



FORBES FARMHOUSE Development

Business Plan

August 26, 2023

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Disclaimer

Some of the statements contained in this Business Plan include information incorporated for reference, discussing future expectations, and projected financial success gathered by the management, which is believed to be ultimately significant. Such statements relate to both known and unknown risks, uncertainties, and other unforeseen factors, beyond the management's control.

Important factors that may cause the actual results to differ from those expressed within may include, but are not limited to:

- The success or failure of the company's effort to successfully market its services as scheduled.
- The company's ability to maintain a substantial level of returning customers and a growing referral base.
- The effect of changing legislation and government regulation.

However, the assumptions disclosed herein are those that management believes are significant to the growth of the company.

1 EXECUTIVE SUMMARY

1.1 Introduction

The Forbes Farmhouse Development Corporation will raise \$1.2 Million in equity capital to facilitate the development and construction of a multi-phase project to establish a mixed-use residential community on 5-acre parcel in Miccosukee, Florida, that has been in the Sponsor's family for over 4 generation. Located just 18 miles northeast of the capital city of Tallahassee this transformative real estate development endeavor targeted at investors seeking diverse and profitable opportunities in three trending sectors: Vacation rental, corporate housing, and senior living facilities.

1.2 Historical Significance

This Forbes Farmhouse Development Corporation project holds profound historical significance, as it is comprised of land in the deep south, that has been in the developer's family for more than four generations. This enduring ownership represents a powerful connection to heritage, strength, and resilience. Against the backdrop of a troubling history of African American land loss, where an estimated 90% of the 14 million acres of farmland owned by blacks in 1910 has either been lost or seized, this project emerges as a beacon of hope and empowerment. As African American land ownership dwindles, the Forbes Farmhouse Development endeavors to stands as an example of how our community can reclaim and develop inherited land, pay homage to the past, and pave a way for others to forge a similar path in the future. This project will serve as a compelling template for our community, demonstrating that through strategic financial planning, architectural ingenuity, and collaborative effort, a legacy of generational wealth and empowerment can be fostered. A major goal of the Forbes Farmhouse Development is to become a testament to resilience, a catalyst for change, and an embodiment of the spirit of progress that carries forward for generations to come.

Since the land is under the ownership of the Sponsor, there's no requirement for investor funds for its purchase. The \$405,000 in investor capital will be allocated to conclude Phase 1 Site development, which is a prerequisite to obtaining the building permit for Phase 2. The remaining \$848,416 in capital will be sourced from a 30-year construction-to-perm loan secured from a local Tallahassee bank, to finance the construction of the Phase 2 -Barndominium vacation rental property. This loan is facilitated by utilizing the developed site as collateral, negating the need for a down payment.

2 BUSINESS MODEL

The Forbes Farmhouse Development is designed to generate revenue through various streams across its different phases. In Phase 2 Revenue will be generated through short term and vacation rental income from tourists, business travelers, and event organizers who use the residence for gatherings, celebrations, and vacations. According to AirDNA's projections for short-term rentals, the property has the potential to generate approximately \$700 per day with a monthly occupancy rate of around 66%.

For Phase 3, revenue will be generated through monthly fees paid by residents for the assisted living services, accommodations, and amenities provided.

2.1 Objectives

Early in Forbes Farmhouse development project, the company will achieve the following goals and objectives:

- Continuing work under the current infrastructure permit to include site clearing, tree removal, preliminary excavation and shaping in accordance with approved engineering drawings.
- Raise \$400K through Regulation Crowdfunding offering to complete full infrastructure site development to include paved ingress and egress road with, concrete curbs and gutters, driveway connection, retention ponds, irrigation system, landscaping, and tree replanting.
- Complete architectural and engineering work and receive city construction permits for Phase to Modern Farmhouse Residential Structure
- Acquire \$800K+ construction/permanent loan for Local Tallahassee Bank based on earlier pre-approval.
- Create a sales & market plan to promote and create awareness for the facility and begin confirming advance bookings for short term and vacation rental bookings.
- Consulting with real estate agents, property management consultants to discuss highest and best use of remaining available dates.
- 7. Provide a high level of cash flow that will enable the owners to cover their borrowing costs and refinance the debt in 3-5 years.

3 INDUSTRY ANALYSIS

3.1 Industry Overview

The Forbes Farmhouse Development project aims to capitalize on the growing demand for short term rentals, vacation rentals and residential assisted living facilities. The strategic location of Tallahassee, as the seat for state governmental and political organizations, home to major universities, and hosting top university sports teams, presents a unique opportunity to leverage national trends in these sectors. This project will leverage the national trends shaping the vacation rental and senior living facility sectors and harness them to meet local demand.

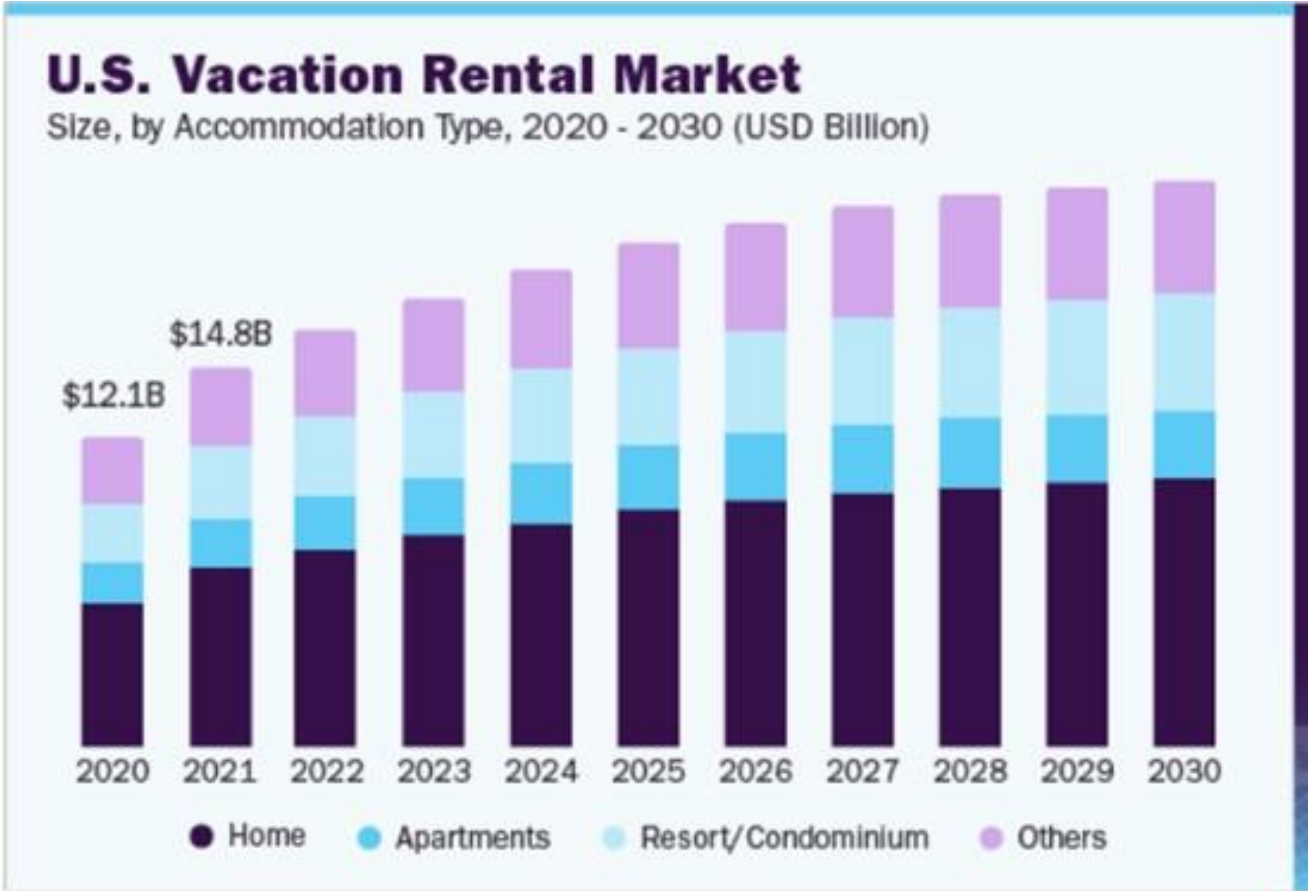
3.1.1 Vacation Rental Sector:

A. National Trends

The vacation rental market has witnessed remarkable growth driven by changing traveler preferences. The rise of platforms like Airbnb and Vrbo has made it convenient for travelers to choose unique, personalized accommodations over traditional hotels. National trends indicate that travelers are seeking more spacious and home-like environments over the typical hotel experience, enabling them to experience destinations like locals.

