



Eco-Smart, Inc.
4411 Bee Ridge Rd. #344
Sarasota, FL 34233
www.ecosmartinc.com
(888) 329-2705

Investment Summary - “Green” Spec Homes

Overview – Investors are sought to fund the construction of “Green” spec homes to be built in Florida (sites to be determined by investor / available builders). These homes will be constructed to the latest and best standards of energy efficiency, water efficiency, disaster resistance, health, comfort and low maintenance. All construction materials will carry the approval of a world-renowned nonprofit environmental organization, the Florida House Institute for Sustainable Development (see www.i4sd.org). The spec homes will be promoted with public educational seminars and media coverage generated by the marketing arm of the nonprofit, Eco-Smart, Inc., as well as with targeted advertising. All profits generated from the sale of the spec home will go to the investors. It is estimated the annual return on investment will exceed thirty percent.

Home Description: Approximately 2000 square feet under air, single story. Eco-Smart construction materials will include: hurricane resistant walls and roof, foam sealed attic construction, water cooled A/C, fresh air system, dehumidification, passive solar water heater, insulated / impact resistant / low-e windows, greywater system, no-voc paint, earth-friendly flooring (many options), chlorine-free pool (if pool is chosen), native landscape, energy efficient lighting and tubular skylights, and low water and energy use appliances. The homes will win state and national energy efficiency awards, achieving 60 to 75 percent lower utility costs than standard homes, at a construction cost that is within five percent of conventional construction costs.

Locations: Home placements will be determined for each area by a local real estate agent familiar with sales activity levels, prices and marketability. Each location, home design, construction cost and sales price will be individually approved by the investor before initiating the investment.

Prices: Construction cost will be approximately \$115.00 per square foot under air. Lot prices will be sought in the \$40,000 to \$50,000 range. Therefore, estimated land plus construction plus design cost for a 2000 square foot under air home will be approximately \$280,000.00. Target sales price of the spec home and land will be approximately \$350,000.00.

Contract Overview: The investor will purchase the home and land from the builder chosen by Eco-Smart to construct the home. Construction will take approximately six months. The investor will typically obtain a mortgage for the home purchase, with a down payment of 5% to 10% of the purchase price. The investor will be expected to carry the financing during construction. At the completion of construction, the builder will enter into a lease agreement with the investor, agreeing to pay all the finance costs of the investor's mortgage during the time the home stays open as a builder's model (typically 2 years). At the end of the agreed upon period, the home will be sold, with all profit going to the investor.

Promotions: These homes will receive abundant publicity, as they will be the first in each area to have all the efficiency, health, disaster resistance, pest resistance and low maintenance features included in a single home. Eco-Smart will run periodic seminars for the public at the homes, send out press releases on a regular basis, link the home to various environmental web sites, and send many prospective buyers to the homes. Each home will have at least one Eco-Smart representative dedicated to showing that home to prospective purchasers. These representatives are fully trained to explain the features and benefits of these exceptional homes.



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Green Spec Home Investment Summary

<u>Home Location</u>	<u>Land Cost</u>	<u>Const. Cost</u>	<u>Design Cost</u>	<u>Total Home Cost</u>	<u>Downpmt.</u>	<u>Constr. Financing</u>	<u>Monthly Fin. Cost (6.0%)*</u>	<u>Total Investment*</u>	<u>Home Sale Price</u>	<u>Real Est. Commis.</u>	<u>Investor Profit**</u>	<u>Return on Invest.</u>
Florida (TBD)	\$50,000	\$230,000	\$2,500	\$282,500	\$28,250	\$8,400	\$1,524.36	\$36,650	\$325,000	\$9,750	\$24,350	66.44%

* Monthly finance cost, utilities and maintenance is paid by the builder for two years after construction is complete, in a lease agreement with the investor. Investor is only responsible for downpayment on mortgage and financing during construction.

** Investor profit is calculated by: Home Sale Price minus Total Home Cost minus Real Estate Commission minus Const. Financing.

Please Note: Sale price of home, down payment and construction financing is estimated. Actual profits may vary, depending upon total costs and sale price.