



Residential-Moving and Construction-Cleaning Business

(PLAN #127)



1.) INTRODUCTION

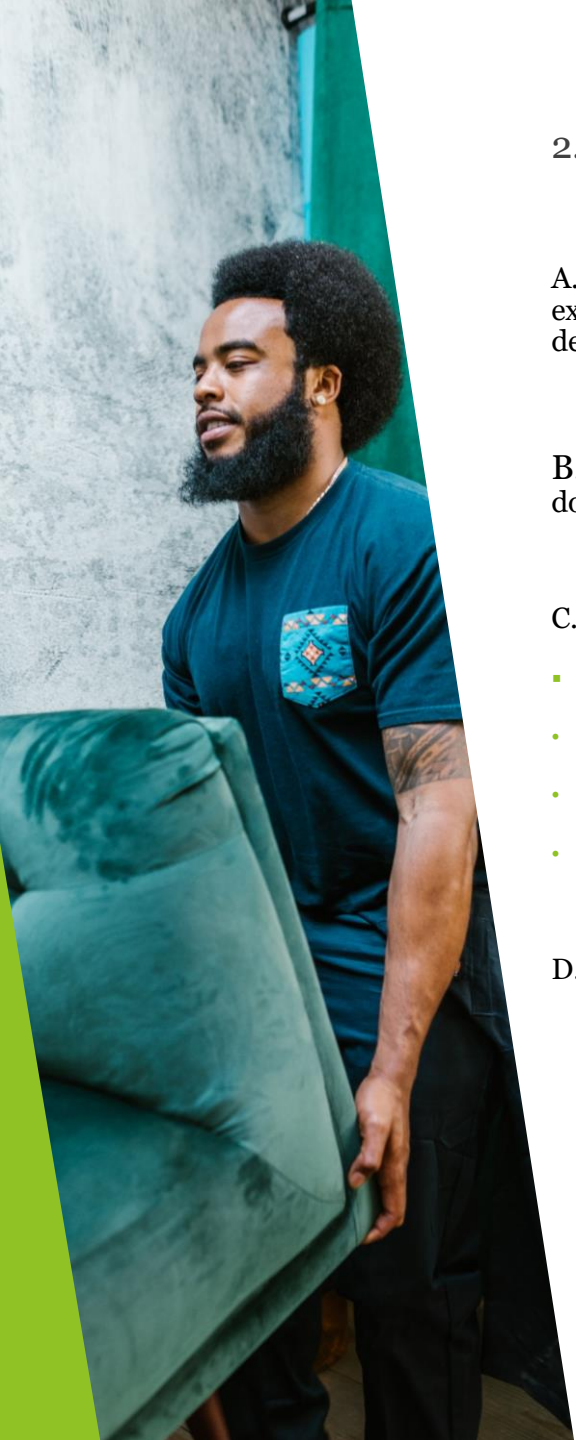
Construction-Cleaning and Residential-Moving

I want to start a construction business along with a residential moving business.

A.) I have been a contractor, doing construction work for 30 years, I'm 62-years-old. The focus of my work has been a (jobber); which means I take many different types of construction jobs...and do any type of JOB that a customer wants.

B.) my reason is to be more specialized; This will allow me to manage my days and maximize my income...I'm not getting any younger.

C.) I'm looking for an Infusion of \$25,000.



2.) EXPERIENCE AND TIME MANAGEMENT

A.) With my 30 years of construction EXPERIENCE, I know that every construction job-whether new construction or existing construction – involves cleaning-up after the job. Additionally, Residential Moving is a great business and is in high demand.

B.) With the \$25,000 infusion, I will be able to EXPAND into the new Construction-Cleaning and Residential-Moving. By doing so, I will be able to offer 2 profitable business, and specialize for my future my MOVING service.

C.) The specific tools, and equipment, and people, I will need are as follow:

- Purchase Use BOXED Van \$10,000
- New Administrative Assistant/Secretary \$ 6,000
- New: Laptop, iPhone, Office Equipment \$ 4,000
- Working Capital for new mover(s) and business formation \$ 5,000

D.) Marketing and Promotion will be explained in Section #3 Cash Flow, and Constant Stream of Customers.