B. Local Opportunities

Tallahassee's prominent role as Florida's capital and a hub for political, governmental, and educational activities has led to a consistent influx of visitors. The city hosts legislative sessions, conferences, and university-related events, creating a steady demand for short-term accommodations. The project can cater to this demand by offering well-appointed vacation rental properties with amenities that appeal to business travelers, families, and university-related visitors.



(Source: <https://www.grandviewresearch.com/industry-analysis/vacation-rental-market>)

4 INVESTOR OUTLOOK

The resilience of both the vacation rental and senior living sectors compared to other segments of the real estate industry serves as a strong encouragement for both investors and lenders to consider these opportunities. The ability of these sectors to maintain steady demand during economic fluctuations enhances their appeal as safer investments.

Investors can be reassured by the IGMS report's data, showcasing the consistent growth trajectory of the vacation rental sector, even amidst market uncertainties. Furthermore, the global vacation rental market is projected to triple in the next 10 years reaching \$315 Billion by 2031.

The Haven Senior Investments data further reinforces the stability of the senior living sector, highlighting its ability to weather economic downturns. This stability minimizes the risk exposure for potential investors.

Lenders can also find confidence in supporting projects within these sectors. The data-driven evidence of resilience and potential for strong returns can foster a sense of security, making financing options more attractive. The alignment of local demand with national trends adds an additional layer of assurance, as the unique characteristics of Tallahassee bolster the investment case.

4.1 Offering

The investor offering from Forbes Farmhouse Development will grant equity shares in the project's ownership arrangement. The company will be structured as either a Delaware or Florida LLC, treated as a corporation for tax purposes. As an investor, you stand to benefit from potential dividends derived from monthly rental income and an equity share of the property's appreciated value over time.

Upon the successful completion of the construction phase, Forbes Farmhouse will serve as both a sought-after vacation rental and a premier event space venue. Once operational and generating revenue, our commitment is to provide quarterly dividend payouts based on the available cash reserves. Our strategy involves maintaining ownership of the property for a five-year term, after which we plan to execute a property refinancing.

4.2 Returns

Our financial projections indicate an estimated annual return to investors of 12%, derived from dividends throughout the holding period. Additionally, we anticipate an impressive 20% return on investment based on equity when the property undergoes refinancing.

By investing in Forbes Farmhouse, you not only align yourself with a promising project but also position yourself to enjoy consistent returns from rental income and potential appreciation. Your involvement ensures that you are a valued partner in our vision of creating a thriving property and investment venture.

5 THE PROJECT

5.1 Project Overview

The Forbes Farmhouse Development Corporation is initiating a multi-phase project to establish a mixed-use residential community on a 5-acre parcel in Miccosukee, Florida, situated just 18 miles northeast of Tallahassee. In order to bring this vision to life, the project will secure \$1.2 Million in equity capital in three rounds.

Phase One: the initial \$405K capital will be utilized for site development, covering excavation, tree removal, retention ponds, water irrigation, and road connectivity. Following this, we will secure bank financing for the construction of the Forbes Farmhouse, Barndominium-style residential property. No down payment will be required to secure the construction financing as the bank will leverage the land as collateral.

Phase Two: We will commence construction on a 4,000-square-foot Barndominium-style residential property, intended for use as a vacation rental and event venue. To ensure a seamless transition to this phase with no delays, architectural drawings will be completed and building permit applications will be submitted during Phase One of the project.

Phase Three will encompass the construction of a 3,000-square-foot residential assisted living facility, designed to accommodate up to 6 seniors. In line with our seamless approach, architectural drawings and building permit applications will be initiated before this phase. Additionally, all necessary licenses will be acquired, and code requirements will be diligently incorporated during Phase Two.

Phase Four: Additionally, the project will feature a generously sized 4,000-square-foot luxury home, strategically positioned to accommodate both corporate and vacation rental purposes. This residence will provide a refined living space for those seeking upscale accommodations.

With a phased approach, the Forbes Farmhouse project will progressively integrate these elements into a cohesive and inclusive community. By prioritizing thoughtful planning and quality, the development aims to contribute positively to the Miccosukee area, offering a range of living options to suit different lifestyles.

5.2 Phase 1: Site Development and Buildable Lots:

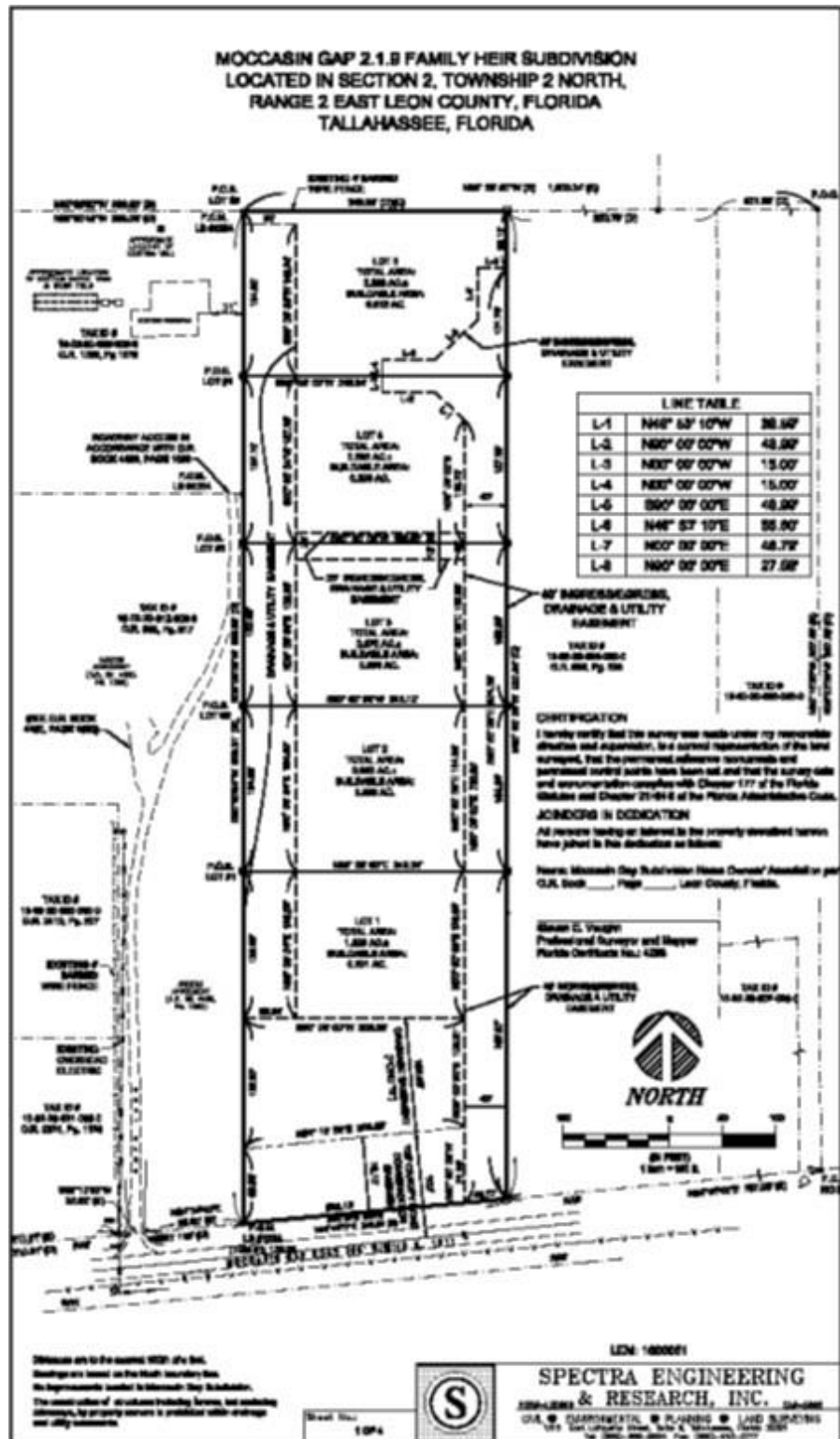
Phase 1 will focus on completing site development and land subdivision to unlock the full potential of the 5-acre lot. The initial steps involve careful land clearing and excavation to prepare the foundation for five buildable lots. The aim is to create a balanced and welcoming neighborhood, promoting a sense of community while preserving the natural beauty of the surrounding landscape. Additionally, essential utilities, including electrical, water, sewer, irrigation systems, and retention ponds, will be thoughtfully integrated to ensure sustainable and environmentally conscious practices. As the first phase unfolds, a well-constructed paved access road will connect the community, enhancing mobility and accessibility for residents and visitors alike. Phase 1 represents the foundation on which the entire project will flourish, providing opportunities for prospective homeowners and real estate investors looking to secure a stake in this flourishing community.

