

Barriers to Entry

Legal and Regulatory Barriers

Property rights and land use regulations are some of the serious legal barriers for ParkeEZ to handle. Some residential areas have restrictive HOA rules and zoning laws that may not allow the Hosts to rent out the parking spaces, thus limiting the spread of our Platform. Accordingly, ParkeEZ does not take responsibility for these requirements as a third-party platform, it is on the Hosts to comply with local regulations and laws. Another layer of complexity that ParkeEZ will need to deal with is insurance requirements.

Combating this, insurance and liabilities are on the Hosts and ParkeEZ explicitly recommends the Hosts to get those insurances and liabilities covered. These steps would help the company be prepared against disputes between users that could otherwise make a dent in operational stability and reputation.

Platform liability and User agreements comprise a very important part of the legal strategy at ParkeEZ. Such an agreement should explicitly set forth the role of the company as a third-party facilitator by, for one, stating that ParkeEZ shall not be liable for any accidents happening on rented properties. Moreover, the ToS agreement, whenever it comes with indemnification clauses, protects ParkeEZ even more by making Users legally liable for their actions using the services provided and limiting the legal liability of the company. Further, a well-defined and transparent dispute resolution process will help keep at bay the conflicts between the Hosts and Guests, which could otherwise blow up into legal issues.

Any platform dealing with sensitive user data has to necessarily work keeping in view data privacy regulations. ParkeEZ has to conform to laws along the lines of CCPA and DSS to make sure the user data, including addresses, driver's licenses, and payment information, is managed by the standards of the law. This shall be done by having clear mechanisms for consent by users and stringent policies in handling data. ParkeEZ should be open regarding its user data collection, storage, and processing and provide the users control options over their private information so that confidence can be instilled, avoiding legal implications due to privacy breach concerns.

Finally, there are regulatory approvals and business licenses that may have to be obtained before ParkeEZ starts its operations in any given jurisdiction. The process for obtaining such licenses or permits may be very cumbersome in certain cities or states, requiring research and a strategic plan of action. ParkeEZ also needs to educate its Hosts on the required permits or licenses that they will have to obtain to legally rent their spaces. By being proactive in this regard, it ensures that not only does the platform operate within the rule of law but also its users, reducing any penalties or fines from occurring.

Most of these legal barriers will fall as multi-dimensional efforts in property verification, insurance policies, clear user agreements, measures concerning data privacy, and regulatory compliance are integrated. Accompanied by a comprehensive legal strategy, ParkeEZ can set up a firm foundation that contributes to growth with minimal legal risks while earning users' trust.

Cost-Related Barrier

There are multiple cost-related barriers to entry for an app-based service. As it is an app, the main cost-related barrier is AWS services costs as the app scales and grows. Scaling our operations vertically and horizontally will be expensive.

Developer and engineering costs to constantly update the platform will be costly. After launching our app, maintenance is estimated to be expensed at 15-25% of the development cost at the launch, as well as updates to security add cost to the development. Not only this, but outsourcing talent, such as developers for the app, also gives another high cost to production.

Additionally, another cost-related barrier is funding a marketing campaign that brings in enough users to fund the app's success. As we are focusing on social media advertisement, the competitive market will have costs add up quickly, especially since we are trying to grow our user base.

Technological Barriers

Our main concern is regarding security breaches relating to our user data such as driver's licenses, payment information, addresses, business licenses, and more. We mitigate this risk by utilizing AWS Cognito for secure user logins and sign-ups. We implement different security measures that range from case-sensitivity to more complicated measures such as multi-factor authentication to ensure users are logged into their accounts.

To enhance data security, we will employ encryption for both the user data and the logs that track the changes made to this data. All the information stored in Amazon RDS and images stored in Amazon S3 will be secured through AWS Key Management Service (KMS). Users can create customer-managed keys that are associated with their accounts, controlling access to their data.