E.) New Company Name and info:

- Company Name: Construction-Cleaning & Residential-Moving
- Ownership %: TBD ...to be determined.
- Owner's Name: Lesly and New Investor.
- Office Location: 1537 West 31st Street, Allentown PA
- Bank : Bank of America.

F.) Pricing, Margins, and Charges ... (TBD).

G.) STEPS to be taken (explained) in Daily Plan Section

H.) I have the experience of cleaning construction sites. I'm interviewing (asking) 3 new Construction Company-Cleaning and 3 Residential-Moving Companies to clarifying pricing.

I.) I will manage the cleaning and moving aspects of the company in a full-time basis. The new Administrative Assistant/Secretary will schedule the cleaners and the movers (under my supervision).

J.) The cleaners and the movers will initially be contracted on a job-by-job basis. When able, we will move them to full time employees.



3.) **CASH FLOW**: Involves the Inflow and Outflows of Cash... and that is the focus of this Section. Some aspects of Cash Flow involves the use of the initial Cash Investment; this how we view Cash Flow in these circumstances.

A.) Lesly will continue to work at his own construction business, that he's been operating for 30 years. None of the capital infusion will be used for his contracting business, **Lesly Contracting**

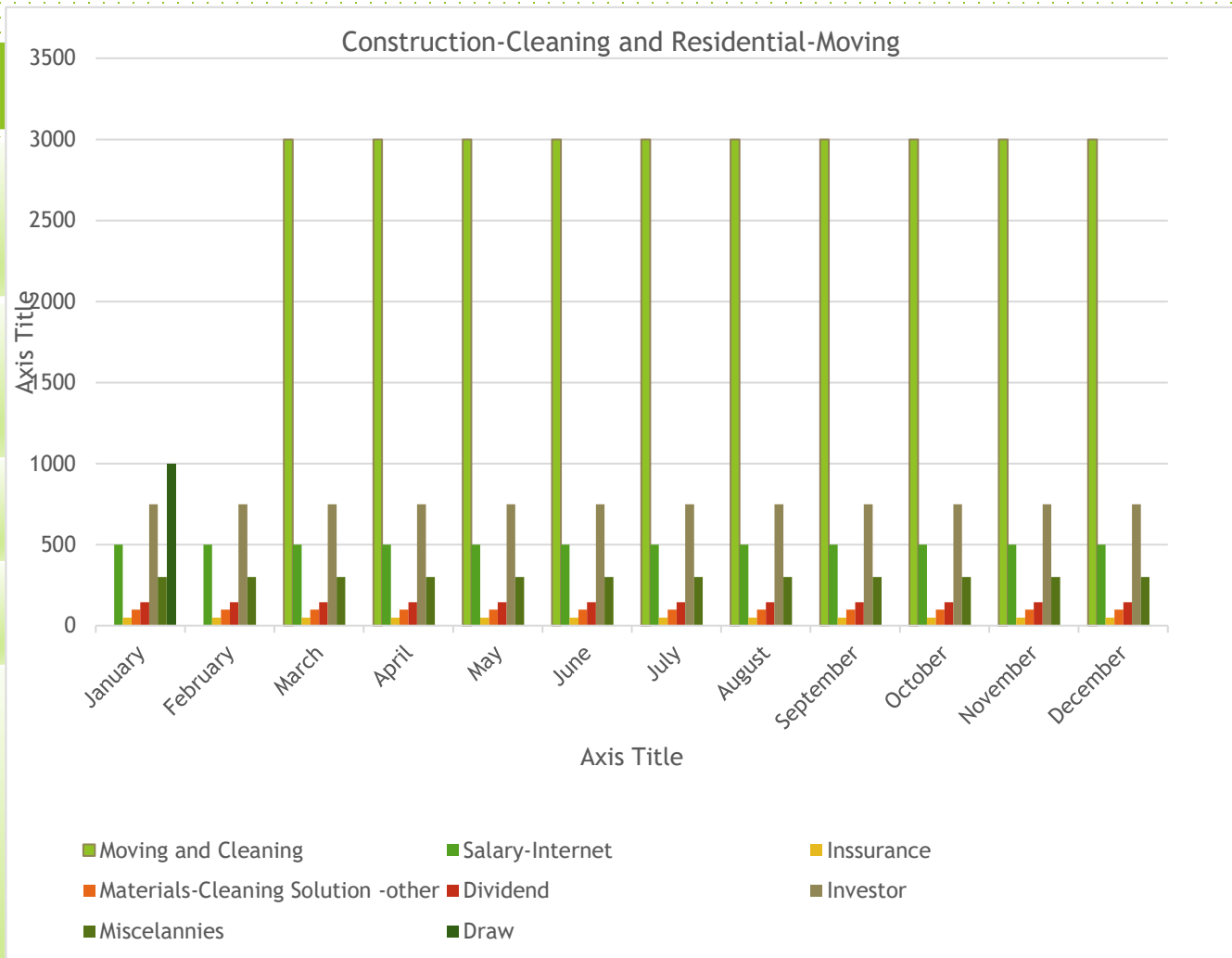
B.) This Cash Flow Analysis involves the Cash Flow for the new company, **Construction-Cleaning and Residential-Moving**. For example, (before we get into the cash flow), the use of some of the Cash Infusion will be as follow:

