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## Business Plan

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# Executive Summary

## Who We Are

Shareagenarians is a new socially responsible business which seeks to address the issue of affordable housing for the elderly. Shareagenarians.com is a nationwide online service that matches elderly homeowners who have "more home than they can afford" with elderly citizens who are looking for safe, affordable housing options. The primary benefits of this solution are:

1. Homeowners - most often empty nesters or widows/widowers - will make additional income that can allow them to continue living in their much loved, long-time homes
2. Elderly citizens will have many more options for safe and affordable living arrangements
3. All residents benefit from not being alone - they are safer, less lonely and more engaged
4. Health care and other support services can be offered on a consolidated basis, with resulting cost savings

## Our Services

Shareagenarians applies algorithms to registered user profiles in order to match homeowners to potentially compatible housemates. Member users can browse for matches and communicate with those members through the site. Members may choose from subscriptions varying in duration from 3 days to 30 days.

In an effort to assist technology-averse users, we have incorporated the concept of "helpers", who are able to act on the elderly user's behalf. We will also be engaging external intermediaries, such as librarians, social services organizations, churches and senior centers to offer assistance in using Shareagenarians.

## Our Customers

According to the Census Bureau, in 2012 there were 12,412,000 U.S. residents over the age of 65 living alone, 70% of whom were female. In the same year, there were 600,000 Americans over the age of 55 whose homes were in foreclosure, and 625,000 who were at least 3 months behind in their mortgage payments. According to a Harvard report commissioned by AARP, among people over 75, the foreclosure rate grew 3% from 2007 to 2011, a more than eightfold increase.

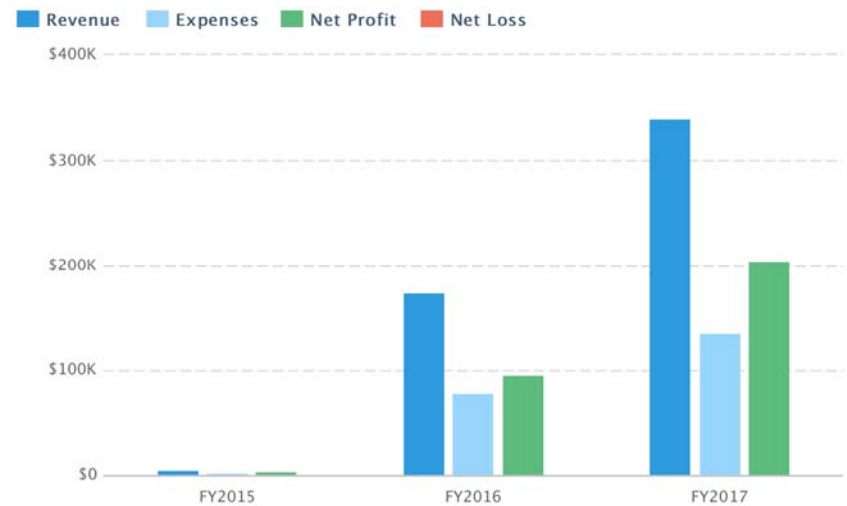
One potential solution for many homeowners and low income elderly is to share their homes. Unfortunately, the few elder home share services that currently exist are mostly local, specialized or manual, and can only meet a tiny percentage of the existing need. A national online matching service can reach the larger market, and even supplement local manual programs.

## Financial Summary

Revenues will be generated from two primary sources: member subscriptions and ad revenues. Subscriptions for both homeowners and home-seekers will be offered on a trial, biweekly and monthly basis, with an additional charge for premium service that includes telephone support. A substantial amount of churn is anticipated as users find matches and suspend their memberships. Over time, partnerships with organizations such as home health agencies may also generate income.

There will be recurring technology costs including domain services, server support, search services, and remote support software. Support staff will be a future recurring cost, depending on the level of support requests received.

