

The Mockingbirds Business Case – Week #5

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The Mockingbirds

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The Mockingbirds Business Plan

Executive Summary

The Mockingbirds is a limited liability company dedicated to providing affordable multi-family housing to low-income families and students, specifically located in Leon County Tallahassee, FL.

Within my company, we specialize in providing inexpensive opportunities for low-income students to attend universities in Tallahassee and have dorm-like experiences as many cannot afford on-campus housing. In addition, low-income families have the advantage of living in an affordable home that contains desirable amenities., especially for those who have children. As the company is in Leon County, action towards the affordable housing crisis is not taken as often as it should. Therefore, my building complex would be a newly discovered chance for those suffering from the lack of affordable housing.

Business Case

Causes of the Affordable Housing Crisis

The Affordable Housing Crisis has had a long-lasting impact that continues today. As this housing crisis affects the world globally, there are many contributing factors as to what causes this issue. Individually, there are property owners who purchase land and hold onto it for any future settlements or projects (“Britain's Housing Crisis - Causes, Effects and Solutions,” n.d). As this may seem like a clever idea and in a sense “thinking into the future,” this prohibits the construction of new homes as large acres of land are a necessity to the manufacture of property. As uncharitable as this may sound, these greedy landowners are making a legal investment in land. Some may even go as far as to build homes on the property and charge occupants an

excessive amount of money, which then results in them not being able to afford their living expenses and other miscellaneous items.

As this is only a source found within specific grounds, world-wide it is well known that the human population is immense, and it continues to grow. As the human population exceeds its limit, there aren't enough homes to provide to those in need. As another way to phrase it, there is more of a demand than there is a supply. There has been a 15% increase in the prices of homes (Esajian, 2021). This is because since the COVID-19 pandemic hit, people have lost their occupation and as a result the market decided to lower the interest rates on homes so people can better afford them. During this time, there has also been a surge of Americans moving out of small apartments and into larger spaces in favor of the low prices (Esajian, 2021). However, this caused an increase in demand for houses and disorganized the housing market as there were more buyers than sellers, which then also in turn made the housing market too costly. To conclude, this further contributed to the affordable housing calamity as not every family was able to purchase or rent a home.

To add on, since there is a continuous demand for more homes for families, there isn't enough government funding, or funding overall to support many construction units and the purchasing of labor materials as the prices are increasing (Sisson et al., 2020). Home builders, construction workers, and property brokers charge an extremely high amount of money for their labor and raw materials as they are high in demand. It has been researched that the price of raw materials has risen over 24% since the last financial crisis in 2008 (Egan, 2021). For example, the expense of specific materials such as lumber has surged as there has been a 280% increase in prices following COVID-19 (Egan, 2021). This is an extreme detriment as the cost of construction has also increased from 30% to 40% (Townsend, 2021). To further develop this

statement, analytics show that pre-pandemic, to cover a typical 1,500 square foot house, the lumber pricing used to range between \$13,000 to \$14,000 simply for just the framing, however, it has now increased to over \$29,000 since the pandemic (Townsend, 2021). Following this revelation, as the price of lumber increases, the prices of houses do as well since there are not enough materials to build more homes, and as a result, it is a huge disadvantage towards the affordable housing crisis, especially during the COVID-19 pandemic. To conclude, as the demand increases or the supply decreases, the prices of housing will always go up (Nielsen, 2021). With that being said, the following only contributes to the affordable housing crisis and worsens the situation of those impacted by it.

Families are moving throughout different parts of the country. Mainly, wealthy people are searching for homes in low-income, urban neighborhoods and purchasing homes there to live in order to implement a change in its culture and character. However, as typical as it sounds, this process results in gentrification. Gentrification is the process in which low-income, poor families are priced out of their neighborhoods as wealthy people move in, attracting businesses, rising housing and property values, as well as increasing the shortage of affordable housing (Zonta, n.d). For the time being, low-income families and people of color resided in the urban parts of their state, they lived within the congested city and had access to various establishments. However, as middle to high class families begin arriving in those areas, the prices of rent and mortgage rose to an extremely high amount, disproportionate to one's minimum wage. This then led to the movement of low-income families and people of color to suburban neighborhoods, which are found within the outskirts of the city. It also caused the spread of poverty within the nation as the percentage of poor people from 2000-2011 ranged between 60-65% (Zonta, n.d). People residing in the suburbs scarcely have access to lower land costs and occupation

opportunities (Zonta, n.d). However, if people were fortunate enough to manage a job, their wage would be a challenge against their rent or mortgage as they would need to live a difficult life, paycheck to paycheck.

As this continues to occur, low-income families, disabled individuals, single mothers, and minorities will be in a tight budget which will then in turn lower their credit score. Some may not be able to make payments on time or just not at all; this essentially means that banks will not trust those people to acquire a loan when purchasing a house or renting a space which will result in them being homeless. All these following reasons support how there are many sources advancing the affordable housing crisis.

To add a side note concerning Florida, this southeast state is a peninsula, meaning it is mainly surrounded by bodies of water. With that being said, houses and buildings are also being built on the coast by oceans and lakes. As the views from buildings and houses will be extremely gorgeous, it comes at a high cost. With most houses in Florida being constructed around the coast, people within the low to moderate income range cannot afford this sort of living. This can not necessarily mean that the construction of houses on the coast should standstill, however, the prices should be taken into consideration.