- Purchase Used BOXED Van \$10,000
- New Administrative Assistant/Secretary \$ 6,000
- New: Laptop, iPhone, Office Equipment \$ 4,000
- Working Capital: for new business formation. \$ 5,000

C.) Accordingly, a very succinct Cash Flow is as follow:

Cash Flow for new Construction-Cleaning and Residential-Moving Business

Monthly Cash Inflows (Income)		Cash Outflows (Expenses)	
10 cleaning jobs/ \$100 gross profit (after paying cleaner)	\$1,000	AA salary + Internet	\$500/ MHT
10 moving jobs/\$200 gross profit (after paying movers).	\$2,000	Insurance	\$50/ MTH
		Materials, Cleaning solutions, other	\$100/HTM
		7% dividend on the \$25,000 investment	\$145. Per month
		Monthly payback to investor (33 payments) (Is thereafter, or after the \$25,000 has been paid in full, payments of \$500. A month should be paid to the investor	\$750. Per month
		Miscellanies gas, repairs/insurance on van	\$300 a month
		(Payment or draw) to Investor	\$1,000



SUMMARY OF CASH FLOW: A rough summary of cash the monthly cash flow is Cash inflow (income) - \$3,000 – cash Outflow (expenses) of - \$2,845 = \$155/positive cash flow per month.

4.) CONSTANT STREAM OF CUSTOMERS

Much of this plan needs to focus on how to obtain a constant stream of customers. Here is a list of pro-active prospecting activities that we will need to implement in order to ensure that we have a constant stream of customers.

- a) 20 proactive calls by the AA each day.
- b) Networking by Lesly: 3 nightly gatherings a month.
- c) 25 new postcards to be mailed out each week.
- d) Call 5 realtors each day.
- e) Start a 5 x 8 index card system; transfer daily results into Microsoft data base each day.

There are 5 specific things that the AA is accountable for each day

What will she do (specifically)?

- a.) Answer phones.
- b.) Proactively make prospecting phone calls each day.
- c.) Schedule the job with the workers and the clients.
- d.) Report any problem or concerns to Lesly.

When will she do it?

- a.) Her hours it's from 8:00am to 4:00pm. **How will this prospecting work?**
 - a.) Telephonically, pick up the phone.
 - b.) Focus on contractors (i.e., painters, roofers, electricians, carpenters and most importantly realtors).

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Why do it at all?

- a.) Prospecting works.
- b.) Need to keep score.
- c.) Other advertising will follow in 3-6 months.

How much should we call?

- a.) As much is needed ...can be adjusted
- b.) New AA/Secretary will serve as the communication-hub of the new business.
- b.) She is responsible for proactive calls each day.



