



LivingStar
• SYSTEMS •

LivingStar Systems
BUSINESS PLAN

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I. Executive Summary

Overview: The Quick Pitch

LivingStar Systems is pioneering a transformative approach to attainable housing by integrating **in-house manufacturing of Structural Concrete Insulated Panels (SCIPs)** with high-quality, energy-efficient home construction. By **establishing a local manufacturing facility**, we will control production costs, ensure consistent quality, and accelerate project timelines—positioning us as the leader in sustainable, cost-effective housing solutions for the underserved “Missing Middle” in Colorado Springs and beyond.

The Problem

With Colorado Springs' population expected to surpass 900,000 by 2050, the demand for affordable housing has never been greater. Rising construction costs, limited supply, and stagnant wages have made homeownership increasingly out of reach for middle-income families. Currently, 30% of local households are considered cost-burdened, spending over 30% of their income on housing. Additionally, the housing industry relies heavily on third-party suppliers, leading to delays, quality inconsistencies, and increased expenses that further exacerbate the affordability crisis.

The Solution

LivingStar Systems will **establish an advanced SCIP manufacturing facility in Colorado Springs**, which will enable us to **streamline the construction process, reduce dependency on external suppliers, and provide cost-effective housing solutions at scale**. By producing our own high-performance panels, we will have the flexibility to customize homes based on community needs while maintaining strict quality control and sustainability standards.

Our holistic approach to attainable housing includes:

1. **Manufacturing Structural Concrete Insulated Panels (SCIPs)** – Producing disaster-resistant, energy-efficient panels locally to reduce costs and lead times.
2. **Building Modern, Sustainable Homes** – Developing high-density, infill housing options with smart, cost-efficient designs.
3. **Creating Community-Oriented Living Spaces** – Offering accessible, well-designed homes with shared amenities to foster a sense of belonging.

Key Features of Our Homes and Manufacturing System:

- **Vertically Integrated SCIP Manufacturing:**

- In-house production of SCIPs for greater cost efficiency and quality assurance.
- Faster turnaround times and reduced material waste.
- Customizable panel designs to fit various home configurations.
- **Disaster-Resilient, Energy-Efficient Construction:**
 - Earthquake, fire, flood, and high-wind resistant panels.
 - High thermal insulation for reduced energy consumption and operational costs.
- **Cost-Efficient Modular Components:**
 - Standardized production systems that reduce construction waste and optimize labor.
 - Modular assembly to significantly shorten build timelines and scale production quickly.
- **Sustainability Focus:**
 - Solar-ready homes with water-efficient landscapes and xeriscaping.
 - Eco-friendly materials that promote green building practices and long-term sustainability.
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Financial Snapshot

Funding Requirements: \$23,208,110

Projected Revenue (Year 5): \$41.6 million

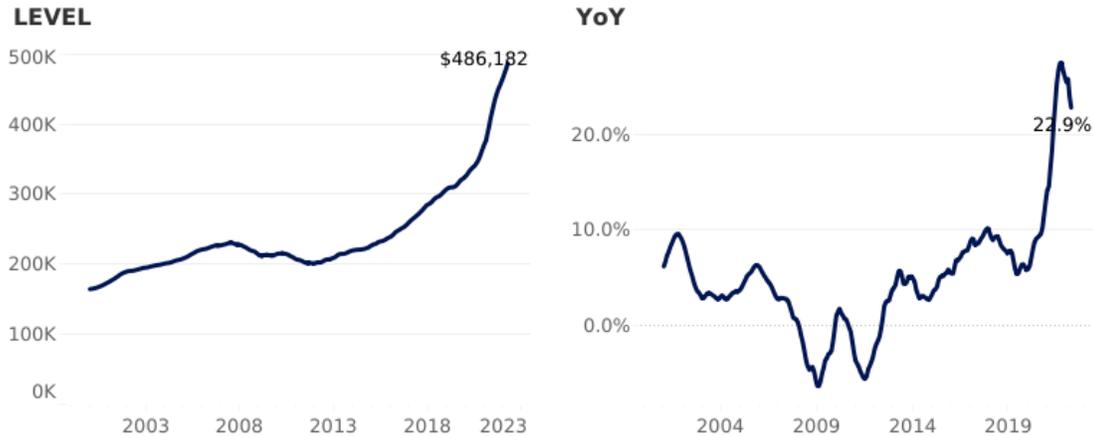
Net Profit Margin (Year 5): 13.3%

Break-even Timeline: 3 years

Zillow Home Value Index | April 2022

REGION NAME

Colorado Springs, CO



Zillow Economic Research

2. Our Customer Focus

LivingStar Systems will primarily serve:

1. **Millennials and First-time Homebuyers:** Seeking affordable starter homes.
2. **Empty Nesters and Seniors:** Downsizing to smaller, low-maintenance homes.
3. **Essential Workers:** Teachers, healthcare workers, and public service employees.
4. **Investors and Developers:** Seeking high-yield, socially responsible opportunities.
5. **Land Trust Models:** Partnerships to provide sustainable community-based housing.
6. **Individuals with Intellectual or Developmental Disabilities (I/DD):** Offering neuro-inclusive housing solutions. Entrepreneurial
7. **Building Professionals:** Seeking disaster resistant building components

3. Our Why and Management Team

Why We Exist

Inspired by our work at Seeds Community Café, a pay-what-you-can restaurant serving food-insecure individuals, we saw firsthand the critical need for attainable housing. This experience fueled our passion to create sustainable housing solutions that empower people and communities.