## Financial Highlights by Year



# Company

## Company Overview

Shareagenarians is a new socially responsible business which seeks to address the issue of affordable housing for the elderly. Shareagenarians.com is an online service that matches elderly homeowners who have "more home than they need or can afford" with elderly citizens who are looking for safe, affordable housing options. The primary benefits of this solution are:

1. Homeowners - most often empty nesters or widows/widowers - will make additional income that can allow them to continue living in their much loved, long-time homes
2. Elderly citizens will have many more options for safe and affordable living arrangements
3. All residents benefit from not being alone - they are safer, less lonely and more engaged
4. Health care and other support services can be offered on a consolidated basis, with resulting cost savings

Another essential element of Shareagenarians will be support for elderly users who are not technologically inclined, or who do not have internet access. Active engagement of intermediaries will be an integral part of the business, beginning with community organizations such as libraries, churches, senior centers, governmental and non-governmental agencies. These intermediaries will both market and actively assist the elderly in using the service. The ability to include a "helper" (e.g., a tech-savvy friend or relative) as an account member provides another convenient alternative for technology-shy seniors.

Shareagenarians is a privately held, socially responsible business, organized in Colorado as a limited liability company (LLC), with an operating agreement that reflects the philosophy and mission of a public benefit corporation. It will also be applying for, and expects to receive, B Corp status, in keeping with both its core mission and its desire to leave a small corporate footprint. It is currently 100% owned by its founder and CEO, Stephanie Heacox. While there may be investors in the new venture,

individual investors will own no more than 15% of Shareagenarians. These investors will provide funding in the way of seed cash to help start the business, and possibly expansion funding at a future date. None of the investors will be active participants in management decisions.

## Management Team

### **Stephanie Heacox, Founder and CEO**

The Chief Executive Officer is the face of the company, responsible for:

- Shaping and implementing the mission of the company
- Establishing and maintaining the core vision
- Evangelizing the company and its mission to the outside world
- Development and implementation of outreach programs
- Forming partnerships with related organizations who share or support the mission
- Negotiating with potential investors, alongside the COO
- Ensuring that the needs and objectives of customers are kept front and center
- Management of human resources
- Oversight of company finances, in consultation with our accounting firm
- Management of the website support operation

### **Malcolm McDonald, CTO**

The Chief Technology Officer will oversee all technical aspects of the Shareagenarians website and infrastructure, and will:

- Design and build the minimum viable product
- Manage infrastructure and the selection of foundational technologies
- Provide ongoing support and troubleshooting
- Work with CEO and product management to incorporate feedback into each release of the site
- Organize hiring of technical staff or outsourcing contracts should the team require additional scale

## Products and Services

Shareagenarians is a national online home-sharing service for elders, which applies algorithms to registered user profiles in order to match users to potentially compatible housemates. Users can browse for matches and communicate with those matched members through the site. Users may choose from subscriptions varying in duration from 3 days to 30 days.

A unique feature of the service is the concept of "helpers". User research has confirmed that a significant portion of our target users will be relatively technology-averse, and will require assistance to utilize the service. To address issue, we have built in the ability to include another individual, e.g., a friend or relative, as a "co-user" of the service, able to act on the elderly user's behalf. This helper will be able to do anything the registered user can do, including setting up the profile and sending or receiving emails.

As part of our marketing effort, we will be engaging external intermediaries, such as librarians, social services organizations, churches and senior centers to offer assistance in using Shareagenarians. We would provide documentation and sample flyers to support those organizations in advertising the service to their constituents.

## Competitors

There are a number of other home share programs already in existence, particularly in more costly urban areas. They are, for the most part, locally oriented, specialized in focus or run by government agencies or non-profits. None, however, are nationwide, and only one of the matching services is offered online. At their best, existing services are manual, individualized matchmaking programs where seniors fill out applications, go through interviews, are screened and introduced to other seniors in need of housemates. Some of the more significant programs are discussed below.

### **Golden Girls**

#### **Network**

ldengirlsnetwork.com)

(<http://www.goldengirlsnetwork.com>)

This service primarily serves women in the Orlando Florida area, and has about 600 members, which is a tiny fraction of the available market.