5.) DAILY PLAN

A.) DAILY PLAN FOR WORKFLOW

- 1.) Notebooks which describe a daily plan of action will be completed daily by the new AA and Lesly. Daily plan is not optional.
- 2.) AA texts workers and Lesly with the activities of the day.
- 3.) AA updates weekly by using a calendar...where everybody needs to be.
- 4.) Reality: AA is constantly available for clients and workers.

B.) DAILY PLAN FOR LESLY

- 1) Develop AA's communication processes (i.e. Billing, E-mail, Communication with clients, Communication with workers, Use of Book-Keeping Software).
- 2.) Review appropriate information with AA and clients and workers... daily.
- 3.) Keep executive book with you at all the times.
- 4.) COOPERATE with AA, employees, and clients.

C.) DAILY PLAN FOR AA AND EMPLOYEES

- 1.) Incorporate daily plane of AA, employees and Lesly into a working and cooperative overall daily plan.



6.) ORGANIZATION

Organization is 1 of the 10 Components of creating a Fully Developed Plan. When you are organized, you are serious about your work. When you are disorganized, you have little chance of succeeding.

A.) ORGANIZE YOUR TARGET MARKET

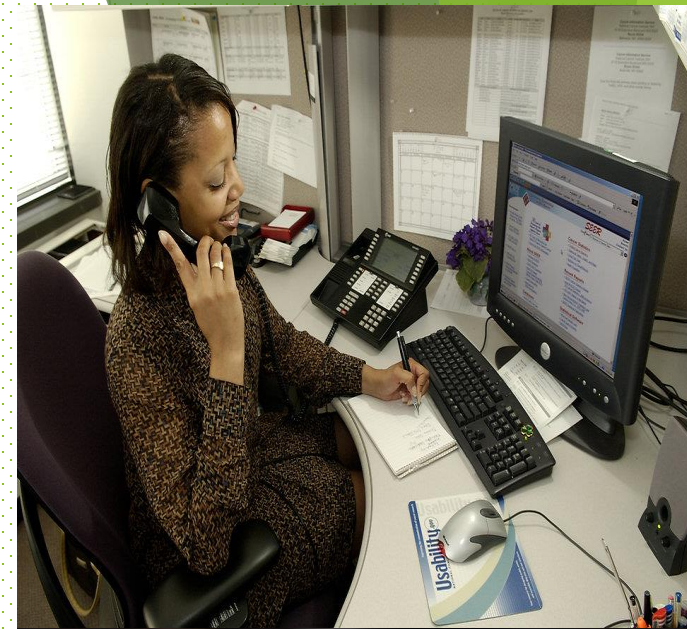
- Target Construction-Cleaning...Not Construction.
- Target Residential-Moving...Not Commercial Moving.
- Target Realtors...Not Painters.

B.) ORGANIZE YOUR CLIENTS

- Understand - the 80-20 Rule.
- Identify – know who your top 20 Clients are.
- Categorize/Segregate... don't waste your time on time-wasters.

C.) ORGANIZE YOUR DESK

- The AA needs to keep her desk and everyone organized.
- AA handles all BILLING (80% of the billings should be electronically).
- Daily action plan needs to be printed-out each day by Lesly.



► **7.) PERSONAL PREPAREDNESS**

A.) ARE YOU READY TO DO THIS?

- 1) The AA and Lesly need to speak to each other each night to evaluate the day's activities and plan for the next day's needs.
- 2) Lesly has sufficient energy to entertain this business.
- 3) Lesly wants this to be his retirement business income.
- 4) This refocusing of his business life will be more profitable and a bit less stressful for him as he gets older.

B.) PERSONAL ASSESMENT

- 1) Lesly is 63 years old. His physical and mental health is excellent.
- 2) Lesly is excited to transition to his new businesses; and to focus on Construction-Cleaning and Residential-Moving.
- 3) There are no personal, business, or other obligations in his life that will impede him from doing these new businesses.

C.) COMPELING REASONS.