5.2.1 Features

Here are the key features present in Phase 1 of the site development and land subdivision project.

- **Site Development:** Transform the 5-acre raw land into a well-planned and organized site for future construction and development.
- **Buildable Lots:** Clear the land and create five buildable lots, each ready for further residential development.
- **Infrastructure Installation:** Bring essential utilities such as electrical, water, sewer, irrigation, and retention ponds to the site.
- **Paved Access Road:** Construct a well-constructed paved access road to ensure convenient connectivity within the community.
- **Sustainable Practices:** Implement eco-friendly practices and materials to align with the project's commitment to sustainability.
- **Architectural Planning:** Complete and submit architectural drawing for approval by the county and apply for our building permit so we can “break ground” on Phase 2 at the earliest opportunity.

5.2.2 Phase 1: Site Development Plan



5.2.3 Phase 1: Site Development Cost Estimate

ITEM		QUANTITY	UNIT	UNIT COST	TOTAL COST
SITE WORK					
Site Preparation					
Mobilization	101-1	1	LS	\$1,250.00	\$1,250.00
Environmental Fencing	104-13 - XX2	1824	LF	\$3.75	\$6,840.00
Tree protection	580-340-1	510	LF	\$5.63	\$2,868.75
Regular Excavation (Pond)	120-1	2869.8	CY	\$7.50	\$21,523.50
Baled Hay or Straw	104-10	6	TN	\$250.00	\$1,500.00
Site Grading & Drainage		1	LS	\$33,750.00	\$33,750.00
Subtotal					\$67,732.25
General Site Demolition					
*Clearing and Grubing	110-1-1	3	AC	\$9,375.00	\$28,125.00
Subtotal					\$28,125.00
Storm Sewer Piping & Sewage					
Inlet Structures Type E		4	EA	\$2,500.00	\$10,000.00
18" RCP (14"x23")		55	LF	\$48.75	\$2,681.25
18" RCP ADS		350	LF	\$27.50	\$9,625.00
Rip Rap		20	CY	\$47.50	\$950.00
Subtotal					\$23,256.25
Utility					
Backflow		1	EA	\$1,468.75	\$1,468.75
2" PVC Water Line		694	LF	\$26.25	\$18,217.50
6" Fire Line		593	LF	\$50.00	\$29,650.00
Directional Bore		101	LF	\$52.50	\$5,302.50
Irrigation System		1	LS	\$81,250.00	\$81,250.00
Concrete Swale		36	SY	\$32.50	\$1,170.00
12" Stabilized Subgrade	160-4	2540	SY	\$8.75	\$22,225.00
6" Limerock Base	285-704	2300	SY	\$7.50	\$17,250.00
1-1/2" Type S-1 Asphalt	331-72-14	2300	SY	\$3.75	\$8,625.00
Stop Bars + Signage		2	EA	\$72.50	\$145.00
4" Chain Link Fence		1210	LF	\$41.25	\$49,912.50
Fire Hydrant		2	EA	\$4,812.50	\$9,625.00
Subtotal					\$244,841.25
Landscape					
Imported Topsoil Allowance		1	LS	\$6,250.00	\$6,250.00
Planting/Trees		0	LS	\$0.00	\$0.00
Sodding	575.1	2229	SY	\$3.13	\$6,965.63
Landscaping		0	LS	\$31,250.00	\$0.00
Subtotal					\$13,215.63
TOTAL					\$377,170.38
10% Contingencies					\$37,717.04
GRAND TOTAL (Including Contingencies)					\$414,887.41

5.3 Phase 2: Barndominium-Style Residence for Vacation Rentals

Once Phase 1 is successfully completed, the project advances into Phase 2, bringing forth a distinctive offering in the form of a 4,000+ square foot, 3-story barndominium-style residence. This versatile property is designed with both short-term and mid-term rentals in mind, targeting tourists and business professionals seeking an upscale and comfortable accommodation option in the Miccosukee area.

The barndominium's unique architectural concept combines the warmth and charm of a rustic barn with modern living amenities, creating an exceptional space for travelers seeking memorable experiences. Moreover, the property will double as an elegant venue, capable of hosting a wide array of events, ranging from intimate gatherings to grand celebrations. By expanding into the short-term rental market, the project aims to capitalize on the growing tourism sector and foster economic growth within the community.

5.3.1 Features

Here are the key features present in Phase 2 of the "Creating Sustainable Communities in Miccosukee" project.

- **Construction of Barndominium-Style Residence:** Build a 4,000+ square foot, three-story Barndominium-style residence as a centerpiece of Phase 2.
- **Short-Term Rental Property:** Design the residence to serve as a high-end short-term rental property for tourists, business travelers, and event organizers.
- **Upscale Accommodations:** Furnish the residence with luxurious and comfortable furniture, offering an upscale experience for guests.
- **Event Hosting Space:** Create versatile indoor and outdoor spaces suitable for hosting a variety of events, from celebrations to corporate gatherings.
- **Amenities for Guests:** Provide modern amenities such as smart home technology, entertainment systems, and well-appointed kitchens.
- **Spacious Interiors:** Offer open-concept interiors with high ceilings, large windows, and plenty of natural light to create an inviting atmosphere.
- **Premium Finishings:** Use high-quality materials and finishes to ensure the residence meets the standards of luxury living.
- **Scenic Outdoor Areas:** Develop well-designed outdoor spaces, including patios, decks, and gardens, for guests to enjoy the natural surroundings.
- **Sustainable Design:** Implement eco-friendly features and energy-efficient technologies to align with the project's sustainability goals.
- **Professional Management:** Enlist professional management services to handle bookings, guest check-in, cleaning, and maintenance.
- **Event Planning Services:** Offer event planning and coordination services for gatherings hosted at the Barndominium