To prevent loss of data, we establish backup procedures for both databases and analysis of logs. In the event of data loss, our backups will allow us to restore any lost data as a fail-safe, including previous versions of RDS, S3, and CloudWatch data. We can leverage Amazon S3 Versioning and RDS Snapshot to enhance data protection, along with regular testing of the backups to ensure that the data can always be recovered effectively.

Our application integrates with Stripe to securely handle payment processing. Each transaction will include a fee paid to Stripe, to ensure that transactions are protected. Within Stripe, we can configure the percentage of each transaction that is allocated to our company as part of our revenue model, while the remaining percentage is paid out to the host.

To ensure real-time availability, AWS RDS marks the location as booked when the transaction is started, preventing other users from booking the same spot. If the user cancels the booking, the location will go back to its previous available state, allowing others to book it. Our application will also automatically remove the listing once it is booked so that double booking is avoided.

Brand loyalty

To ensure brand loyalty, we plan to establish connections with companies that we are advertising with, by partnering with them for various years. We will also utilize our social media accounts to provide constant information and updates to not just our users, but other potential companies to partner with as well. In

Finances

Our multiple streams of revenue include ad and user revenues. We offer hosts the option to pay an extra fee to appear at the top of the page when users look up available spaces near them. Additionally, we generate revenue from advertising by other companies on our app. As for user fees, every time a person rents out a driveway to park, we charge a base price of \$4. The host determines the actual parking rate of their driveway based on location, seasonality, and market demand. We are asking for a \$500,000 investment, for 20% equity of our company.

1.1 Pricing Model

ParKEZ LLC Pricing Model		
Instant Book Flat Rate Pricing (hourly)		
Base Price Rate	\$4.00	
Service Fee	\$0.80	20%
Transaction Fee	\$0.44	2.9% + .30
Total Rate:	\$5.24	
Additional Charges		
Overstay Fee	\$20.00	500%
500% of Base Price Rate, \$20, added on top of Total Rate, \$16 given to hosts, \$4 kept		
Other		
Cancellation		
Within 3 Hours	No refund	
Before 3 Hours	Full refund	

1.2 5-Year Profit and Loss Projection

PartEZ LLC Profit and Loss Projection (2025 - 2031) Years Ending on December 31					
	2025	2026	2027	2028	2029
Revenue					
Base Revenue	\$ 201,226.27	\$ 314,729.38	\$ 889,513.25	\$ 1,188,683.81	\$ 1,292,290.27
App Service Revenue	\$ 201,226.27	\$ 314,729.38	\$ 889,513.25	\$ 1,188,683.81	\$ 1,292,290.27
Late Fee Revenue	\$ 150,919.70	\$ 236,047.03	\$ 667,134.94	\$ 891,512.86	\$ 969,217.70
Ad Revenue	\$ 48,371.70	\$ 75,656.10	\$ 213,825.30	\$ 285,741.30	\$ 310,646.70
Total Revenue	\$ 601,743.95	\$ 941,161.88	\$ 2,659,986.73	\$ 3,554,621.77	\$ 3,864,444.95
Expenses					
R&D Expenses	\$ 9,825.00	\$ 14,327.00	\$ 36,681.00	\$ 45,738.00	\$ 53,485.00
Marketing Expenses	\$ 182,108.43	\$ 245,719.78	\$ 331,140.11	\$ 446,002.25	\$ 599,311.84
Financial Expenses	\$ 3,780.00	\$ 3,780.00	\$ 3,780.00	\$ 3,780.00	\$ 3,780.00
Legal Expenses	\$ 13,543.00	\$ 13,543.00	\$ 13,543.00	\$ 13,543.00	\$ 13,543.00
Admin Expenses	\$ 10,706.76	\$ 16,745.98	\$ 39,899.80	\$ 53,319.33	\$ 57,966.67
Salaries	\$ 611,615.00	\$ 482,229.25	\$ 485,363.74	\$ 488,518.60	\$ 491,693.97
Total Expenses	\$ 831,578.19	\$ 776,345.01	\$ 910,407.65	\$ 1,050,901.18	\$ 1,219,780.49
Earnings Before Tax	\$ (229,834.24)	\$ 164,816.87	\$ 1,749,579.08	\$ 2,503,720.59	\$ 2,644,664.46
Taxes	\$ -	\$ 800.00	\$ 800.00	\$ 800.00	\$ 800.00
Franchise Tax (1.5%)	\$ -	\$ 2,472.253	\$ 26,243.686	\$ 37,555.809	\$ 39,669.967
Social Security Tax (6.2%)	\$ -	\$ 29,705.13	\$ 29,705.13	\$ 29,705.13	\$ 29,705.13
Net Earnings	\$ (229,834.24)	\$ 131,839.49	\$ 1,692,830.27	\$ 2,435,659.65	\$ 2,574,489.36