Impacts of the Affordable Housing Crisis

As there are many contributing causes to the affordable housing crisis, this then results in its damaging impacts. With the ascending costs of houses, this impacts minimum wage workers as over 50% of their income goes to housing. Keep in mind, being able to afford housing means that no more than 30% of one's income is put towards rent or mortgage ("What Is Affordable Housing, n.d). Over 58% of house and apartment renters work more than 70 hours per week just to have enough to afford their rent ("What Is Affordable Housing, n.d). This is an outrageous

number of hours that one can inhumanely work. For single-mothers, parents with low-income, disabled people, immigrants, and just most of the population, working an excessive number of hours per week will distract them from providing care to their children and even to themselves.

This could further develop into abandoning one's mental health and stressing about ways to pay the rent, utilities, children education if needed, clothing, food, medical care, and much more. People are unable to afford their essential necessities to care for themselves or their families in order to survive because of the high pricing of rent and mortgage. Since they may not be able to provide supplies or the fundamental items for their children, this will hinder their education. In addition, families may be forced to eat in a deficit since they must save a certain amount of money to pay that rent at the end of the month. All these scenarios pertain to the sacrifices people are making for themselves and their families, however, it is appalling to learn that this is all because housing is too expensive.

Over 71% of the population in the United States live in places that they cannot afford within their budget and there may come a time they may suffer eviction (McLin, 2019). Eviction is a process in which a tenant is expelled from their property under the landlord's say with the supervision of court ("What is Eviction," 2021). This usually occurs when a tenant halt paying rent after a certain amount of time which then breaches the terms of the rental agreement. The process of being forcefully removed from your house is hurtful as it is against your will, however, there is not much you can do if you cannot meet the daily expenses of living there. To further worsen this process, after an immediate eviction notice, the household has a shortened amount of time to either pay the rent in full or pack their bags and leave ("Evictions: What Every Tenant Should Know," 2019). The amount of panic and stress one must go through when receiving that warning is not healthy. Although, as prices increase in housing, there isn't much

one can do but abide by the law.

In addition, in the current state of evictions during the COVID-19 pandemic, a moratorium of evictions has been implemented. This generally means that all orders of evictions have been halted and will not resume until after a certain amount of time. At first the date the ban was going to be lifted was June 30th, 2021, however, there has been an extension made to July 31st, 2021. This date inches in everyday and it is unimaginable what'll happen to all those who previously earned an eviction notice once the ban is lifted.

Another way someone might lose their home is through a process called foreclosure. This legal process occurs when someone first borrows a loan from the bank or an investor to make a down payment on their mortgage. Then, after multiple failures of the borrower not being able to reimburse their mortgage payments, the bank or investor repossesses their property, taking ownership and then selling it to other candidates ("What is Eviction," 2021). This process is traumatizing as it potentially leaves the previous homeowner homeless and in rapid search of another place to live.

In order to purchase a home or rent a living space, it may be necessary to take a loan out from the bank which in turn you must pay back with monthly payments. Loans taken out can exceed over hundreds of thousands of dollars and usually those with low-income and disability are qualified for a loan as long as their credit score is within the median range. As this may sound helpful and supporting to those who don't have the money available in their current state, they run a risk of losing trust with banks. After a certain amount of time of not being able to make a loan's monthly payments, more penalties, fees, and charges will add up, and one's reputation with the bank will falter. The consequences of this is the relationship between the bank and account holder will permanently stay on record and make it extremely hard for them to

borrow a loan again in order to pay for living.

The current situation of the affordable housing calamity had been acknowledged by the government in the past and comprehended that many people lacked housing due to increased prices. As a recurring problem, the government must implement something in order to decrease the percentages of homelessness. With that being said, slums housing was executed. There are thousands of people who reside in the slums as they lack housing and the funds to pay for it. From the outside, this looks like an amazing opportunity and solution for those who struggle to afford housing, however, the living conditions are truly damaging. Slum houses are usually built with waste materials like cardboard, plastic, and tin. They also have dirt floors, contaminated waters, lack of connections to sewer systems, and lack of ventilation (Gertler et al., 2007). Since millions of people need homes, the slums are overcrowded and unfit for human habitation (Sethi, 2016).

Besides the slums, the government also implemented a temporary solution called, the projects. The projects are generally government owned housing for people of low-income and those who cannot afford housing. It was usually dilapidated, overcrowded, and underfunded, even though it was under the government's authority. Initially, in 1965 when the projects were commenced, the Housing and Urban Development Act's goal was to simply provide housing to low-income people and provide opportunities they could not afford in a non-discriminatory manner (McWilliams, 2020). Despite their goals, eventually, it has become a crime-ridden area where only people of color and minorities reside.

On the other hand, for the unfortunate ones who could not afford housing, they must seek shelters, hotels, anything to obtain a roof over their head (McDonald, 2020). Although, as hotels are a cheaper alternative to living in a home temporarily, it isn't permanent and necessarily safe.