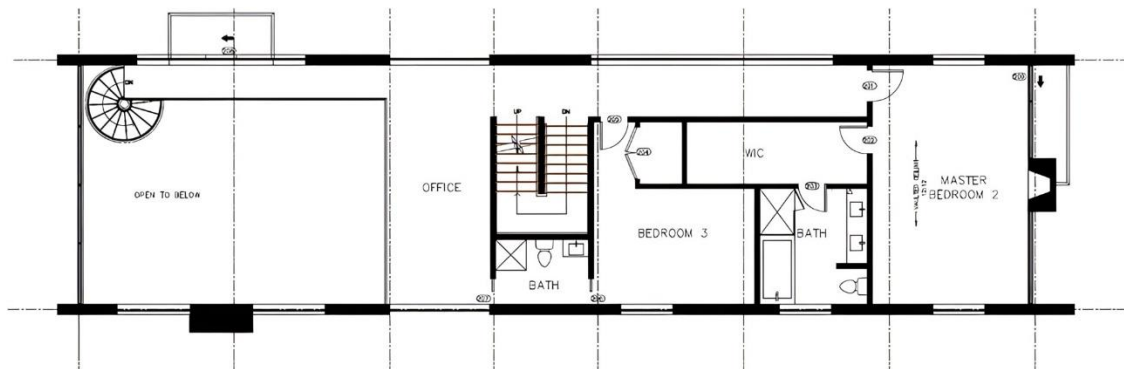
5.3.2 Architectural Renderings



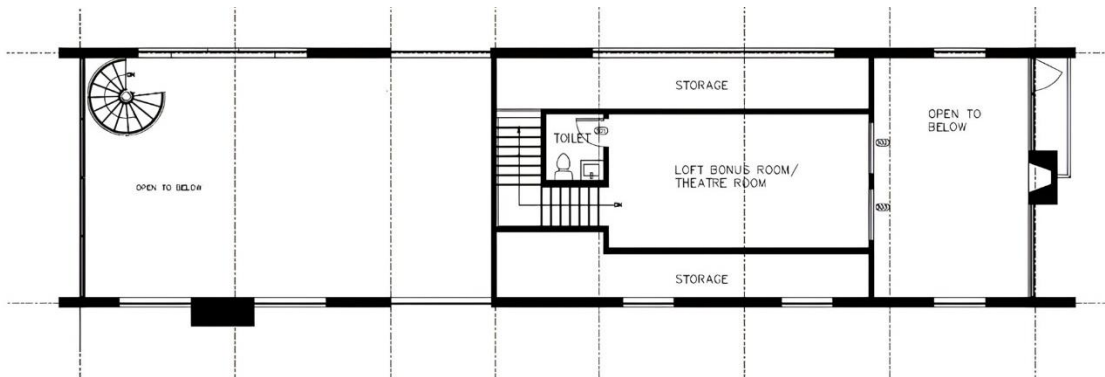
5.3.3 Floor Plans



Main Floor



Second Floor



Third Floor

Barndominium house plans are country home designs with a strong influence of barn styling. Differing from the Farmhouse style trend, Barndominium home designs often feature a gambrel roof, open concept floor plan, and a rustic aesthetic reminiscent of repurposed pole barns converted into living spaces.

5.3.1 Construction Cost Estimate

Preliminary Construction Cost Estimate		
Item	Category	Amount
Land Purchase	Land	\$0.00
Building Structure	Materials	\$82,000.00
Building/Roof Exterior	Materials	\$180,000.00
Doors and windows	Materials	\$189,000.00
Kitchen	Materials	\$37,500.00
Bathrooms	Materials	\$57,500.00
Flooring	Materials	\$46,260.00
Drywall -Interior Walls	Materials	\$50,000.00
Drywall Ceilings	Materials	\$20,388.00
HVAC	Materials	\$22,100.00
Electrical	Materials	\$23,130.00
Plumbing (Rough in)	Materials	\$18,504.00
Paint	Materials	\$45,034.00
Construction Trades	Labor	\$77,000.00
Sub Total		\$848,416.00
5% Contingency		\$42,420.80
Total		\$890,836.80

5.4 Project Timeline Overview

This project timeline serves as an overview of the key milestones and forecasted schedule dates. Please be advised that unforeseen circumstances and regulatory considerations may necessitate adjustments to the project schedule along the way.