1.5 5-Year Cash Flow Statement

ParKEZ LLC Cash Flow Statement (2025 - 2031) Years Ending on December 31						
	2025	2026	2027	2028	2029	
Beginning Balance						
Cash Inflows						
Cash Sales	\$ 574,655.80	\$ 898,794.47	\$ 2,540,244.56	\$ 3,394,606.64	\$ 3,690,482.80	
Accounts Receivable	\$ 27,088.15	\$ 42,367.42	\$ 119,742.17	\$ 160,015.13	\$ 173,962.15	
Total Cash Inflows	\$ 601,743.95	\$ 941,161.88	\$ 2,659,986.73	\$ 3,554,621.77	\$ 3,864,444.95	
Cash Outflows						
Cost of Goods Sold	\$ 9,825.00	\$ 14,327.00	\$ 910,407.65	\$ 1,050,901.18	\$ 1,219,780.49	
Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	
Accounts Payable	\$ 19,963.13	\$ 20,092.89	\$ 20,223.49	\$ 20,354.94	\$ 20,487.25	
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Cash Outflows	\$ 9,825.00	\$ 14,327.00	\$ 910,407.65	\$ 1,050,901.18	\$ 1,219,780.49	
Net Cash Flows	\$ 591,918.95	\$ 926,834.88	\$ 1,749,579.08	\$ 2,503,720.59	\$ 2,644,664.46	
Operating Cash Balance	\$ 543,547.25	\$ 851,178.78	\$ 1,535,753.78	\$ 2,217,979.29	\$ 2,334,017.76	
Ending Cash Balance	\$ 611,882.07	\$ 946,927.77	\$ 1,769,802.57	\$ 2,524,075.54	\$ 2,665,151.71	

1.7 5-Year Balance Sheet

ParKEZ LLC Balance Sheet						
	2025	2026	2027	2028	2029	
Assets						
Current assets:						
Cash	\$ 350,000.00	\$ 561,297.47	\$ 877,901.28	\$ 2,481,194.57	\$ 3,315,696.33	
Cash equivalent	\$ 150,000.00	\$ (352,861.74)	\$ (601,197.97)	\$ (727,787.47)	\$ 576,779.75	
Accounts Receivable	\$ 27,088.15	\$ 42,367.42	\$ 119,742.17	\$ 160,015.13	\$ 173,962.15	
Total assets	\$ 527,088.15	\$ 250,803.15	\$ 396,445.48	\$ 1,913,422.23	\$ 4,066,438.23	
Liabilities						
Current liabilities:						
Accounts payable	\$ 191,933.43	\$ 260,046.78	\$ 367,821.11	\$ 491,740.25	\$ 652,796.84	
Accrued expenses	\$ 639,644.76	\$ 516,298.23	\$ 542,586.54	\$ 559,160.93	\$ 566,983.65	
Unearned revenue	\$ 48,371.70	\$ 75,656.10	\$ 213,825.30	\$ 285,741.30	\$ 310,646.70	
Total current liabilities	\$ 879,949.89	\$ 852,001.11	\$ 1,124,232.95	\$ 1,336,642.48	\$ 1,530,427.19	
Shareholder's Equity						
Equity Capital	\$ -	\$ -	\$ -	\$ -	\$ -	
Retained Earnings	\$ (352,861.74)	\$ (601,197.97)	\$ (727,787.47)	\$ 576,779.75	\$ 2,536,011.04	
Shareholder's Equity	\$ (352,861.74)	\$ (601,197.97)	\$ (727,787.47)	\$ 576,779.75	\$ 2,536,011.04	
Total Liabilities & Shareholder's Equity	\$ 527,088.15	\$ 250,803.15	\$ 396,445.48	\$ 1,913,422.23	\$ 4,066,438.23	

