic interior/exterior designs.

The opportunity for a new Green Home Builder is validated by the changing demands of home buyers who want new technologies, materials, and data processes incorporated into their Green Homes.

## Product & Service Offering

Using a holistic approach to design, the Company develops the appropriate architectural and structural scheme to maximize the natural features of a site and reduce the energy requirements of a home. Additionally, using the modern functional design known as “Sensual Modernity,” the Company integrates form and function into its construction of homes. Below is an overview of its major products and services:

* Specialize in energy efficiency in all its homes by proactively conducting heat evaluations and infrared detections for leakages on all built homes.
* The Company will institute a complete integrated energy system for all its homes which will centrally control and monitor the distribution of heat, integrate solar panels, calibrate stored energy, and calculate energy that can be sold back to the grid.
* Prior to the construction of a home the Company will invite home owners to a private viewing of the design of their green home. Using 3D visualization software and virtual presentations the Company will present a “virtual tour” of homes.
* Once customers have moved into their homes the Company will provide concierge services that will pamper and decrease the stress level of new home owners.

## Business Model

Mundi Homes has developed a comprehensive business model that includes the following revenues streams:

1. Model homes (individual stand alone homes) and home development sales (homes built in groups on an allotment of land). Each revenue stream is categorized into three main subcategories, entry, mid, and high end. Major cost drivers for the Company include: cost of sales, operating costs, marketing costs, personnel costs, and server costs.

2. Holding notes on sold homes

Utilizing its principles of modern functional architecture, sustainable building materials, green design initiatives, zero energy, and wellness living the Company provides the following benefits to customers, communities, and partners: innovative designs, energy conservation, home are networking, wellness living, and integrating customers.

## 

## Industry Analysis

The Green Building Industry in the U.S. is a subsector of the Construction Industry in the U.S. The combined commercial and residential green building industry brought in $52.3 billion in revenue in 2009.[[1]](#footnote-1) The residential sector of Green Building is expected to undergo significant growth over the next three years due to the upward trend associated with social and environmental responsibility, the cost benefits of energy efficiency, and the growing number of laws requiring green ratings for certain building types. The residential Green Building industry in the U.S. generated $25.8 billion in revenue in 2009 and is expected to grow by an annual average of 26.5%.[[2]](#footnote-2) Major trends in the industry include:

* Industry Popularity: Upward trends can be attributed to increased government incentives, heightened residential demand for Green Building, and significant improvements in sustainable materials
* 40 States have local homeowner associations that are affiliated with the National Association of Home Builders’ National Green Building Program
* The American Recovery and Reinvestment Act invested over $25 billion in Green Building projects[[3]](#footnote-3)
* The District of Columbia and Maryland both have incorporated rebate policies and tax incentives that promote renewable energy and energy efficiency
* Lenders view green homeowners as more responsible and less likely to default on a loan

## Market Analysis

Although Mundi Green Homes’ ultimate objective is to eventually expand across the United States, its primary market of focus for 2015 and 2016 will be Houston, TX.

Here are 10 reasons why:

1. Houston Tops The Nation In Single Family New Home Construction Starts.

2. Houston’s Planned New Construction Starts Exceed $4.8 Billion.

3. Houston Ranks #7 In the Nation For Number of New High-rise Developments.

4. Houston Has 28 New High-rises Under Construction.

5. 83 Additional High-rises Are Under “Approved” or “Proposed” Status.

6. Downtown Houston Houses $4 Billion Additional Proposed Construction Projects.

7. Major Houston Employers Are Relocating Or Hiring An Additional 100,000 People.

8. Houston Housing Starts Have Increased For 8 Consecutive Quarters.

9. Vacant Developed Lot Inventory Is At An All Time Low.

10. Houston Home Inventory Is 47% Below the National Average.

## Competitive Analysis

The US Green Building Industry contains about 170,000 establishments with combined annual revenue of approximately $260 billion. The industry is very fragmented, as there are many companies that are simply single-location companies, while there are numerous companies that branch out across the whole nation. Some of the major players in the industry include Lennar, Perry Homes, D.R. Horton, Pulte Group, Inc., Centex, NVR Homes, Toll Brothers, and Ryland Homes.