Project Start: September 4, 2023

Project Task: Reg CF Capital Raise Initiation

Milestone #1: Reg CF Completion / Site Development Launch

Project Task: Site Development

Date: November 1, 2023

Expected Completion: April 16, 2024

Milestone #2: Farmhouse Construction Begins

Project Task: Farmhouse Construction

Start Date: April 17, 2024

Anticipated Completion: February 17, 2025

Project Task: Marketing and Advanced Bookings

Start Date: October 17, 2024

Expected Completion: February 17, 2025

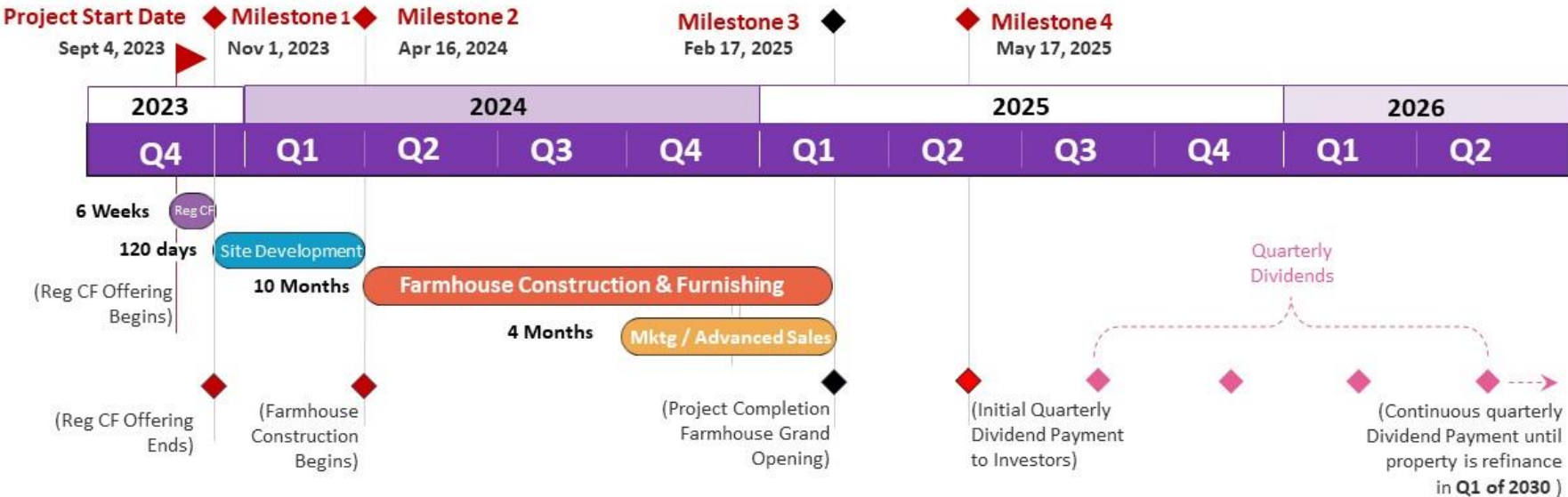
Milestone #3: Farmhouse Grand Opening

Date: February 17, 2025

Milestone #4: Initial Dividend Payment to Investors

Date: May 17, 2025

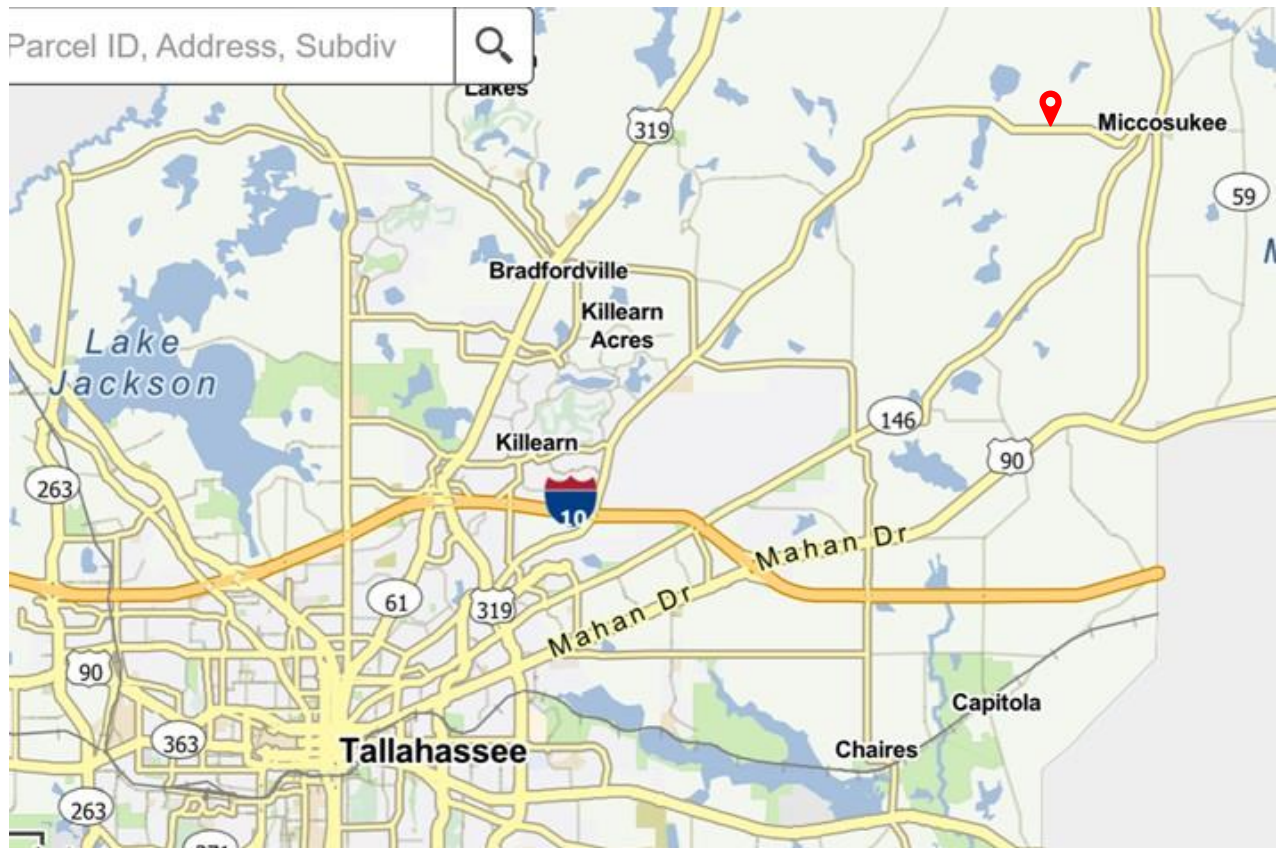
5.5 Project Schedule (Forecast)



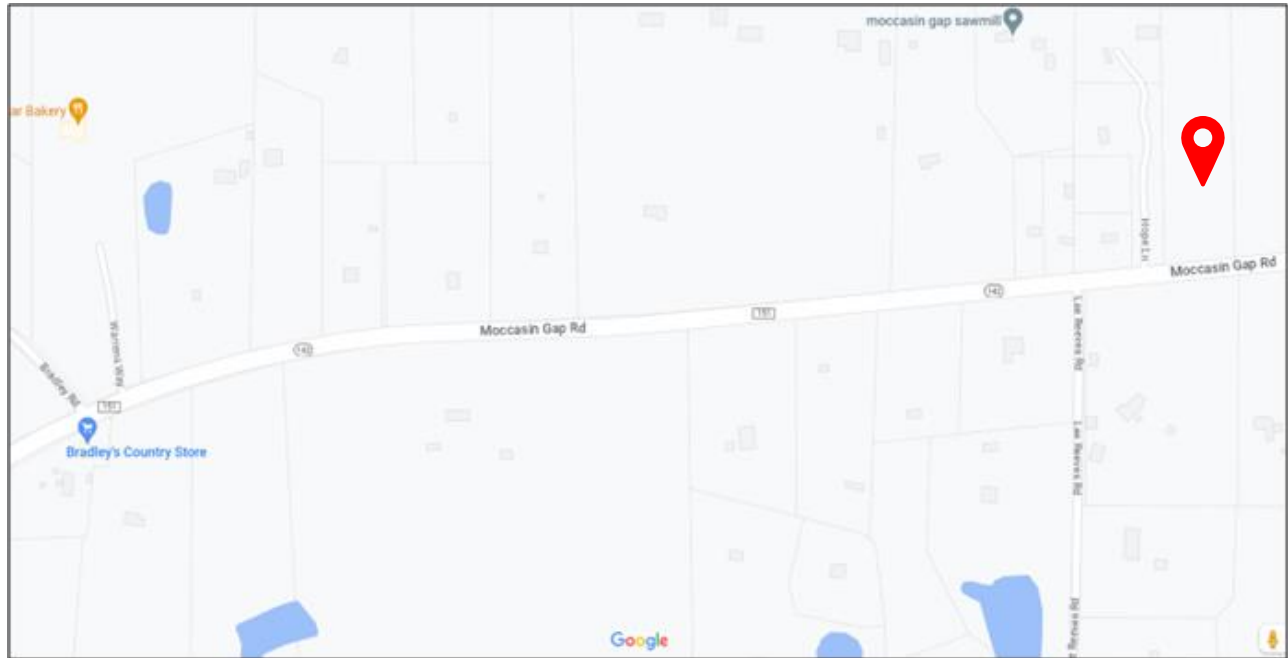
6 LOCATION

Our site is in Miccosukee, Florida. This location is a unique blend of rural tranquility and convenient proximity to Tallahassee's urban amenities. Nestled within a picturesque rural neighborhood, Miccosukee provides an idyllic backdrop for the project's vacation rental property and senior living facility. It's proximity to the historic Bradley Country Store (0.8 miles down the road) adds to the charm of the site, offering a glimpse into the rich heritage and history of the region. Situated within a short drive from Tallahassee, this location seamlessly bridges the gap between the peaceful charm of the countryside and the vibrant offerings of a bustling city. The area is characterized by a harmonious mix of residential homes, horse farms, community churches, and small local businesses, making it an ideal location for the envisioned development. Residents and visitors will relish the tranquility and natural beauty of Miccosukee while enjoying seamless access to the cultural, educational, and commercial vibrancy that Tallahassee has to offer.

6.1 Vicinity Map



6.2 Location Map



6.2.1 Bradley Country Store



April 1984, Bradley's Country Store was placed on the National Register of Historic Places.