If children are involved, they won't have the freedom and protection one would have in their own home. Especially during the COVID-19 pandemic, residing in a hotel with plenty of other strangers put people at risk of contracting the virus. In addition, with a high demand for hotel rooms, the worst-case scenario would be when all hotel rooms are vacant and there isn't any space for newcomers.

This equally applies to those who seek shelters to battle homelessness. Around 2.5 to 3.5 million Americans sleep in shelters and shelters are offered to those in need, so it doesn't necessarily mean that it is the right choice ("Homelessness in America: Overview of Data and Causes, n.d). Shelters do not certainly provide privacy for families and there is a limit to what one can eat, wear, and do. Since it is not anyone's personal home, rules must be followed, and consequences will result if broken. Many shelters are advertised as safe for families; however, it does not account for what is not seen or on record. This situation is devastating as people who are not able to afford housing due to the cost must force themselves to a route of such in order to make a living.

Lastly, after searching through all other alternatives and being unable to achieve them, families and people begin to live in the streets, homeless. Among the many causes of homelessness in the country, the lack of affordable housing takes the number one spot. According to statistics taken in 2019, over half a million Americans are homeless ("Homelessness in America: Overview of Data and Causes, n.d). Narrowing down, over 35,000 veterans are homeless and around 53,000 families with children are also homeless ("Hud releases 2019 annual homeless assessment report," 2020). Veterans need government assistance in order to find permanent housing. However, the government can only provide so much as the housing prices increase exponentially, and as a result, many veterans experience chronic forms of

homelessness, which is long-term amongst individuals with disabilities. (“Hud releases 2019 annual homeless assessment report,” 2020). As shown, the lack of affordable housing has its in-depth impacts towards society.

To further dig deep into the previous statistic, minorities and people of color are mainly impacted by homelessness. Approximately, African Americans comprised 40% of people experiencing homelessness, Hispanic and Latinos made up 18% of the population (Cox, 2020). People within this population are usually the ones who have less job opportunities, work below the minimum wage, and experience an increase in poverty. This potentially portrays how this problem doesn’t only impact the population but people specifically within it as well. With the lack of affordable housing being the number one cause of homelessness, this immediately portrays how grand of a problem this is in America amongst everything else.

Company Overview

The Mockingbirds is a limited liability company (LLC) residing within Florida, specifically Northeast in Leon County Tallahassee, Florida. This company was formed on July 12th, 2021, and in this LLC, I have proposed a building complex which will assist the low-income individuals living in the county. I aim to purchase land in this county, specifically in the 32309-zip code area which is in northeast Tallahassee, Florida. The dry land I plan to secure is made up of 3.34 acres, the address is 0 Veterans Memorial Dr, Tallahassee, Florida 32309, and the lot is around \$79,900 (Zillow, n.d). This lot has been available for sale since June 8th, 2021, and the sellers are found within Nova Group Realty, specifically the seller is Christina Munoz. The land is in a zoned rural community, Miccosukee Community Park, and offers many opportunities for my target audience.

Industry Analysis

Market Overview

The housing market has been fluctuating throughout the years in both a detrimental and beneficial way, in addition, the housing market is a \$36.2 trillion industry (Richardson, 2021). Although, since the pandemic, housing and rent were reduced since millions have lost their jobs and the ability to afford housing. In addition, in the current state of evictions during the COVID-19 pandemic, a moratorium of evictions has been implemented meaning that all orders of evictions have been halted and will not resume until after a certain amount of time. The date ban was scheduled to lift by June 30th, 2021, however, there has been an extension made to July 31st, 2021. With that being said, it is predicted throughout 2021 to 2022 that the reduced prices in housing and apartments will stop, which will in turn increase the demand for affordable housing (Gaddis, 2021). The increase in prices will negatively impact those who participated in the moratorium as they will become evicted from their living spaces and the individuals who lost their jobs would not have enough funds to further pay for their mortgage or rent. As a result, people would be more likely to purchase apartments from my building complex as it is within their price range and offers many windows of opportunities.

Customer Analysis

Target Customers

As affordable housing is a need worldwide, many will benefit from this implemented solution, however, specifications apply. I intend to target the low-income range since those in these ranges typically lack housing or are unable to afford it. To further explain the range of low income, low income can range from around \$20,000 - \$40,000. This income range can include those who are a single adult, married with both adults working, and adults with one or more

children. Specifically, within the Leon County area, single parents, migrant workers, farmers, and low-income students are within that scope of income since the area is composed of farmland and nearby schools.

Customer Needs

Geographically, I aim to construct my building complex in Leon County, Florida. This county is located within the capital of Florida, Tallahassee, and the population of Leon County is around 297,000 individuals (U.S. Census Bureau, n.d). Within this county, the poverty rate is around 20.8%, meaning that around 62,000 individuals are poor or classified as poor (U.S. Census Bureau, n.d). For my solution, I intend to target low-income students, farmers, low-income families, and migrant workers who will benefit from the lower costs of apartment rental and a safe environment within the Miccosukee Community Area.