Mundi Home’s competitive advantages include: modern functional design, net – zero energy homes, unique buyer experience, wellness living redefined, and innovation and creativity. We will create a totally new niche in which Mundi Homes will be the sole player. The Mundi Homes approach is a new paradigm in homes design, construction, ownership and servicing. We are a next generation builder, showing America a new way home.

Mundi Homes will be introducing ground breaking industry first innovations in 2015 & 2016. These innovations will change the way concrete in used in home construction, Home audio visual entertainment and change our bathrooms into a never before seen spa.

## Marketing Plan

Mundi Homes has designed a comprehensive marketing strategy that integrates both grass roots and traditional marketing tactics for high customer acquisition. The Company will position itself as the premiere custom Green Home Builder and relay a message of “Designing, Building, and Transforming Homes beyond Homeowners Expectations so that they can full Enjoy their Homes.” Major marketing initiatives of the Company include: promotions at opening, ongoing promotions, a comprehensive and educational website, interactive marketing, specialized print media marketing, event marketing and street teams, and word of mouth advertising.

## Operations Plan

Mundi Homes has created operational strategies that minimize costs and maximize profits. For example, the Company will initially outsource major services such as development and construction during the official launch and growth of the Company. In addition, the Company has developed a comprehensive growth strategy that targets twenty-three different states that are ideal locations for Green Building developments. Each state will be evaluated using a criteria matrix which evaluates each location and its incentives for Green Building. Additionally, the Company will foster partnerships/alliances with manufacturers and professional service providers who will help increase the value proposition of the Company and its homes.

## Financial Summary and Exit Strategy

The Company is seeking to raise $ 10,000,000.00 (ten million dollars) in debt and the funds will be used for the development of 20 homes in Houston, TX.

The following criteria will be assessed before selecting a site to build:

* Shovel ready lots ONLY
* Location [Zip 77024, 77056 & 77005]
* Number of houses on the market
* Average price of comparable homes on market
* Average price of comparable homes sold
* Long term development plan/vision for locale
* Crime
* School districts

**GOALS**

YEAR 1: BUILD & SELL 20 HOMES (SINGLE FAMILY & TOWN) IN HOUSTON

YEAR 2: BUILD & SELL 100 HOMES (SINGLE FAMILY & TOWN) IN HOUSTON

YEAR 3: BUILD & SELL 400 HOMES IN TEXAS (EXPAND TO DALLAS, AUSTIN)

YEAR 4: BUILD & SELL 1600 HOMES IN TEXAS & CALIFORNIA

YEAR 5: ESTABLISH MARKET PRESENCE IN TX, CA, FL, NY, DC, MD, and VA

**INVESTMENT REQUIREMENTS**

MINIMUM INVESTMENT: $20,000

Level A: $20,000 - $49,999 investment; 15% return

Level B: $50,000 - $99,999 investment; 17 % return

Level C: $100,000 - $499,999 investment; 20% return

Level D: $500,000 - $999,999 investment; 22% return

Level E: $1,000,000 or greater; 25% return

Development Features:

* Modern energy efficient design
* NetZero energy community: All energy requirements for homes will be provided by a community solar/hydrogen system

**Use of Funds:**

* 20 Homes in Houston, TX
* Operating Expenditures
* Working Capital.

**Revenues:**

Average target price of Single family home: $3,000,000

Total revenues: $60, 000,000.00

1. (Zpryme Research & Consulting) [↑](#footnote-ref-1)
2. (Zpryme Research & Consulting) [↑](#footnote-ref-2)
3. [↑](#footnote-ref-3)