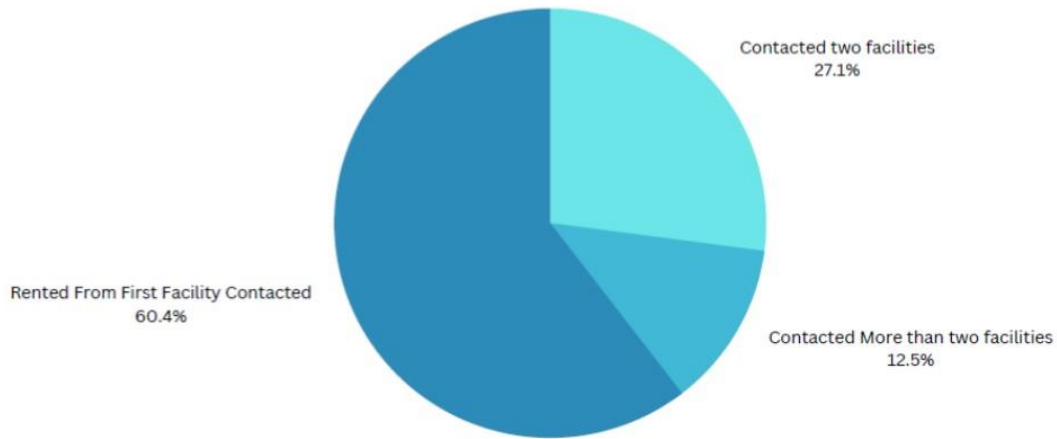
7 MARKETING

7.1 Market Positioning & Brand

We aim to establish ourselves as the foremost vacation rental property in the city, serving as the premier choice for exclusive luxury accommodations sought after by celebrities, dignitaries, and government officials as well as the typical family looking for an experience and the opportunity to make lasting memories.

In each and every activity in which the company participates, it will establish or reinforce its brand. In doing so, every aspect of the Company's communications with potential renters and partners will be based on establishing and supporting the following brand and marketing messages:

- Experience the pinnacle of modern luxury in our thoughtfully designed and sustainable homes, where every detail is curated to exceed your expectations.
- Immerse yourself in a community that seamlessly blends with the natural beauty of Miccosukee, fostering a sense of tranquility and balance.
- Whether you're seeking a family haven, a vacation escape, an assisted living environment, or a luxury retreat, our project offers a diverse range of living options.
- Discover cutting-edge architecture, smart home technology, and sustainable practices that set new standards for contemporary living.



7.2 Marketing Strategies

We aim to establish ourselves as the foremost vacation rental property in the city, serving as the premier choice for exclusive luxury accommodations sought after by celebrities, dignitaries, and government officials as well as the typical family looking for an experience and the opportunity to make lasting memories.

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7.3 Social Media Marketing

Social media has become an important part of how businesses communicate and get business done. It is a defining attribute of exactly how integrated social interactions have become. Social media has become a vital source of information. Availability on social media networks makes information a lot more available. Additionally, news travels rapidly in ways never experienced in the past. We intend to fully take advantage of these social media opportunities:



- Optimize our bio, interact with influencers and experts, get colleagues involved, tweet regularly, track our mentions and respond, retweet and likes.
-



- Have 100% complete profile, make useful status updates, post upcoming events, earn and give recommendations, use for recruiting purposes, involve yourself in groups.
-



- Use Instagram profiles to reach a wider audience, create engagement with content using hashtags, feature your clients, and create interests in our events.
-



- Loosen the tie, be human, consider the Marketplace, Ads, hold Facebook contests to increase likes, use Promoted Posts.
-



- Use a theme that supports the Brand, interact and share, think visually, build your network connections, write expert content, use relevant keywords.
-

8 COMPETITION

8.1 Competitive Landscape

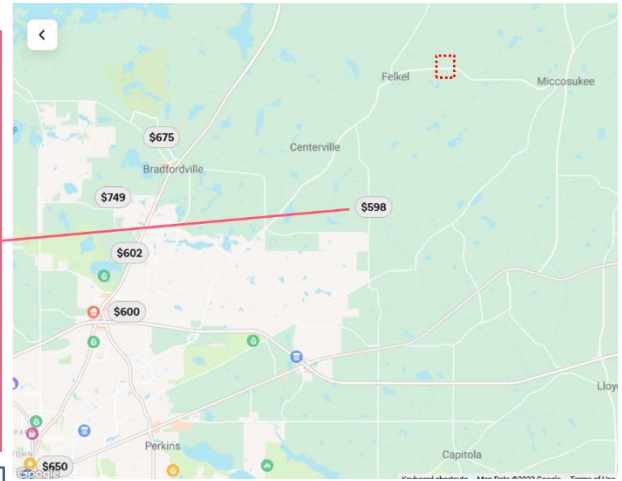
The vacation rental market in the Tallahassee/Leon County, Florida area is a competitive landscape with diverse accommodation offerings and shifting traveler preferences. Forbes Farmhouse Development's strategic approach should involve capitalizing on the hybrid experiences, embracing sustainability and authenticity, and effectively differentiating itself from the local competition. By carefully aligning with market trends and offering an attractive pricing structure, Forbes Farmhouse Development can position itself as a sought-after option for travelers seeking a unique blend of history, nature, and modern comfort.

8.2 Direct Competitors

Sienna Lee Gardens: A Beautifully Renovated Home
 ★ 5.0 · 68 reviews · Superhost · Tallahassee, Florida, United States

Entire home hosted by Kathryn
 8 guests · 4 bedrooms · 5 beds · 2.5 baths

\$598/night · ★ 5.0 · 68 reviews

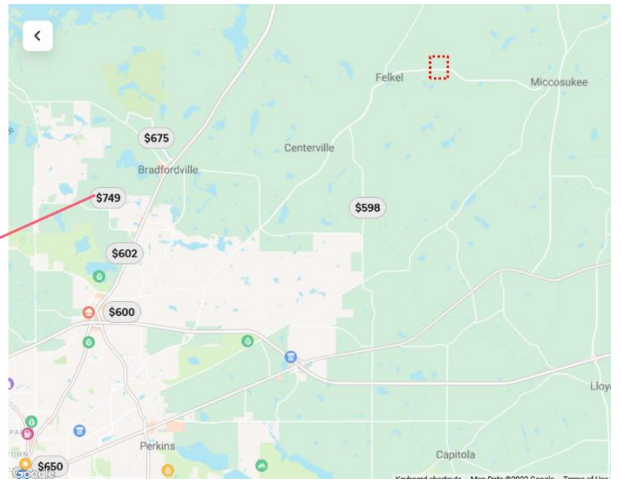


\$657 Avg. Daily Rate	66% Occupancy	\$147.2K Annual Revenue
---------------------------------	-------------------------	-----------------------------------

Magnolia Manor: Estate with Heated Pool
 ★ 4.99 · 99 reviews · Superhost · Tallahassee, Florida, United States

Entire home hosted by Dr. Staci
 16 guests · 5 bedrooms · 14 beds · 6 baths

\$749/night · ★ 4.99 · 99 reviews

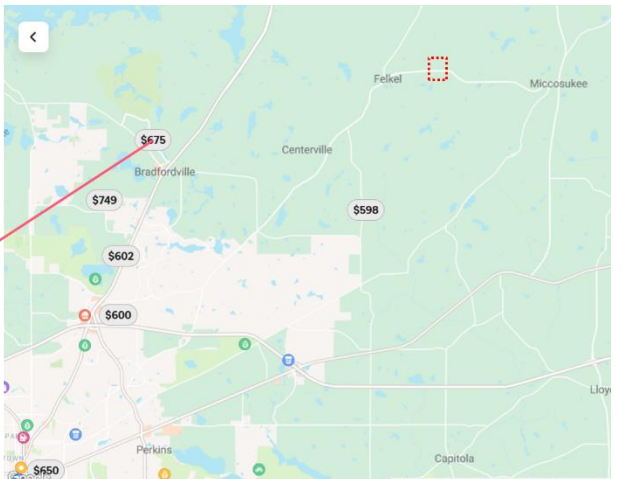


\$759 Avg. Daily Rate	60% Occupancy	\$163.9K Annual Revenue
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Tallahassee Cozy 3 bedroom Haven
 ★ 4.11 · 12 reviews · Tallahassee, Florida, United States

Entire home hosted by Carol
 8 guests · 3 bedrooms · 4 beds · 2 baths

\$675/night · ★ 4.11 · 12 reviews



\$675 Avg. Daily Rate	60% Occupancy	\$145.8K Annual Revenue
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8.3 Competitive Advantage

Forbes Farmhouse stands out in the Tallahassee/Leon County, Florida vacation rental market due to its unique and multifaceted competitive advantage. Rooted in purposeful design, flexibility, and a perfect blend of urban and rural experiences, Forbes Farmhouse will set a new standard of excellence in the local vacation rentals, captivating the hearts of travelers seeking distinctive, immersive, and unforgettable experiences.