In addition, there are also many attractions found within Leon County Tallahassee such as the Alfred B. Maclay Garden State Park, Tallahassee Museum, the Florida State Capital, the Museum of Florida History, and many more (Travel Guides, n.d). Florida State University can also be found within this county and it is an affordable university that provides high quality education and offers various opportunities for students (University, Florida State, n.d). Florida A&M University and Tallahassee Community College are also located within the county. Especially since my target audience contains low-income students and low-income families with students, the travelling distances to the nearby universities are less than an hour away, which will provide comfort to those unable to afford a dorm on campus. For the universities, Florida State University is around 35 minutes away, Florida A&M University is about 39 minutes away, and Tallahassee Community College is about 34 minutes away. Essentially, since multiple students

will reside in my building complex, the students have the convenience of carpooling with each other and saving money as a result.

The lot I aim to secure is surrounded by farmland and does not have many walkable commercial areas nearby. However, low-income migrant workers who have available transportation can benefit from the lower housing costs even though transportation may be a 30-minute commute. In addition, living within downtown Tallahassee is much more expensive compared to the northeast. For farmers, they can take advantage of farming opportunities in the area and in my building complex because tenants will have the option to rent a portion of land (30 x 30) dedicated to farming. One acre of the property will solely be used for farming purposes.

Pertaining to low-income families who have children, Miccosukee Community Park, features a playground, basketball court, picnic areas, baseball fields, restrooms, and concessions (Zillow, n.d). The Park is a great addition to the building complex, especially to those with children as they can participate in fun activities and explore the outside. Additionally, around this area, there are also elementary, middle, and high schools. Roberts Elementary School, William J Montford III Middle School, and Lincoln High School are all the schools located within this area (Zillow, n.d). As the travel distance for these schools are far, there are bus transportations that can commute children to and from the school. On the other hand, it is known throughout Florida that transportation is crucial to those who live there, and transportation is highly recommended, especially for those travelling to long distance areas. This is because local supermarkets, restaurants, and shopping outlets are less than a 20-minute drive away. Along with this, the land is neighbored with Miccosukee United Methodist Church, and those who did not have access to church now can attend it.

Competitive Analysis

With the affordable housing crisis being a dilemma across the nation, there is not necessarily any competition granted against other companies or organizations taking part in the same or similar solution. This is because there are not enough of these solutions implemented in order to decrease the percentages of those who lack affordable housing. However, one problem that can occur during the implementation of my solution is a NIMBY. NIMBY is an acronym for “Not In My Back Yard,” and it signifies a person who objects to the development of something near their house and demands that it must be halted (Homeless Hub, n.d). This generally delays the production of developments and can cause a problem between the construction units and myself when investing into building this grand complex. Other than that, there are not generally any risks in rivalry pertaining to the affordable housing crisis and specifically my solution.

Marketing Plan

Products, Services & Pricing

In the Miccosukee Community Park, 0 Veterans Memorial Dr, Tallahassee, FL 32309, I intend to build a six-story building composed of 24 units. Tenants have the option to choose from three models within the building complex. Since there are a total of 24 units, I will have eight studio apartments, eight two-bedroom, one-bathroom apartments, and eight three-bedroom, two-bathroom apartments. For a six-story building, there will be four units on each floor, and since there will not be any access to elevators, I aim to have most of the three-bedroom and two-bathroom apartments on the first few floors. This is because tenants who will reside in those apartments will most likely have children as well as baby carriages if they have toddlers, so this saves the need of traveling numerous flights of stairs to get to their apartment.



Since I am targeting low-income students, each of the eight studio bedrooms will be approximately 450 square ft with the rent averaging around \$720/month. Compared to the FY 2021 Fair Market Rent Documentation System, the average rent for low-income individuals in a one-bedroom apartment is around \$843 (HUD Economic and Market Analysis Division, n.d). Especially for students who will attend the nearby universities, living in a studio gives a dorm-like campus life for those unable to afford on campus living. Also, with a studio bedroom, tenants can save on heating or lighting as they won't have to use it in an entirely separate area. In addition, as I intend to have numerous students live in my building complex, it will be convenient for those attending the same university to carpool with each other.