**Roommates4Boomers**

(<http://www.roomates4boomers.com>)

This site is focused on women over 55. It primarily serves the San Francisco and Sarasota areas, and is reported to have about 750 members. Again, this is a tiny fraction of the available market.

**Let's Share**

**Housing** (letssharehousing.com)

This site purports to match seniors (possibly others) looking to share their homes, but it currently has only 101 members and many broken links and non-existent pages. It seems to be focused on the Portland, OR geographic area.

**NY Foundation for Senior Citizens (NYFSC) Home Sharing Program**

([http://www.nyfsc.org/services/home\\_sharing.html](http://www.nyfsc.org/services/home_sharing.html))

The Foundation's free Home Sharing Program helps link adult "hosts" with extra bedrooms in their homes or apartments with appropriate adult "guests" to share their space. One of the matchmates must be age 60 or over. The foundation's staff uses an internal database called QUICK-MATCH to find prospective housemates, then screens and checks the references of all host and guest applicants.

**CT State Department of Social Services, Home Share Program**

(<http://www.ct.gov/agingservices/lib/agingservices/manual/housing/homeshareprogramfinal.pdf>)

The Department funds three programs that provide interested individuals with an opportunity to "home share". The programs match single adults who are having difficulty maintaining their homes because of financial, social or physical needs with other adults who need decent, affordable housing and/or do not want to live alone. Program staff interview potential home sharers and home seekers to identify those with complementary needs. Program participants must provide references and background



information, which are screened and checked by program staff. Staff introduce individuals found to be compatible, help them to develop a home-sharing agreement, offer follow-up counseling when a match is made and/or refer persons to other appropriate services when necessary.

**ElderHelp San Diego Senior Home  
Share**

(<http://www.elderhelpofsandiego.org/>)

This non-profit does a detailed assessment and screening of both the home provider and home seeker, including screening, reference checks and criminal background checks. Assistance is provided for drawing up housing agreements along with mediation and support. Social workers are also available for support and are involved during the entire process.

# Market Overview

## Market Needs

The aging of the baby boomers, and the mixed economic blessing of ever-increasing longevity, have resulted in a significant long term need for housing alternatives for seniors.

According to the Census Bureau, in 2012 there were 12,412,000 U.S. residents over the age of 65 living alone, 70% of whom were female. In the same year, there were 600,000 Americans over the age of 55 whose homes were in foreclosure, and 625,000 who were at least 3 months behind in their mortgage payments. According to a Harvard report commissioned by AARP, among people over 75, the foreclosure rate grew 3% from 2007 to 2011, a more than eightfold increase.

One potential solution for many homeowners and low income elderly is to share their homes. Homesharing offers many benefits:

- Elders with more house than they can afford (empty nesters, widows and widowers) can remain in their long time homes,
- Lower income elderly are likewise provided with options for safe, affordable housing
- Both residents benefit from the safety, friendship and community of company
- Healthcare and social services can be consolidated

Existing elder home share services are mostly local, specialized or manual, and can only meet a tiny percentage of the existing need. A national online matching service can reach the larger market, and even supplement local manual programs.

# Strategy and Implementation

## Marketing Plan

### Overview

Ours is a very specific, though still substantial, target audience: elders who have more house than they can afford, and elders seeking affordable housing options. Because of increasing longevity and the fact that a solid decade remains in the baby boom, we anticipate the need for an elder home share service to continue for the foreseeable future.

### Promotion

Marketing efforts will be conducted on a number of fronts. We will seek media exposure through various types of publications: newspapers, general interest publications, mainstream women's magazines and those that focus on the elderly. In particular, we have approached the AARP in the interest of partnering with their Housing Solutions Center. We also are also engaging with likely media outlets such as the New York Times and National Public Radio, who have a public interest focus.

On a more local level, we hope to find our target audience where they are: social service agencies, churches, libraries, banks, even funeral service providers and physicians. For example, our CEO, a former librarian, is in contact with the Social Responsibilities Round Table of the American Library Association, to speak at an ALA conference and engage public librarians as both marketers and intermediaries for this service. We plan to take the same approach with other relevant industry gatherings.