There are 3 primary things that Lesly wants from this business.

- 1) Re-focus this business to serve as his retirement income.
- 2) To sell this type of business as a business opportunity (nationally ... after 2 years of operations).
- 3) To allow him more flexibility – and to earn more income – without having to do construction work each day.



8.) PROJECTIONS

I'll present 3 different Projections Scenarios ... which are projections. The 1st projection is from the CASH FLOW of this presentation. The last 2 projections are just changes to the amount of business generated ... or jobs completed.

These projections are simply meant to illustrate the projected revenue from activities. Four additional things to consider:

- #1.) These projections have nothing to do with my present contracting business.
- #2.) These projections can be altered and reconfigured at any time.
- #3.) These projections involve a 1-time Capital Infusion of \$25,000.
- #4.) These projections should be reviewed with Leslie and the Investor – against actual revenues – to determined actual expectations, going forward.



SCENARIO #1

Monthly Cash Inflows (Income)		Cash Outflow (Expenses)	
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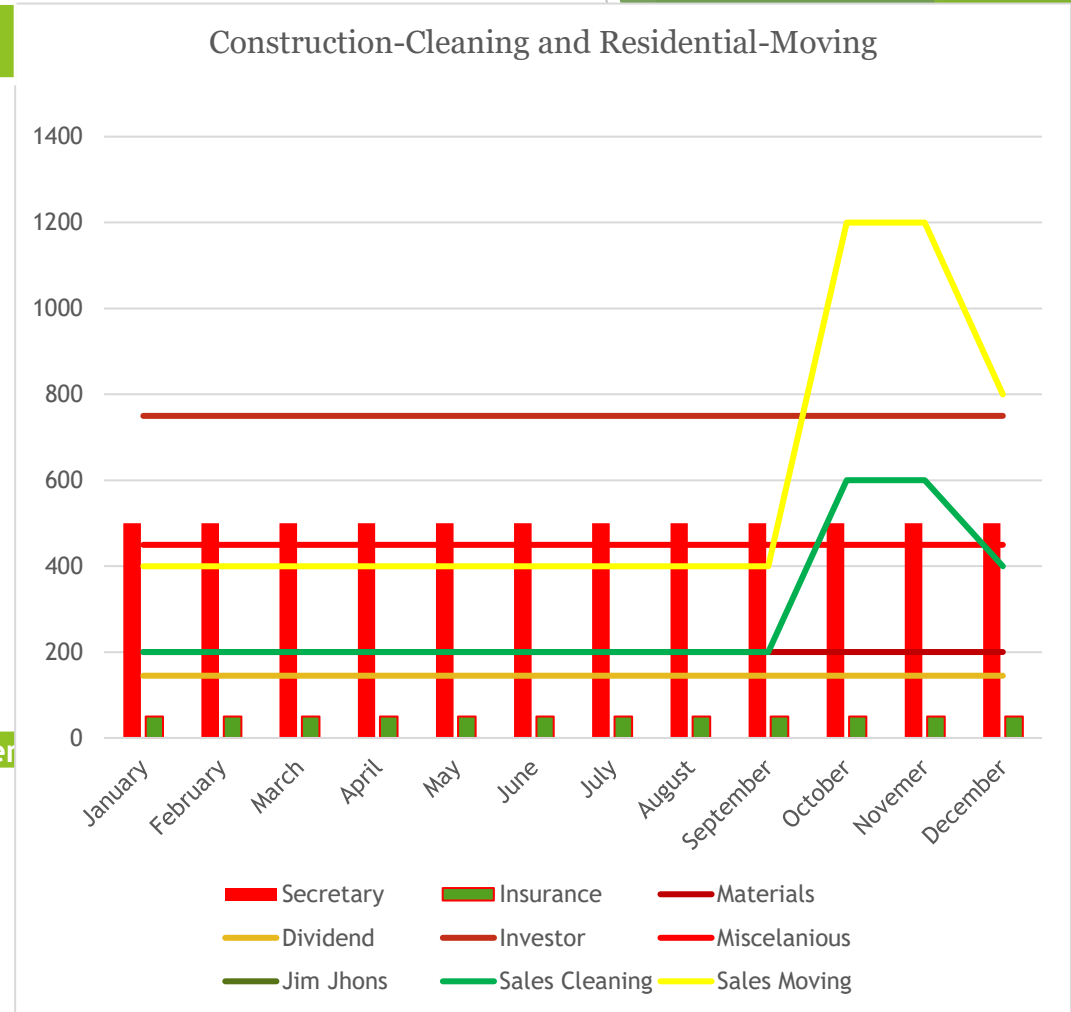
10 cleaning jobs/ \$100 gross profit (after paying cleaner)	\$1,000	AA salary + Internet	\$500/MTH
10 moving jobs/\$200 gross profit (after paying movers).	\$2,000	Insurance	\$50/MTH
		Materials, Cleaning solutions, other	\$100/MTH.
		7% dividend on the \$25,000 investment	\$145. Per month
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		Miscellanies gas, repairs/insurance on van	\$300 a month
		(Payment or draw) to Investor	\$1,000