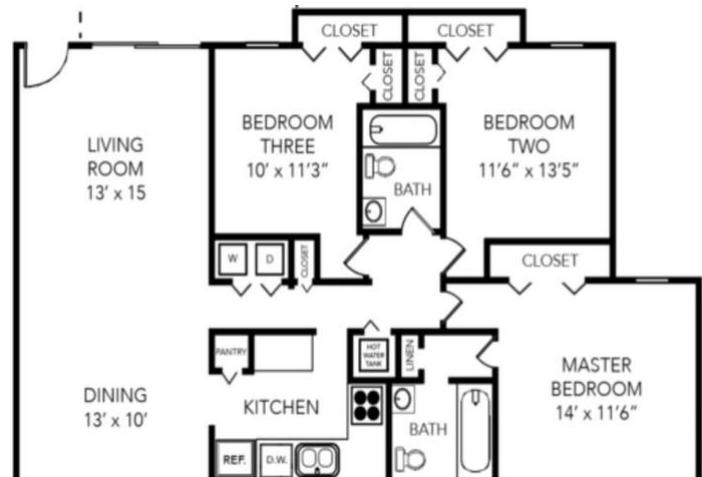
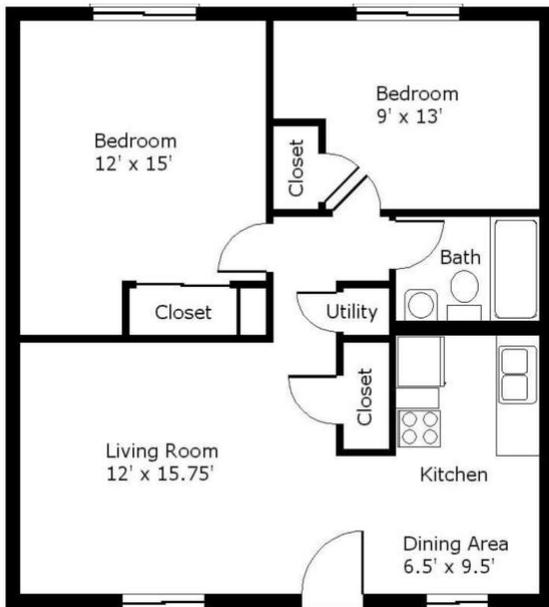
For low-income families, migrant workers, and farmers, each of the eight two-bedroom, one-bathroom apartments will be approximately 1,000 square feet with the rent estimating \$900/month. Compared to the FY 2021 Fair Market Rent Documentation System, the average rent for low-income individuals residing in a two-bedroom apartment is around \$1,024. (HUD Economic and Market Analysis Division, n.d). For each of the eight three-bedroom, two-bathroom apartments, they will be approximately 1,200 square feet and rent will be \$1,200/month. This is because according to the FY 2021 Fair Market Rent Documentation System, the estimated rent for low-income families living in a three-bedroom apartment is \$1,361 (HUD Economic and Market Analysis Division, n.d). Overall, I want to make sure the rent prices for tenants living in the units are no more than 30% of their income.



FY 2021 FAIR MARKET RENT DOCUMENTATION SYSTEM

The FY 2021 Tallahassee, FL HUD Metro FMR Area FMRs for All Bedroom Sizes

Final FY 2021 & Final FY 2020 FMRs By Unit Bedrooms					
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2021 FMR	\$778	\$843	\$1,024	\$1,361	\$1,484
<u>FY 2020 FMR</u>	\$771	\$829	\$1,019	\$1,361	\$1,478



Within the production of the building, the utility installation of an electric and water meter is free of cost. However, within the price per square feet of constructing the building, the boiler and AC unit is included. With that being said, tenants are responsible for their own electric, water, and internet bills, so prices may vary. This is because they can use it at their own convenience and take responsibility for their utility costs as the total costs of these bills will be at their expense.

To add on, I intend to dedicate 2 acres of land for the building, parking lot and farming land, and 1.34 acre for a garden surrounding the building. Since the area I am constructing the building is dry and known for farming and agriculture, I aim to provide each tenant a 30 x 30 area land to farm any vegetables and fruits for a minimum cost of \$50 each month. Since Florida has a warm climate, there is an availability to grow all kinds of fruits and vegetables annually. Therefore, this promotes a friendly environment within my building complex. Furthermore, a parking lot of 24 spaces, one per unit, will be implemented around the building, and this will be free of cost to all tenants. Overall, each parking space will be composed of 350 square feet for a total of 8,400 square feet.

Since there are not necessarily any surrounding areas in the community to do laundry, I plan to implement a laundromat in the ground level of the building. The average cost of laundry loads is \$1.50 to \$4.00, and the national average is about \$2.00 per load, however, this laundromat will charge \$1.25 per load for washing and drying which in turn portrays convenient pricing (Laundry Solutions Company, 2020). Furthermore, when entering the building, there will be a doorbell ringing system designated for each unit. This promotes privacy and a secure area for those residing in the building. In addition, at each tenant's convenience, there will be a superintendent who is in charge of the garden, mechanics, plumbing, electricity, and much more. If there are any sink problems or electricity disruptions, the superintendent is available to fix it, free of cost to the tenant.

There are many people with pets in society and in my building, I will permit them for free if the tenants pick up the pet's waste and place them in the designated Mutt Mitt Station, which I will place on the side of the building. However, if any instances occur where dog waste is not cleaned up after, there will be a total of three warnings before they are charged a \$100 pet fee.

Overall, throughout my building complex, it abides by the density and zoning law in the area as it is environmentally friendly and most importantly supports the demand for multi-family housing (Metropolitan Council, n.d). In addition, there are multiple models for clients to choose from as well as desirable amenities found within the land area.

Promotions Plan

For my building complex to assist those in need, there must be tenants and renters living in the designated area. I can attract tenants through advertisements such as pamphlets, distributing business cards, partnerships with non-profit affordable housing organizations, flyers, social media, brochures, and posting on websites. Some examples of websites where I can post my apartment rentals are Zillow.com, Truila.com, Relator.com, and many more. In addition, since I am considering partnering with Banyan Developmental Group, their affiliate, AGPM (A Green Property Manager), posts areas of rental where people who are low-income can search for and invest into it (AGPM, LLC, n.d).