Practically speaking, we have two target audiences: Elders and their family members. To address the latter audience in particular, we are establishing a significant social media presence on Facebook and Twitter. In addition, we are developing a search engine optimization and Google Adwords campaign plan that will maximize the opportunity to attract and acquire new members through online search.

## Pricing

The initial and ongoing technical costs of launching Shareagenarians will include:

- Heroku cloud servers (\$30/month - scales with traffic)
- Mailgun (free up to 10,000 emails a month)
- Braintree e-commerce service (no monthly fee, 2.9% + 30c cost per transaction)
- Domain name (\$10/year)
- Zendesk virtual support (\$1 per agent, per month)
- SSL enabled endpoint (\$20/month)

Aside from the technical cost of setting up the website, the greatest ongoing cost will be support staff. While email and self-help resources will be available, our audience has a relatively high percentage of technophobic users. Thus we plan to use Zendesk virtual call center software, adding support staff working from home on a part-time or full-time basis when membership numbers justify it. If possible, we plan to hire elderly tech savvy support staff who will be uniquely able to connect with our users.

Shareagenarians pricing will be subscription-based, and is modeled on other, more general online roommate services. To attract more reticent users, we will offer an inexpensive trial (3 days for \$4.95) as well as 2-week and 1 month options for \$15.95 and \$29.95, respectively. After interviewing a range of target users, this pricing was viewed as in the acceptable range.

We would expect that most users would subscribe for short periods, until they found a housemate, likely three months or less. We would, however, allow users to suspend their accounts rather than delete them, so that they could use the service again in the future without having to re-enter their profile information.

## Competitive Edge

At present, there is no national online services to compete with us. Other home share services are manual, focused on particular subgroups, and few in number, so they have not made a substantial dent in this market. In fact, it is entirely possible that Shareagenarians could serve as a tool for these local services.

# Financial Plan

## Revenue Forecast

	FY2015	FY2016	FY2017
<b>Revenue</b>			
Homeowner trial subscriptions	\$248	\$1,662	\$2,195
Homeowner bi-weekly subscriptions	\$399	\$6,336	\$8,449
Homeowner monthly subscriptions	\$1,498	\$58,735	\$118,136
Housemate trial subscriptions	\$124	\$1,966	\$3,263
Housemate bi-weekly subscriptions	\$399	\$6,336	\$10,514
Housemate monthly subscriptions	\$2,995	\$59,234	\$118,136
Ad Revenue		\$40,000	\$80,000
<b>Total Revenue</b>	<b>\$5,663</b>	<b>\$174,269</b>	<b>\$340,693</b>
<b>Direct Cost</b>			
<b>Total Direct Cost</b>			
Gross Margin	\$5,663	\$174,269	\$304,693
Gross Margin %	100%	100%	89%