SUMMARY OF CASH FLOW: A rough summary of the monthly cash flow is. Cash Inflow (income) of \$3,000 – Cash Outflow (expenses) of \$2,845 = \$155/positive cash flow (projected) per month.

SCENARIO #2

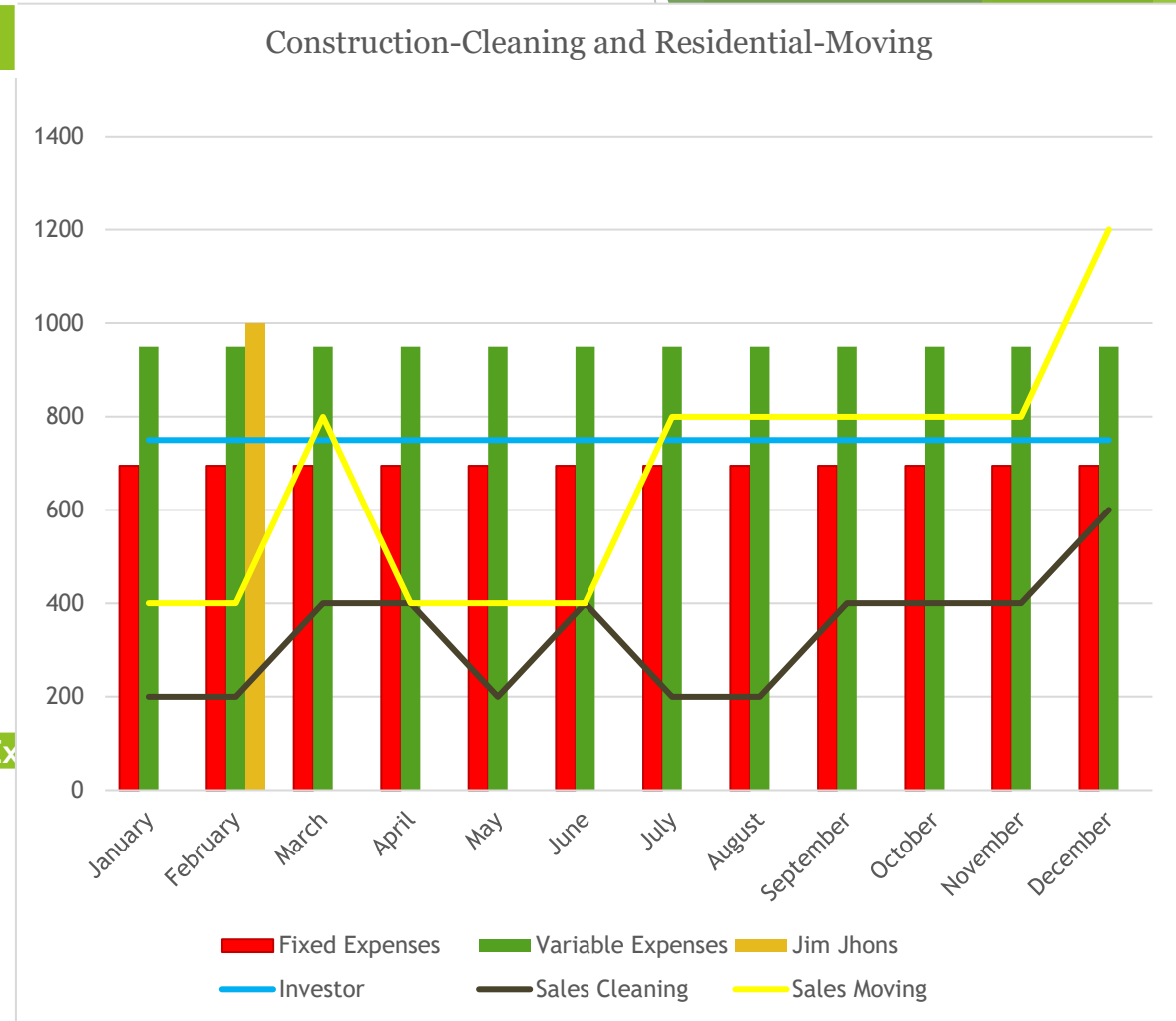
Monthly Cash Inflows (Income)		Cash Outflow (Expenses)	
15 cleaning jobs/ \$200 gross profit (after paying cleaner).	\$3,000	AA salary + Internet	\$500/MTH
15 moving jobs/\$400 gross profit (after paying movers).	\$6,000	Insurance	\$50/MTH
		Materials, Cleaning solutions, other	\$200/MTH.
		7% dividend on the \$25,000 investment	\$145. Per month
		Monthly payback to investor (33 payments) (Is thereafter, or after the \$25,000 has been paid in full, payments of \$500. A month should be paid to the investor	\$750. Per month
		Miscellanies gas, repairs/insurance on van	\$450 a month
		(Payment or draw) to Investor	\$1,000