Distribution Plan

I intend to have clients who are interested in renting an apartment first fill out an application to see if they are applicable within the low-income range and can have their necessities fulfilled within my building complex. Specifically, the Florida Section 8 Housing Voucher Program aids low-income individuals and families and helps them find affordable housing (Written and Eligibility Team, 2017). The program also provides financial assistance for monthly rent and utilities. Overall, since this is a federally funded program that I can partner with in order to assess a pre-screening and provide the specific needs to those who qualify within my low-income target market. However, if there are people who do not qualify to reside in my

building, the Florida Section 8 Housing Voucher program and I can assist them in finding other residences to live in.

Operations Plan

Key Operational Processes

Within my company, I propose to market my rental apartments to first reach out to any applicants who are interested and in need. As I will partner with Banyan Developmental Group, their affiliate, AGPM (A Green Property Manager) will frequently update their website and include my rental apartments to look for any clients. I will also post on social media and inform the viewers of any apartment openings. I plan to check my social media daily and reach out to those who are intrigued by my building complex.

Milestones

Since the affordable housing crisis has been impacting people and families for decades, there are many organizations and programs that I will partner with to assist those in need. Pertaining to the construction and advertisement of a multi-family affordable housing complex, Banyan Developmental Group LLC, an affiliate of Banyan, AGPM (A Green Property Manager) Inc., and the Florida Housing Coalition are key partnerships. Banyan Developmental Group LLC is a developer of affordable rental communities and provides their services for nonprofit and for-profit entities (Banyan Developmental Group, n.d). They have vast experience within federal, state, and local affordable housing programs including low-income housing tax credits, predevelopment loan programs, national housing trust funds, community development block grant, and many more which will in turn be extremely helpful in developing the building complex I intend carrying out. As an affiliate of Banyan Developmental Group, AGPM (A Green Property Manager) also offers their expertise in assisting those who lack housing on their website

and find them safe living spaces in which they can reside (AGPM, LLC, n.d). In addition, the Florida Housing Coalition supports entrepreneurship and small businesses grow through housing and participate in business solutions which helps address the affordable housing crisis (Florida Housing Coalition, n.d).

Moreover, wrap-around services can be provided to those living within the complex. Wrap around services is designed to provide community-based services for youth and families in order to make an effort to fit their needs (ACMH, 2021). These services are essentially nonprofit and at no cost for individuals. Nonprofit organizations such as Ronik Radlauer and Chautauqua HealthCare Services of Lakeview Center contribute to the assistance of those with complex needs by supporting children and families that have gone through emotional disturbances and suffered from their mental health (The Ronik-Radlauer Group, Inc., n.d). The affordable housing crisis does not only pertain to those who lack housing and are unable to afford it, but those who suffered from losing a home which then in turn may have taken a toll on their mental health. These programs can assist those who endured the pain of being evicted and even experienced homelessness. Specifically, Ronik Radlauer and Chautauqua HealthCare Services of Lakeview Center can offer therapists and resources to help families overcome their difficulties faced in the past and further be in peace and move on from it (The Ronik-Radlauer Group, Inc., n.d). Other types of wrap-around services include healthcare workers such as doctors or nurses, visiting low-income areas and communities and offering their services or a medical check-up, at no cost. This will be especially beneficial to those who are unable to afford medical care for themselves or their children, and with those costs covered, they will be able to conjure up enough funds to provide for other needs.

Furthermore, financial assistance is crucial knowledge for individuals who previously lost their home, need help in finding one, or in general require assistance on how to prioritize their money in order to meet specific needs and acquire financial independence. Solita's House demonstrates these qualities of helping those in need. Solita's house is a non-profit financial education organization that provides information for people in maintaining financial stability, offers one-on-one counseling, affordable consumer lending, and a basic overview of knowledge needed to secure homeownership (Solita's House, 2021). This is especially helpful for the tenants who don't necessarily desire to live in a rental their entire life but rather would like the comfort of their own home. Furthermore, within the Florida Section 8 Housing Voucher, HUD sponsored housing agencies can offer HUD certified counselors to low-income individuals and provide advice on renting, credit issues, foreclosures, mortgage payments, and much more (HUD, n.d).

Most importantly, I will partner with Career Source Capital Region. They are located in Tallahassee, Florida, and provide employment and work services to those in need. For students or those with no experience, they provide paid internships and opportunities to be in the workforce. In addition, they provide financial aid eligibility to cover costs with training, tuition, and supplies (CareerSource Capital Region, n.d). For parents or older adults, they offer featured jobs in multiple areas like health care and manufacturing, and assistance in the application and interviewing process as well (CareerSource Capital Region, n.d). Overall, Career Source Capital Region is a great partnership in assisting the low-income in job opportunities.

With the intention of providing a laundromat in my building complex, I will partner up with Florida's number one Commercial Laundry Equipment Supplier, WASHCO Laundry Equipment Inc. They install and service laundry rooms at no expense. In addition, they offer free

maintenance repairs, replacement, and free equipment (Washco Laundry Equipment, Inc., 2020). I will also receive a large percentage of the gross revenue, which in turn benefits my income revenue stream.