Purposeful Design: What sets Forbes Farmhouse apart is its foundation as a purpose-built vacation rental rather than a mere property retrofit. This design approach ensures that every aspect of the farmhouse is meticulously curated to meet the needs and desires of travelers. With modern amenities seamlessly integrated into the country charm, guests can enjoy the convenience of contemporary living while immersing themselves in an authentic and nostalgic atmosphere.

Versatile Flexibility: Forbes Farmhouse distinguishes itself by its unparalleled flexibility in catering to various rental needs. During peak vacation seasons, it effortlessly transforms into a sought-after destination for short-term vacationers seeking a tranquil escape. Moreover, the flexibility to accommodate long-term stays and corporate rentals positions it as an ideal choice for business travelers seeking comfort and functionality. During off-peak seasons, its adaptability shines as it opens its doors to event venue rentals, embracing weddings, corporate retreats, and intimate gatherings amidst its serene backdrops.

Hybrid Experience: One of Forbes Farmhouse's strongest advantages is its unique ability to provide a hybrid experience that caters to the diverse preferences of modern travelers. Nestled within the heart of Tallahassee and Leon County, guests can relish the best of both worlds. Urban enthusiasts can indulge in cultural events, sporting spectacles, and culinary delights, all within easy reach. On the other hand, those seeking a tranquil escape are enveloped by the serenity of a rural, nature-centric setting. The Farmhouse offers an oasis of calm, where guests can unwind, explore hiking trails, and revel in the natural beauty that surrounds them. The strategic location of Forbes Farmhouse near Tallahassee ensures that guests are just moments away from the vibrancy of city life, with access to art galleries, museums, shopping, and lively entertainment. Simultaneously, its serene surroundings transport guests into a cozy haven, enveloped by lush landscapes, starlit skies, and the soothing ambiance of nature.

Exceptional Event Venues: During off-peak seasons, Forbes Farmhouse seamlessly transitions into an exquisite event venue, filling a void in the market. Its rustic charm and picturesque landscapes make it a captivating setting for weddings, retreats, and private functions. This versatility amplifies its appeal to both travelers and event planners seeking an unforgettable backdrop for their special occasions.

9 FINANCIAL INFORMATION

9.1 Sources & Uses of Funds – Vacation Rental

Since the land is under the ownership of the Sponsor, there's no requirement for investor funds for its purchase. The \$405,000 in investor capital will be allocated to conclude Phase 1 Site development, which is a prerequisite to obtaining the building permit for Phase 2. The remaining \$848,416 in capital will be sourced from a 30-year construction-to-perm loan secured from a local Tallahassee bank, to finance the construction of the Phase 2 - Barndominium vacation rental property. This loan is facilitated by utilizing the developed site as collateral, negating the need for a down payment and closing cost.

Project Startup Analysis	
Startup Expenses	
Soft Cost	\$135,000
Land Purchase	\$0
Capital Expenditure	
Startup Expenses and Equipment	\$365,000
Total Startup Expenses	\$500,000
Owner's Investment	(\$95,000)
Investor	\$405,000
Total Investment	\$405,000

9.2 General Assumptions

The 5-year financial profit & loss projections for vacation rental revenue assume a 4% annual increase in rental income and a 3% annual increase in operating expenses. Revenue Assumptions for Vacation Rental are as follows:

- Vacation Rental nightly rate of \$700
- Vacancy Rate of 33%
- Minimum of 4 private event a year at \$9K each

These assumptions reflect potential changes in the market and operating costs, ensuring a balanced and realistic outlook on the property's financial performance.

9.3 Financial Overview – Vacation Rental (P&L)

INCOME	Year 1	Year 2	Year 3	Year 4	Year 5
Gross Potential Income	\$255,500	\$265,720	\$276,349	\$287,403	\$298,899
- Loss to Lease	\$0	\$0	\$0	\$0	\$0
- Vacancy	\$84,315	\$87,688	\$96,722	\$100,591	\$113,582
- Concessions	\$0	\$0	\$0	\$0	\$0
Effective Gross Income	\$171,185	\$178,032	\$179,627	\$186,812	\$185,317
Other Income	\$36,000	\$37,440	\$38,938	\$40,495	\$42,115
From Replacement Reserve	\$0	\$0	\$0	\$0	\$0
Total Gross Income	\$207,185	\$215,472	\$218,564	\$227,307	\$227,432
EXPENSES					
Real Estate Taxes	\$11,052	\$11,384	\$11,725	\$12,077	\$12,439
Insurance	\$5,880	\$6,056	\$6,238	\$6,425	\$6,618
Contract Services (trash, etc)	\$1,600	\$1,648	\$1,697	\$1,748	\$1,801
Utilities (Elec, Water, Cable)	\$2,400	\$2,472	\$2,546	\$2,623	\$2,701
Legal	\$1,500	\$1,545	\$1,591	\$1,639	\$1,688
Marketing	\$5,000	\$5,150	\$5,305	\$5,464	\$5,628
Management Fee	\$4,000	\$4,120	\$4,244	\$4,371	\$4,502
Repairs and Maintenance	\$6,000	\$6,180	\$6,365	\$6,556	\$6,753
General/Admin	\$0	\$0	\$0	\$0	\$0
Payroll	\$0	\$0	\$0	\$0	\$0
Capital Improvements	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0
Deposit to Replacement Reserve	\$10,000	\$10,300	\$10,609	\$10,927	\$11,255
Total Expenses	\$47,432	\$48,855	\$50,321	\$51,830	\$53,385
NET OPERATING INCOME (NOI)	\$159,753	\$166,617	\$168,244	\$175,477	\$174,047
Debt Service					
Principal	\$0	\$0	\$0	\$0	\$0
Interest	\$88,056	\$88,056	\$88,056	\$88,056	\$88,056
Total Debt Service	\$88,056	\$88,056	\$88,056	\$88,056	\$88,056
Cash Available for Distribution	\$71,697	\$78,561	\$80,188	\$87,421	\$85,991
Distributions from Cash Flow					
Asset Mgt Fee to Manager	\$0	\$0	\$0	\$0	\$0
Members Preferred Return	\$0	\$0	\$0	\$0	\$0
Excess Cash Flow to Investors	\$43,018	\$47,137	\$48,113	\$52,452	\$51,595
Excess Cash Flow to Manager	\$28,679	\$31,425	\$32,075	\$34,968	\$34,396
Total Distribution to Members	\$71,697	\$78,561	\$80,188	\$87,421	\$85,991
Investors Contribution	\$405,000				
Member Cash on Cash Return	10.62%	11.64%	11.88%	12.95%	12.74%
Property Value @ Various Cap Rates					
9%	\$1,775,033	\$1,851,305	\$1,869,375	\$1,949,741	\$1,933,856
8%	\$1,996,913	\$2,082,718	\$2,103,046	\$2,193,458	\$2,175,588
7%	\$2,282,186	\$2,380,249	\$2,403,482	\$2,506,810	\$2,486,387
6%	\$2,662,550	\$2,776,957	\$2,804,062	\$2,924,611	\$2,900,784

10 COMPANY & MANAGEMENT

10.1 Company

Forbes Farmhouse Development will establish itself as a corporate entity in Delaware before commencing capital raising for the initial development phase. The primary headquarters of the company will be situated in Tallahassee, Florida. The workforce structure will comprise two corporate officers, along with a flexible arrangement of independent contractors and part-time consultants, engaged as needed for specific projects.

