



**HABITAT SARTORIAL LLC**  
**BUSINESS PLAN**

**APRIL 19, 2021**

# Business Plan

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# HABITAT

## EXECUTIVE SUMMARY

## OPPORTUNITY

### Problem

People often donate to a good cause, but don't get to interact with the effect. Most of the time, individuals only donate once, and donations feel like a subtraction from savings, not an investment in the community. **Donors need a tangible reminder of their contribution to show them its positive outcome, and to encourage them to donate again.**

### Solution

**We'll provide donors with an attractive and durable garment in return for their donation.** Every time one of our customers wears their apparel, they'll help grow our brand, by showing those around them what we do, and by sharing their reasons for buying. And when they head back to our website or social media to view our next release, they'll see the stories of the people our nonprofits help: As our brand grows, awareness and donations grow too.

Instead of offering a low-quality 'free gift' that a donor likely doesn't need, we'll provide our donors with clothing - something they'll buy eventually anyway. This adds a charitable component to the expense we all incur dressing ourselves every year. **We've developed apparel that people will feel good buying, wearing, and sharing.**

## Market

Two things are certain about today's college students: **we donate to good causes, and we love to buy clothes.**

***In 2020, our target population spent \$30 million*** on back-to-college clothing and in donations to local social service organizations. We're confident that by combining these two incentives, we will appeal to this population and generate sales.

Our target market consists of college students who either graduated from a high school in Indianapolis, or who currently attend one of the four large colleges in the city (Butler, IUPUI, Marion, Ulndy).

## Competition

College students generally buy casual apparel from one of three sources:

- **Designer Brands**, who produce high-quality, very expensive apparel with an exceptional talent in impressing your friends,
- **Fast Fashion Companies**, which mass-produce the latest trends at very cheap prices,
- and **Small Startups**, which generate most of their sales from connections to the founder.

Habitat Sartorial combines the best of these three sources. Our apparel is durable and comfortable, carrying better quality and a slightly higher price than a fast fashion company (and a far lower price than those charged by designer brands). Our goals are well-defined and our company's mission is solid, unlike most small startups who rely on personal connections and niche branding to generate sales. Finally, the profit from our sales contributes **directly to the customer's community**, instead of to the pocketbook of a wealthy designer or CEO, or to a company that generates its product in sweatshops overseas.

## Why Us?

Our company stands to succeed because its Members **a) were raised in the community we hope to serve** and **b) are a part of our target market**, and interact with it daily.

We see the trends in clothing changing around us at our universities - the staples which everyone owns, the seasonal color palettes, and the subtle style changes that work their way into and out of the college population. Combining this with our passion for this LLC's goals, we expect to speak directly to the target population, helping them to see how the simple, necessary expense of clothing can, easily and quickly, be combined with their desire to give back to Indianapolis.

**Our structure allows us to make the most of our individual talents.** With a Fashion Design major and an Accounting and Finance major on board, we're constantly learning the skills we need to maintain and grow our LLC. Additionally, we've each built networks of close friends studying web design, photography and videography, and video editing, enhancing our ability to successfully market these products.

## EXPECTATIONS

### Forecast

We've factored in modest sales projections, per-item expenses, and general equipment expenses, the details of which you can see below.

We'll overcome our initial costs after the sale of just 75 units, and begin donations immediately after that. According to initial sales of just 30 units in July, and a slightly increasing growth rate over the following four years, **we expect to donate over \$2,000 of profit in 2021, and over \$7,500 by January of 2025.**

## Projected Financials by Year, 2022-24



## Financing Needed

We'll raise **\$10,000** of funds through contributions from businesses with an interest in social progress in Indianapolis. So far, the four owners have invested over \$750, and are no longer able to fund the business personally (we are all college students).

This \$10,000 will contribute to the following: industry standard printing equipment, including printing press, embroidery machine, frames, and heat dryer; business liability insurance; first round of blanks for printing, consisting of t-shirts, hooded sweatshirts, and sweatpants; website development and digital marketing expenses; initial supplies, including ink, emulsion, and a shipping label printer; registered agent and virtual address fees, legal fees (including insurance), and an initial bank deposit and security for unexpected expenses. See Financing on page 19 for specific information.

# OPPORTUNITY

## PROBLEM AND SOLUTION

### What's the problem worth solving?

Over **1500 people spend every night sleeping outside in Indianapolis**. Every person who is a member of Indy's homeless population has their own story, and unique challenges stopping them from reaching the stability that leads to a home. Understanding and providing the simple needs, like razors or soap, is fairly straightforward, but we're out of our depth when it comes to helping each person overcome their individual complex barriers. So, we'll use our talent and time to generate donations to the nonprofits who know how to do just that.