Since I plan on dedicating some of my land to farming and offering a portion (30 x 30) to each tenant, I plan to partner with the University of Florida's extension in Leon County. The UF/IFAS extension Leon County provides knowledge in developing agriculture, natural resources, and the life sciences (Communications, IFAS, 2021). They provide hands-on experiences and classes for those interested in learning how to properly care for agriculture and have them be sustainable. Especially in a state like Florida, agriculture is crucial and helpful for those who choose a healthy lifestyle.

Since I will have a building with tenants renting out apartments, I will hire a superintendent to support any maintenance repairs, replacements, manage the garden and lawn, and complete any necessary means that a tenant needs. I plan to pay the superintendent \$500/weekly and overall, \$2000/monthly.

Before tenants can fully move into their apartments, they must sign a lease agreement with me as the landlord so they can live in the property for a fixed amount of time, typically a 6-to-12-month period. After that fixed amount of time the tenants will renew the lease agreement to continue living in their designated units. These agreements portray expectations of a tenant as well as rules considering pets, their bills, and contact information regarding job opportunities, financial assistance, and much more to further support their needs.

All in all, with the construction of a building complex, it is estimated that the completion of the building will take around 20 months and tenants would be able to start moving in following the end of March 2023.

Management Team

At the start of The Mockingbirds LLC, I, Elvana Huff, intend to be the only singular member under the chief executive officer (CEO), landlord, and property manager role. However, in the future I intend on hiring new members to join my company. I intend to hire a chief financial advisor (CFO) who excels in the finance department in order to calculate revenue and expenses as I plan to expand the development of my complexes in the future (Indeed Editorial Team, 2021). In addition, an HR manager for supervising human resources, hiring and interviewing potential company members, and supervisors to help support the expansion of the company and assist the needs of low-income individuals (Indeed Editorial Team, 2021).

Financial Plan

Revenue Model

	Laundromat	Rent	Farm	Total
Monthly	\$600	\$22,560	\$1,200	\$24,360
Annually	\$5,760	\$270,720	\$14,400	\$290,880

Within my business plan, there are three potential ways I will generate revenue. First, regarding my laundromat I will implement in the ground level of the building, assuming with the \$1.25 per load, around 480 loads can be estimated monthly. This brings the total of revenue to \$600 monthly and \$7,200 yearly. However, since I am partnering with WASHCO, I will receive a large portion of the revenue, approximately 80% of the revenue. Furthermore, this totals my revenue from my laundromat to about \$5,760 annually.

For the revenue regarding my rent, the studio apartment's rent is \$720, the two-bedroom, one-bathroom apartments are \$900, and the three-bedroom, two-bathroom apartments are \$1,200. With there being eight units per model, these totals to around \$22,460 monthly and \$270,720 annually.

Moreover, since I will be offering a plot of land to each tenant to plant any fruits and vegetables throughout the year in Florida, I will be charging around \$50 per unit. Under the assumption that each tenant would like to invest into this opportunity and consume healthy products and resources, I will generate around \$1,200 monthly, and \$14,400 yearly. All in all, calculating my revenue monthly, I will receive approximately \$24,360 monthly, and \$290,880 annually. I don't necessarily have an intention to further raise my prices for rent, laundry, and farming for my tenants as I would prefer them to benefit from the low costs and would like to help and give any assistance needed.

Financial Highlights

The Mockingbirds LLC

Pre-Operational Cash Flow Statement

Investing Activities

Cash receipts from	
Fund investments	300,000
Sadowski funds	400,000
Competitive grants & government grants	1,000,000
Cash paid for	
Purchase of property	(79,900)
Costs of construction	(3,000,000)
Net Cash Flow from Investing Activities	(1,379,900)

Financing Activities

Cash receipts from	
Borrowing construction loan	2,400,000
Cash paid for	
Repayment of loans	(1,300,000)
Net Cash Flow from Financing Activities	1,100,000
Net Increase in Cash	(1,020,000)