10.2 Corporate Officers - Management Team

10.2.1 Kelvin Harris – Sponsor/ Founder, CEO & Managing Partner



As Founder, Managing Partner, and CEO of Forbes Farmhouse Development Corporation, Kelvin Harris' four decades of multifaceted expertise make him the ideal leader to drive the success of this offering. His rare blend of experience as an architect, construction and project manager, financial and business consultant makes him uniquely suited to pioneer the company's continued excellence.

Architectural Design: With a Bachelor of Architecture degree from Howard University, Mr. Harris honed his design skills working with top-tier firms like Gensler, HDR, Louis Berger & Devroux & Purnell, contributing to some of DC areas most high-profile and iconic landmarks, like the Washington DC Convention Center, Capital One Arena (previously the Verizon Center), and the legendary FedEx Field, home of the Washington

Commanders.

Construction & Project Management: Mr. Harris has a remarkable record of proficiency as a Project Manager, Construction Manager and Project Coordinator. His experience ranges from coordinating tenant build-out projects for AT&T at their Dulles Corners location in Reston Virginia, to the management of the monumental 30-million-dollar Office of the Comptroller of the Currency (OCC) Federal Headquarters Realignment Project.

Business Consulting: As a top area consultant Mr. Harris has collaborated with prestigious firms such as Booz-Allen & Hamilton, DynCorp, and the preeminent commercial real estate firm, Trammel Crow to provide transformative business solutions to their clients.

Financial Consulting: As head of his own firm, Kel-Star Consulting, Kelvin serves as an “integrated asset manager” empowering clients by taking a holistic approach to managing their financial, real estate, business and capital assets. He works collaboratively with his clients to optimize their overall asset base, amplify returns across categories, minimize taxation, facilitate effective estate planning, and provide ongoing stewardship. By using this comprehensive approach Kelvin delivers customized solutions tailored to each client's objectives, risk profile, and growth ambitions. Kelvin is also dedicated to financial education. His 8-week financial literacy workshop at Columbia University exemplifies his commitment to sharing his financial knowledge.

10.3 Contractor & Consultants (Non-Corporate Members)

10.3.1 Gerard Barrett – Lead Developer



As the Forbes Farmhouse Development Corporation’s Lead Developer, Gerard Barrett brings over 10 years of principal real estate investment experience. As Founder and Managing Principal of PrimeLerner Companies, a private real estate investment and development company located in Newark, N.J. Founded in 2006, PrimeLerner specializes in investing, developing, and managing undervalued and distressed properties to include single family residential, small multi-family and commercial properties ranging from 1 to 50 units. With over 20 years of combined experience in residential and commercial real estate investments, PrimeLerner leverages a sophisticated approach, fundamental business strategy to successfully add value to their real estate portfolio. PrimeLerner has achieved an excellent reputable

record in consistently delivering exceptional returns to its investors and improved the quality of housing space through the communities within Northern N.J.

Prior to founding PrimeLerner Companies, Gerard received a B.A. in Economics from Columbia University. He began his real estate experience while still in school where he acquired his first piece of real estate at the age of 19 years old. His core strengths are identifying investment opportunities and implementing repositioning strategies for all acquired assets. Mr. Barrett has successfully closed over 90 real estate transactions and currently holds 127 apartments, which he acquired in the last 3 years and has personally transacted in over 25 million dollars’ worth of real estate in the past 10 years.

10.3.2 General Contractor – Antoine Wright

Antoine Wright assumes a pivotal role as the Construction Contractor for the Forbes Farmhouse Project, bringing with him a wealth of experience and a remarkable commitment to community development. Currently serving as the President at Urban Organics Development, located in Tallahassee, Florida, Antoine has demonstrated his expertise in the complex world of real estate. With a focus on the Subdividers and Developers sector, Urban Organics Development, under Antoine's adept leadership for 15 years, has established itself as a driving force in the industry.



In addition to his role at Urban Organics Development, Antoine Wright also holds the esteemed position of Executive Director at Big Bend Habitat for Humanity, situated in Tallahassee. This dual leadership underscores his commitment to fostering meaningful change within the community. Antoine's multifaceted experience, coupled with his unwavering commitment to enhancing the built environment and community well-being, positions him as a pivotal figure in the realization of the Forbes Farmhouse Project's success. His leadership and expertise promise to shape a project that not only reflects excellence in construction but also contributes positively to the surrounding community.

10.3.3 Real Estate Consultant – Tiffany Hamilton

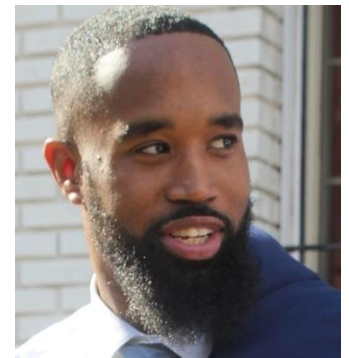
Tiffany Hamilton, an active Realtor since 2003, holds a Business Administration degree with a Sales and Marketing minor from Florida A & M University. Settled in Tallahassee since 2000, she's deeply engaged in local community growth. An influential member of the Tallahassee Board of Realtors, Tiffany has chaired the Equal Opportunity Committee, served on grievance and young professional network committees, and earned the (CLG) designation from the 2010 Leadership Academy.



Beyond realty, she's active with organizations like the Council of Neighborhood Associations (CONA), Muscular Dystrophy Association (MDA), Sickle Cell Foundation, and the American Cancer Society. Tiffany's expertise spans residential, commercial, and investment sales, including new construction, where she works closely with builders. For customized homes or top-notch customer service, Tiffany is your Realtor of choice in Tallahassee and surrounding counties.

10.3.4 Property Management Specialist – Ron Curtis

Ron Curtis assumes a crucial role as the Property Management Specialist for the Forbes farmhouse project, leveraging his extensive experience and expertise to ensure its success. As the owner and manager of WavyStays, a thriving short-term rental business encompassing diverse properties across the country, Ron's strategic oversight encompasses the entire spectrum of daily operations. From meticulous planning and vigilant financial monitoring to precise forecasting, effective marketing, and impeccable customer service support, Ron orchestrates a symphony of elements that contribute to WavyStays' flourishing presence on prominent short-term rental platforms like Airbnb, VRBO, and booking.com.



His dedication to excellence goes beyond the hospitality domain. A native Washingtonian, Ron Curtis holds a degree in Business from Virginia Commonwealth University, which equips him with a strong foundation for his multifaceted endeavors. Beyond his role as a property management virtuoso, Ron wears another influential hat as the CEO of Financial Lit University. This visionary initiative is focused on promoting financial literacy awareness within underserved communities. Financial Lit University offers a comprehensive array of services, including Credit Repair, Tax Preparation Services, Passive Income Coaching, Business Coaching, Property Management Services, and Financial Literacy Curriculums.

Through Financial Lit University, Ron Curtis channels his expertise into building bridges to financial empowerment. His commitment to fostering financial literacy underscores his dedication to positive change, while his role as the Property Management Specialist for the Forbes farmhouse project stands as a testament to his ability to seamlessly translate his skill set into diverse domains. In Ron's capable hands, property management becomes an art form, and the pursuit of financial literacy transforms into a community-driven endeavor that uplifts and empowers.