Unfortunately, most donations feel like a one-time expense that we're obliged to engage in. It's a hit to the wallet, and though we might feel good about what we've done in the short term, few people get to see the immediate effects of their donation, and fewer still are inspired by those effects to donate consistently in the future. Some organizations incentivize donations by offering 'swag' like blankets, patches, or office supplies in return for donations - but these free gifts usually go unused, because a *donation isn't a transaction - it's a gift*. This method ignores the motivation of the donor, and snuffs out the desire to donate again in the future.

### What's our solution?

**We solve the donation problem with a different incentivizing factor: durable, valuable, and modern apparel.** Clothing is a personal statement, and in a college environment, "I care about the latest style AND my fellow man" is one of the best statements available.

We've replaced the 'free gift' often exchanged for a donation with clothing, a basic need for everyone, and instead of trying to save money and sending something cheap, we've spent almost all our time finding the best printing method, fabrics, and sourcing/shipping

process. In reality, we're a quality apparel company. Our *goals* align with those nonprofits we'll send our profit to, but our execution relies on the **appeal of high-caliber, durable, and attractive clothing** to a college population which loves to shop for their next hoodie.

Finally, nonprofits often send donation requests out to past donors. This strategy works sometimes, but it also involves guilt and obligation. We've solved this problem by offering new styles and new releases of apparel as our 'request for more donations,' and **allowing the customer's desire to look and feel good to incentivize further donation.** Every time our customer makes a purchase with us, they know they've put their money towards their own community.

## TARGET MARKET

### Market Size and Segments

**In 2020, our target population spent \$30 million** on back-to-college clothing and in donations to local social service organizations. We're confident that by combining these two incentives, we will appeal to this population and generate sales.

Two things are certain about today's college students: we donate to good causes, and we love to buy clothes.

Our target market consists of college students who graduated from a high school in Indianapolis, or who currently attend one of the four large colleges in the city (Butler, IUPUI, Marion, Ulndy). The following statistics describe this population.

**In 2018, people up to the age of 24 donated \$130 per year exclusively to local social service organizations.** The most popular channels for these donations were 1) through a website and 2) through social media. Accordingly, these are our primary marketing channels. We expect growth through these channels because 51% of these students enjoy promoting charitable organizations on social media, and 27% already follow these causes.

**In 2020, the average student in the US spent \$475 on back-to-college clothing alone.**

Since we're beginning business in the summer, we'll appeal to the market of students looking for new gear for the school year.

*Where do we get our data?*

The population we're targeting is composed of two primary groups, and totals 62,201 students.

- The first group, students who attend either Butler, IUPUI, Marion, or UIndy, totaled 44,601 students - this comes from 2020 [enrollment data](#) at the universities.
- The second group includes students who graduated high school in Marion County but don't attend college at the aforementioned schools (17,600 students). For this group, we used graduation data from the [Indiana Commission for Higher Education](#) to find the number of Marion county graduates who attend college, and subtracted those who chose school in Indianapolis.

The 2020 back-to-college clothing numbers come from the US National Retail Federation, via [Statista](#), and the number of college students in America, as reported by the [National Center for Education Statistics](#).

For donations, we looked at the Blackbaud Institute's 2017 Report "[The Next Generation of American Giving](#)." The Blackbaud Institute facilitates research on the social good community, with the goal of accelerating philanthropic impact.

# COMPETITION

## Current Alternatives

College students have many options when buying clothing - our competitors are those who produce apparel with a modern, casual look. We'll take a look at the appeal of those competitors here.

### **Designer Brands:** High-quality, Influential

One of the major factors everyone considers when buying clothing is what everyone else will think of their choice; in college, this effect is supercharged, as peer pressure, parties, and the dating scene splash together in a whirlwind of judgmental friends. College students like to wear designer because of the name - because peers know exactly where they bought that shirt (and how much it cost them). Additionally, designer brands have done their homework, and you're sure to receive a thought-out, long-lasting, and very comfortable garment for your money.

### **Fast Fashion:** Very cheap, Trendy

Many clothing manufacturers find success by mass-producing the latest style quickly and cheaply. Many times, the clothing a college student can buy from some of these companies looks exactly like what the designer brands release, but cost them a fraction of the ordinary rate. For fast fashion, the main incentive is certainly the price.

### **Smaller Startup Brands:** Personal touch

Starting an apparel isn't an uncommon project for college students; there are many small-scale brands based on the latest style. Most of the sales for these brands come from connections of the founder, as friends are happy to support the ambitions of their shirt-printing classmate. These brands also carry with them the peace of mind associated with knowing your money's gone to a friend.