Our Team

Leadership Team:

- **David Coons (CEO):** 35+ years of construction experience.
- **Beth Alexander Coons (CFO):** 20 years of entrepreneurial leadership and business experience.
- **Matthew Burnett (Architectural Lead):** Licensed architect with 20+ years of experience.
- **Ron Young (Mortgage Advisor):** 25 years of experience in financing attainable housing.

Key Advisors & Partners:

- Legal, accounting, marketing, and structural engineering professional

4. Financial Highlights

LivingStar Systems is currently seeking a total funding of \$23,208,110

Category	Estimated Cost (\$)
Build-out and Startup Costs	5,290,110
Initial Marketing Expenditure	48,000
Land Acquisition	10,000,000
Development Expenses	5,000,000
Company Vehicles	240,000
Working Capital	2,000,000
Total Required Funding	23,208,110

Revenue and Profit Forecast (Years 1-5)

Year	Revenue (\$M)	Net Profit (\$M)	Profit Margin (%)
1	12.05	1.36	11.3%
2	19.66	2.44	12.4%
3	28.29	3.70	13.1%
4	34.24	4.44	13.0%
5	41.59	5.54	13.3%

5. Competitive Advantage

LivingStar Systems stands out by offering:

- **Cost-effective Construction:** Local manufacturing of SCIPs for lower costs.
- **Resilient and Sustainable Designs:** Homes and buildings resistant to natural disasters.
- **Community-driven Approach:** Thoughtfully designed living spaces encouraging engagement.
- **Technology Integration:** Use of smart building practices for efficient project management.
- **Colorado Springs Economic Impact:** By bringing innovative solutions to our housing crisis, we create multiple jobs and opportunities in a number of sectors. Warehouse and manufacturing, onsite building trades and construction, innovative solutions to housing and community for the working class.



6. Risk Analysis

Key Risks and Mitigation Strategies

1. **Construction Cost Fluctuations:**
 - Mitigation: Long-term supplier contracts and value engineering.
2. **Regulatory Changes:**
 - Mitigation: Proactive engagement with city planning and compliance experts.
3. **Market Demand Fluctuations:**
 - Mitigation: Diversified customer segments and flexible pricing strategies.
4. **Operational Risks:**
 - Mitigation: Strong project management with advanced scheduling tools.

7. Marketing Plan

Brand Positioning

"LivingStar Systems: Affordable, Sustainable, Attainable."

Marketing Strategies:

1. **Community Engagement:** Partnerships with local organizations.
2. **Digital Marketing:** SEO, PPC, and social media targeting first-time buyers.
3. **Investor Outreach:** Targeting social impact investors and private equity.
4. **Educational Initiatives:** Webinars, workshops, and public presentations.

Customer Segmentation

Our current development pattern is leading to growth on both ends of the density spectrum: larger and larger multifamily buildings (apartment complexes with small units) surrounded by larger and larger single-family homes, with very few options in between. MMH fills that gap.

For many young people aspiring to homeownership, a "starter home" is out of reach. Since 1970, average sizes for new detached houses have soared by 64 percent. That's a huge driver of rising home costs.

Providing more MMH options also means empty-nesters and retirees can downsize and stay in their neighborhood—and their adult children can find a place to live where they grew up.

MMH is a form of environmentally sustainable infill development that reduces urban sprawl, traffic congestion, and carbon emissions because people can live near where they work, go to school, and play.

The additional density provided by MMH will allow local businesses to thrive. El Paso County staff have said that it takes roughly 1,500 homes to support one block of neighborhood retail. Allowing more of this type of housing will help support the “Main Street” style retail that we love.

Share economy is on the rise. Shared housing structures have small individual units and larger multifunctional spaces that everyone can use.

8. Competitive Analysis

Direct & Indirect Competitors

Surely in the next 10 years many will jump on the bandwagon? There is a moderate amount of direct competition in Colorado but the majority of that competition is in Denver, Boulder and Summit counties. The remainder of the competition is focused on tiny homes and modular construction with the modular contractors typically residing out of state.

A land trust model is one of the best options for keeping homeownership affordable. A community land trust is a nonprofit corporation that holds land on behalf of a place-based community, while serving as the long-term steward for affordable housing, community gardens, civic buildings, commercial spaces and other community assets on behalf of a community. Rocky Mountain Land Trust in Colorado Springs and Elevation Community Land Trust out of Denver are the best examples of what we aspire to do. Build affordably and keep it that way.

Locally we have Tumbleweed Tiny House Company and Tiny Building Experts both focus directly on tiny homes built on trailer frames. The next type of competition is the modular building manufacturers like Seeger Homes and Oakwood Homes although there are many of this type. They are manufactured homes that are trailered out to the site and set on a ribbon foundation then secured with tie downs and blocking. These buildings are generally installed in rural areas and mobile home parks. Financing is increasingly difficult to get with this type of building and most of the manufacturers are out of state.

8. Conclusion

LivingStar Systems offers a unique investment opportunity in a rapidly growing market with a clear path to profitability. Our focus on innovative construction, sustainable community development, and a strong financial plan positions us as the leader in attainable energy-efficient housing.

We invite investors to join us in shaping the future of housing for the Missing Middle.

LivingStar Systems is Leading the Way Home.