SUMMARY OF CASH FLOW: A rough summary of the monthly cash flow is Cash Inflow (income) of \$9,000 – Cash Outflow (expenses) of \$3,095 = \$5,905/positive cash flow (projected) per month.

SCENARIO #3

Monthly Cash Inflows (Income)		Cash Outflow (Expenses)	
20 cleaning jobs/ \$200 gross profit (after paying cleaner).	\$4,000	AA salary + Internet	\$500/MTH
20 moving jobs/ \$400 gross profit (after paying movers).	\$8,000	Insurance	\$50/MTH
		Materials, Cleaning solutions, other	\$400/MTH.
		7% dividend on the \$25,000 investment	\$145. Per month
		Monthly payback to investor (33 payments) (Is thereafter, or after the \$25,000 has been paid in full, payments of \$500. A month should be paid to the investor	\$750. Per month
		Miscellanies gas, repairs/insurance on van	\$550 a month
		(Payment or draw) to Investor	\$1,000



SUMMARY OF CASH FLOW: A rough summary of the monthly Cash Flow is Cash Inflow (income) of \$12,000 – Cash Outflow (expenses) of \$3,395 = \$8,605/positive Cash Flow (projected) per month.

SUMMARY OF CASH FLOW(PROJECTIONS):

Projection Scenario #1: A rough summary of the monthly Cash Flow is Cash Inflow (income) of \$3,000 – Cash Outflow (expenses) of \$2,845 = \$155/positive cash flow (projected) per month.

Projection Scenario #2: A rough summary of the monthly Cash Flow is Cash Inflow (income) of \$9,000 – Cash Outflow (expenses) of \$3,095 = \$5,905/positive Cash Flow (projected) per month.

Projection Scenario #3: A rough summary of the monthly Cash Flow is Cash Inflow (income) of \$12,000 – Cash Outflow (expenses) of \$3,395 = \$8,605/positive Cash Flow (projected) per month.



9.) CAPITAL INVESTMENT

The Capital Investment of \$25,000, as previously stated in Section 2 (Experienced People and Time Management), is as follows:

CAPITAL INVESTMENT

Based on the CASH FLOW AND PROJECTIONS, the CAPITAL INVESTMENT is \$25,000.