ParKEZ LLC's balance sheet from 2025-2029 offers insight into its financial position in terms of assets, liabilities, and shareholder equity. This data signifies growth in total assets and shareholder equity over five years, indicating improving financial stability. Fluctuations in cash equivalents suggest strategic investments and adjustments in liquidity management.

1.8 Operating Costs

Operational Cost	2025		2026		2027		2028		2029	
	Items	Advertising (Per 1000 users)	Items	Advertising (Per 1000 users)	Items	Advertising (Per 1000 users)	Items	Advertising (Per 1000 users)	Items	Advertising (Per 1000 users)
Marketing Expenses	TikTok	\$ 60,000.00	TikTok	\$ 81,000.00	TikTok	\$ 109,350.00	TikTok	\$ 147,622.50	TikTok	\$ 199,290.38
	Google Ads	\$ 20,432.43	Google Ads	\$ 27,583.78	Google Ads	\$ 37,238.11	Google Ads	\$ 50,271.45	Google Ads	\$ 67,866.45
	EventBrite	\$ 57,600.00	EventBrite	\$ 77,760.00	EventBrite	\$ 104,976.00	EventBrite	\$ 141,717.60	EventBrite	\$ 191,318.76
	Ticketmaster	\$ 40,000.00	Ticketmaster	\$ 54,000.00	Ticketmaster	\$ 72,900.00	Ticketmaster	\$ 98,415.00	Ticketmaster	\$ 132,860.25
	Other:	\$ 4,076.00	Other:	\$ 5,376.00	Other:	\$ 6,676.00	Other:	\$ 7,976.00	Other:	\$ 7,976.00
	Total:	\$ 182,108.43	Total:	\$ 245,719.78	Total:	\$ 331,140.11	Total:	\$ 446,002.55	Total:	\$ 599,311.84
	Items		Items		Items		Items		Items	
R&D Expenses	AWS Cloud	\$ 9,825.00	AWS Cloud	\$ 14,327.00	AWS Cloud	\$ 36,681.00	AWS Cloud	\$ 45,738.00	AWS Cloud	\$ 53,485.00
Legal	Total:	\$ 9,825	Total:	\$ 14,327.00	Total:	\$ 36,681.00	Total:	\$ 45,738.00	Total:	\$ 53,485.00
	Items		Items		Items		Items		Items	
	Next Insurance	\$ 9,300.00	Next Insurance	\$ 9,300.00	Next Insurance	\$ 9,300.00	Next Insurance	\$ 9,300.00	Next Insurance	\$ 9,300.00
	LLC + Registered Agent	\$ 1,244.00	LLC + Registered Agent	\$ 1,244.00	LLC + Registered Agent	\$ 1,244.00	LLC + Registered Agent	\$ 1,244.00	LLC + Registered Agent	\$ 1,244.00
	Licensing	\$ 2,999.00	Licensing	\$ 2,999.00	Licensing	\$ 2,999.00	Licensing	\$ 2,999.00	Licensing	\$ 2,999.00
	Total:	\$ 13,543.00	Total:	\$ 13,543.00	Total:	\$ 13,543.00	Total:	\$ 13,543.00	Total:	\$ 13,543.00
	Items		Items		Items		Items		Items	
Finance	Accounting Software	\$ 3,780.00	Accounting Software	\$ 3,780.00	Accounting Software	\$ 3,780.00	Accounting Software	\$ 3,780.00	Accounting Software	\$ 3,780.00
Admin	Total:	\$ 3,780.00	Total:	\$ 3,780.00	Total:	\$ 3,780.00	Total:	\$ 3,780.00	Total:	\$ 3,780.00
	Items		Items		Items		Items		Items	
	Microsoft 365	\$ 3,147.60	Microsoft 365	\$ 3,147.60	Microsoft 365	\$ 3,147.60	Microsoft 365	\$ 3,147.60	Microsoft 365	\$ 3,147.60
	Adobe	\$ 7,559.16	Adobe	\$ 7,559.16	Adobe	\$ 7,559.16	Adobe	\$ 7,559.16	Adobe	\$ 7,559.16
	Other Admin Costs		Other Admin Costs	\$ 6,039.22	Other Admin Costs	\$ 29,193.04	Other Admin Costs	\$ 42,612.57	Other Admin Costs	\$ 47,259.91
	Total:	\$ 10,706.76	Total:	\$ 16,745.98	Total:	\$ 39,899.80	Total:	\$ 53,319.33	Total:	\$ 57,966.67
	Items		Items		Items		Items		Items	
Salaries	R&D	\$132,500	R&D	\$104,463.00	R&D	\$ 105,351.23	R&D	\$ 107,243.88	R&D	\$ 106,546.79
	Marketing	\$127,764	Marketing	\$100,729.14	Marketing	\$ 101,641.64	Marketing	\$ 103,558.40	Marketing	\$ 102,885.27
	Finance	\$158,705	Finance	\$125,123.02	Finance	\$ 125,876.96	Finance	\$ 127,636.19	Finance	\$ 126,806.56
	Legal	\$95,823	Legal	\$75,546.85	Legal	\$ 76,623.04	Legal	\$ 78,702.42	Legal	\$ 78,190.85
	CEO	\$0	CEO	\$31.98	CEO	\$ 31.79	CEO	\$ 1,031.59	CEO	\$ 1,106.91
	C-Suite	\$96,823	C-Suite	\$76,335.25	C-Suite	\$ 75,839.07	C-Suite	\$ 76,655.85	C-Suite	\$ 76,157.59
	Total:	\$611,615	Total:	\$482,229.25	Total:	\$ 485,963.74	Total:	\$ 482,208.87	Total:	\$ 491,693.97