Revenue by Month



## Personnel Plan

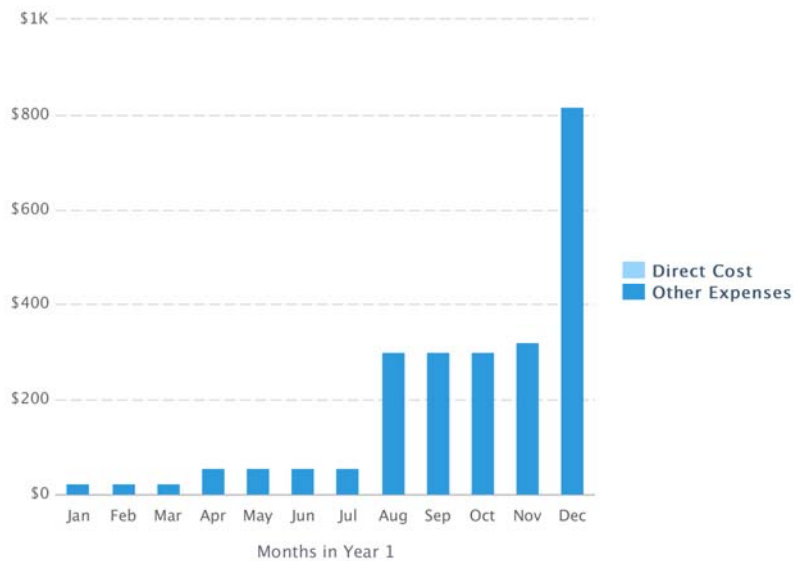
### Personnel Table

	FY2015	FY2016	FY2017
Customer Support Representatives (1 FTE equivalent)			\$36,000
Chief Executive Officer		\$50,000	\$55,000
<b>Total</b>		<b>\$50,000</b>	<b>\$91,000</b>

## Budget

	FY2015	FY2016	FY2017
<b>Operating Expenses</b>			
Salary		\$50,000	\$55,000
Employee Related Expenses		\$10,000	\$11,000
Rent and Utilities	\$0	\$0	\$0
Insurance	\$1,000	\$2,400	\$2,400
Heroku (cloud servers)	\$360	\$500	\$750
Braintree (e-commerce solution)	\$113	\$3,485	\$6,814
Go Daddy (domain registrar)	\$300	\$300	\$300
Zendesk (virtual support software)	\$50	\$120	\$120
SSL Enabled Endpoint	\$100	\$240	\$240
Marketing / SEO	\$40	\$240	\$240
<b>Total Operating Expenses</b>	<b>\$1,963</b>	<b>\$67,285</b>	<b>\$76,864</b>

Expenses by Month

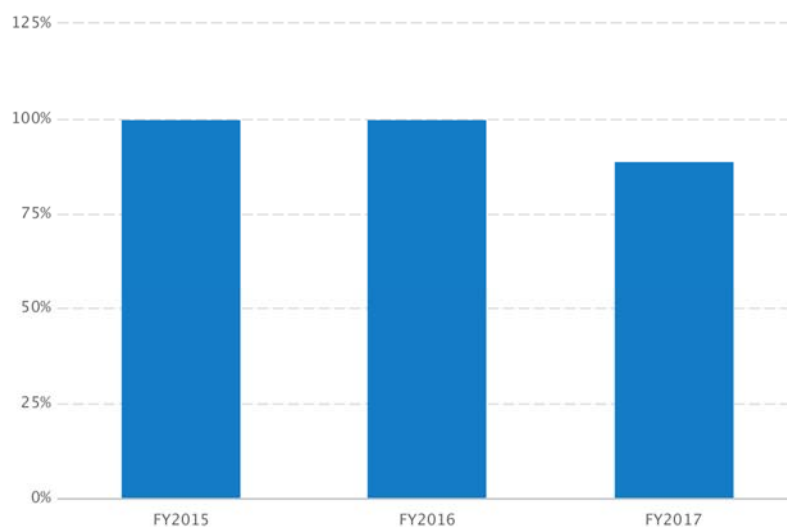




## Profit and Loss Statement

	FY2015	FY2016	FY2017
Revenue	\$5,663	\$174,269	\$340,693
Direct Costs			\$36,000
Gross Margin	\$5,663	\$174,269	\$304,693
Gross Margin %	100%	100%	89%
Operating Expenses			
Salary		\$50,000	\$55,000
Employee Related Expenses		\$10,000	\$11,000
Rent and Utilities	\$0	\$0	\$0
Insurance	\$1,000	\$2,400	\$2,400
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Zendesk (virtual support software)	\$50	\$120	\$120
SSL Enabled Endpoint	\$100	\$240	\$240
Marketing / SEO	\$40	\$240	\$240
Total Operating Expenses	\$1,963	\$67,285	\$76,864
Operating Income	\$3,700	\$106,984	\$227,829
Interest Incurred	\$0	\$0	\$0
Depreciation and Amortization			
Income Taxes	\$370	\$10,698	\$22,783
Total Expenses	\$2,333	\$77,983	\$135,647
Net Profit	\$3,330	\$96,286	\$205,046
Net Profit / Sales	59%	55%	60%

## Gross Margin by Year



## Net Profit (or Loss) by Year