A.) **The Investment of \$25,000**, as previously stated, is as follows:

- | | |
|---|----------|
| • AA 1 st Year's Annual Salary | \$6,000 |
| • Social Media Ads (\$300/MTH) | \$3,600 |
| • New iPhone, Laptop, iPad and Printer | \$1,900 |
| • Variable Costs | \$3,500 |
| • Purchase USED BOXED Van | \$10,000 |

B.) **Parameters:**

- 1–Time Infusion of \$25,000.
- Targeted infusion to cover specific costs (i.e., AA Salary, Social Media Advertising, Variable Costs, Equipment, Boxed Van).
- No Collateral required. (Boxed Van being purchase, is the property of the Investor, until payback is made in full). Investor can title the Van whatever way he/she deems appropriate.
- \$25,000 Infusion to be made upon completion of a signed EXECUTED AGREEMENT.

C.) **Payback of Investment**

- **Dividend:** 7% - monthly to Investor, 45 to 60 days after initial infusion, (\$145 per month).
- **Each month,** Investor gets paid \$750, until \$25,000 amount (amount of total infusion), is paid in full. This results in an effective 33-month payback.
- **After \$25,000 is paid in full,** Investor is paid \$500 per month.
- **Lesly is paid \$1,000 per month.** After Investor has been paid back \$25,000 infusion, Lesly will be paid \$3,000 per month.
- **After initial investment has been paid in full,** Lesly reserves the right to utilize any excess profits as he deems appropriate.
- **Lesly reserves RIGHT OF FIRST ACCEPTANCE/REFUSAL,** to buy out Investor. (Base on 10% ... or \$2,500 buyout is Investor. (Based on 10%...or \$2,500).



10.) **EXECUTION OF THE PLAN**

EXECUTION OF THE PLAN (PLAN #127)
PLAN FOR COSTRUCTION-CLEANING AND RESIDENTIAL-
MOVING TERM SHEET

- CAPITAL INFUSION:** \$25,000
- ENTITY:** Business to be operated under Newly Formed LLC.
- OWNERSHIP:** Percentage of ownership is based-upon the described monthly payment to investor and Lesly. For example, investor is paid \$750/ per month for 33 months, until the \$25,000 is paid back in full. For LLC purposes, the percentage of ownership is 50% - 50%.
- PAY-BACK:** Investor is paid \$750 per month until \$25,000 infusion is paid back in full. Thereafter, investor is paid \$500/per month.
- DIVIDEND:** 7% dividend payable monthly to Investor, 45 to 60 days after initial infusion (\$145 per month).
- LESLY PAY:** LESLY is paid \$2,000 per month; based on his direct participation with cleaning and moving activities.
- ONGOING:** After initial investment has been paid in full, Lesly reserves the right to utilize any excess profits as he deems appropriate.
- Lesly reserves the RIGHT OF FIRST ACCEPTANCE/REFUSAL, to buyout Investor (based on 10% buyout, or \$2,500)
- COLLATERAL:** The Newly purchased Moving Boxed Van is the property of the Investor.
- COVENANTS:**
- a.) Lesly and Investor speak once a week.
 - b.) Lesly reserves the right for acceptance/refusal when/if the Investor wants to sell his share and/or increase his Income-stream OR additional infusion of capital is warranted.

- c.) Lesly manages the everyday activity of the company.
- d.) Investor may interface with the AA and Lesly at any time.

- PARAMETERS:**
- a.) 1-Time Infusion of \$25,000.
 - b.) Targeted infusion to cover specific costs (i.e. AA Salary for one year, Purchase of Used Moving Boxed Van, Social Media Advertising, Variable Costs, Equipment).
 - c.) \$25,000 Infusion to be made upon completion of a signed EXECUTED AGREEMENT.

Investment Made: _____ DATE: _____

 Lesly
 Construction-Cleaning
 and Residential-Moving Business

 (Investor)