1.10 Funding Allocation

Category	Allocated Amount	% Of Total Budget
Marketing	\$182,108.43	52%
Outsourcing Developer	\$132,500	37.86%
Remaining Funds	\$35,391.57	10.14%
Total	\$350,000	100%

Approximately half of the \$350,000 initial investment will be implemented toward strategic marketing strategies to grow our customer base. With properly targeted audiences, we can expect a significant increase in revenue and profitability. Additionally, to keep up with the fast-paced technological advancements, we plan to outsource development to implement new features and continue to improve customer experiences. The remaining funds will go toward our contingency reserve for unexpected shifts, providing a financial buffer for emergencies or unforeseen circumstances.

Demo

ParkeZ is in its demo phase and is currently undergoing development to fully implement major features before launching on the App Store. We are refining the display logic for maps to improve performance and adding backend algorithms to source the most relevant listings. To gather user feedback and insights, we plan to conduct a beta test through TestFlight, with a target release date for the App Store in mid-2025. During our beta testing, we want to collect more data regarding our app usage, like the number of requests per session, how many times the user uses the app in a given time, and the booking conversion rate to determine future usage. We will also track metrics such as bug reports, user satisfaction, and any requested features that can tell us how to improve the user interface. Post-launch, we will continue to enhance and scale the app based on user feedback, with plans for an Android and Web version to expand our reach to a broader customer base. We will also plan on outsourcing customer support and continuous app development to other countries with cheaper labor costs.

The current demo of ParkeZ can be found here:

<https://github.com/brandonnguyenn27/parkezAO>