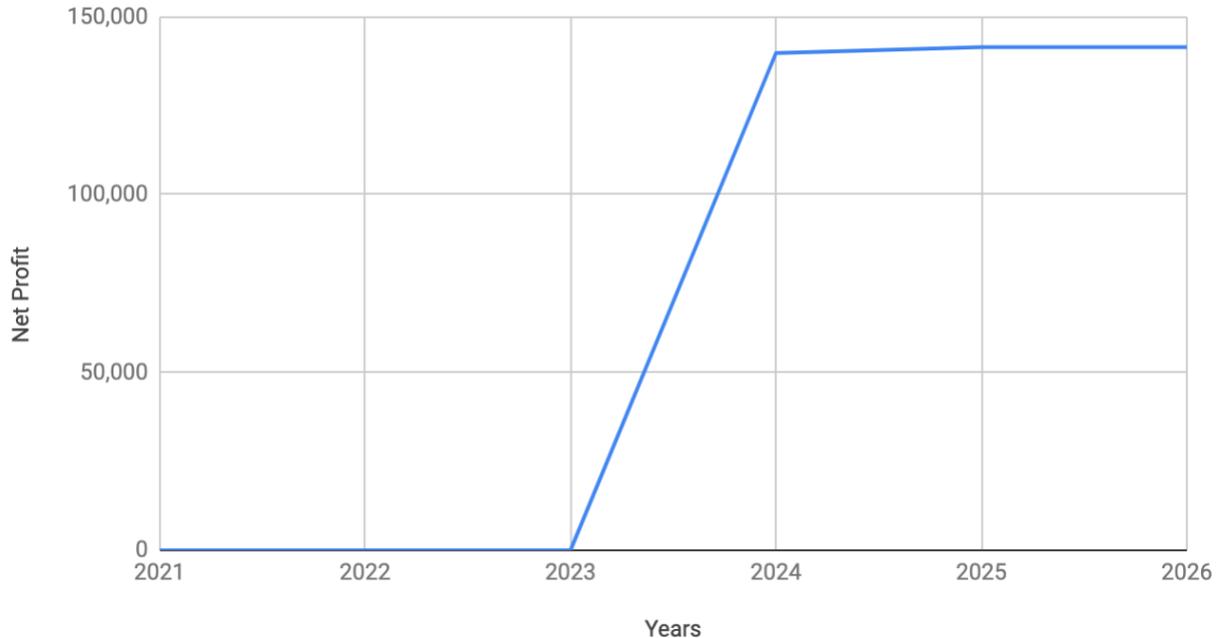
The Mockingbirds LLC

Operational Cash Flow Statement

Operations	
Cash receipts from customers	290,880
Cash paid for	
Farm Fence	(1,500)
Superintendent's annual salary	(24,000)
Building cleaning annual expenses	(3,000)
Mutt Mitt Station	(170)
Unexpected building annual expenses	(5,000)
Income taxes	(10,000)
Net Cash Flow from Operations	247,210
Financing Activities	
Cash paid for	
Annual property mortgage	(4,428)
Annual building insurance	(1,000)
Annual repayment of loans	(102,000)
Cash Flow from Financing Activities	(107,428)
Net Profit	139,782

5-year Projected Income

Net Profit vs. Years



Over the next 5 years, there will be a constant growth rate after the building complex is completed. Prior to the years of completion, 2021-2023, I will have no profit and there will be a construction loan waiting for annual reimbursement. However, after the opening of my building complex with tenants moving in, minus expenses, I am estimating that I will make around \$140,000 in net profit. This net profit will remain constant over the years as I intend to not raise the costs of housing since it will not benefit the crisis and will instead provide ease and relief to those in need.

Funding Requirements

Since the affordable housing crisis has been never-ending, there are many funds out there that support those who assist the cause and help low-income individuals and families seek housing. In my case, first, I would apply for the state Affordable Housing Trust Fund. Since my

company is based in Tallahassee, this trust fund is called the Sadowski funds (“Sadowski Affiliates,” n.d). Based on each county in Florida, the Sadowski funds issue a certain amount of money for the construction and development of affordable housing whether it be a single or multi-family home (“Sadowski Affiliates,” n.d). Since the Sadowski funds receive over millions of dollars annually, under the assumption of my solution, I predict that I would receive around 400,000 as I am building a multi-family complex with 24 units.

To add on, I would host an area of investment with AGPM (A Green Property Manager) on their website and use those funds towards the building's expenses. As this is a dilemma known throughout the nation, I predict that I would earn about \$300,000 in investment for my building development. Furthermore, I will receive funding from government grants and competitive grants as well. For example, the Federal Home Loan Bank of Atlanta displays a competitive grant of up to \$500,000 where companies who are dedicated to helping those in need can apply (FHLBank Atlanta, n.d). For more reliability on my part, SouthState Bank has decided to partner with me with my construction loan and portray to the Federal Home Loan Bank of Atlanta how sincere I am in developing my building complex to provide affordable housing to those within my low-income target market. In addition, there are many other grants out there that specially provide funds for entrepreneurs constructing affordable homes and for other qualifications as well. For example, there is a grant called the Amber Grant for Women where female entrepreneurs receive around \$10,000 in honor of starting their small business (TRUIC, 2021). Overall, including grants from the government, the Federal Home Loan Bank of Atlanta, Amber Grant for Women, and many more, I predict that I will receive around \$1,000,000 in funds.

Specifically for developments that aim to help low-income individuals and families, there are low-income housing tax credits and development tax credits that are awarded to a state each year. With that being said, I intend to apply for them as they reduce the federal income taxes I owe. This can be either 4% or 9% as it depends on the total cost of my development (Loans, Multifamily, 2018). Under the assumption of receiving a 9% (70% subsidy) income-tax credit, I intend to go to SouthState Bank with my organization partner, Banyan Developmental Group, and my tax credits to negotiate an opportunity to take out a construction loan of around \$2,400,000, which is minus project grant funding since the total cost of construction is around \$3,000,000. Usually, banks give only 80% of the total costs of construction in a loan which is why I will not receive the full amount of construction. All in all, funding is an extremely significant part in initially buying land and then covering my expenses and construction loan.

Future Plans

In the future, I plan to invest in solar panels to better help the environment and provide cheaper electricity in the long run. As the bill for electricity may increase when the solar panels are first installed, it will in turn be cheaper after the costs are paid off. This will benefit any future low-income tenants as solar panels run on sunlight for their energy. In addition, I predict an expansion may occur where my target audience stretches towards elderlies and veterans. With that being said, I can also install an elevator for those in need and continue constructing building complexes.

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