## Our Advantages

Habitat Sartorial combines the best of the above options to create the ultimate piece of clothing for the socially-minded college student. We summarize where each option falls short, and our advantage below.

### **Designer Brands** - Very Expensive, Investing in a Wealthy Designer or Owner

It's no secret that the prices on designer clothing far exceed the respective production cost. Additionally, the profit from the transaction goes to an unknown source. With Habitat Sartorial, the price is far more reasonable, and the customer knows that any of their money that exceeds production cost goes **directly** to a nonprofit in their community.

### **Fast Fashion** - Flimsy, Irresponsible Production

Cheap production methods lead to cheap products, and the fast fashion industry is no different. Any customer would be bold to expect a purchase from one of these companies to last more than a year, let alone be a wise long-term investment. Additionally, there's recently been a call to boycott fast fashion over the sweatshops involved in production, especially within the college population. A Habitat Sartorial customer knows that his or her apparel is made in the US by a college kid who cares about his city just as much as they do, and can expect to wear it for years ahead.

### **Startup Brands** - Vague Goals

The plethora of small startup apparel companies certainly understand the importance of a brand name, but few surpass the surface-level, abstract modern trends described by "freedom in clothing" or "creativity of soul," and similar marketing phrases. Habitat Sartorial's goals are precise and clear, and customers can be confident explaining their purchase to any curious friends.

# EXECUTION

## MARKETING AND SALES

### Marketing Plan

Habitat Sartorial LLC will develop a **strong presence on social media**, one of the most frequently used shopping mediums for college students. Specifically, this plan involves:

- Facebook Ads, group memberships, and forum engagement
- Google AdWords/Ads and extensive use of Google Analytics
- Profiles and click-based advertising on Instagram, Twitter, Quora, and Pinterest

Additionally, we've developed an **advanced, modern website** at [habitatsartorial.org](http://habitatsartorial.org), which serves as an online store, informational blog, and viewing location for all our design, promotional, and philanthropic content.

For a more personal touch, we intend to offer **incentives for our own customers to aid in our advertising**. For example, upon opening their purchase, a customer will notice a small card offering them an incentive (the LLC matching their donation, or a discount on further purchases) if they post a picture of themselves wearing our product and linking our social media profiles. We believe people will engage in this activity because a) our products are both modern and fashionable and b) this portrays the customer as charitable to his/her network online. We intend to use this technique to grow our company through word of mouth.

Finally, we intend to **partner with prominent artists** from/in the Indianapolis area in order to cater to their networks. These individuals have intensely loyal groups (around 5,000) of followers, and a vested interest in the community they were raised in. By offering them a selection of free apparel, we hope to gain access to these followers by the willing endorsement of the artists. We believe this small advertising cost will result in large growth from those with a close connection to the city of Indianapolis.

## Sales Plan

Our method of sales is quite simple, and very familiar for our target market. **Our social media presence will lead prospective customers to our sleek, simple website.** Here, a the following actions are available for them:

- Most importantly: purchase apparel quickly and easily
- Read about the goals of the LLC and our selected nonprofits for donation
- Learn about the problem of homelessness in Indianapolis, and where their money goes
- View our lookbooks, product specifications, and suggested styles

Today, college students especially are used to discovering new brands through social media. We'll include direct links to our website, where they can efficiently select their product and place an order, using a variety of online payment options (credit, PayPal, etc.).

## OPERATIONS

### Location and Facilities

We'll operate the printing presses and store all equipment in one of our living spaces. Luckily, **this business doesn't require a shop/office space in our small-scale setup.** The printing press we've found anchors to any flat surface, and the rest of the supplies fit will fit in a small closet.

Because we're an e-commerce brand, for our principal place of business, **we've hired a 'virtual office' service.** This organization has an office location in Indianapolis, and is there during all business hours to receive mail and product returns. They can also forward anything to any of our private addresses, or we can travel to the office and pick up any necessary items.

In the event that sales begin to exceed about 50 units per week, we'll begin expansion by purchasing another printing press and spreading the production labor between multiple people. If we overachieve dramatically and generate a very high volume of sales, we'll make changes to the structure of the business, rent a shop space, and consider hiring an employee to fulfill orders.

## Technology

As an e-commerce business, technology is extremely important to everything we do. We've contracted a website builder to construct a professional website for Habitat Sartorial, and we've studied digital marketing to deploy a comprehensive strategy across all of the most relevant social media channels today.

Additionally, we'll use Adobe Photoshop to produce product designs, and Final Cut Pro to assemble content (like product photoshoots and videos) into professional demonstrations of our brand's image and goals.

## Equipment

- [Riley Hopkins 150 4-Color Screen Printing Press](#)
  - Industry Standard press which allows for printing anywhere, and in up to 4 colors.
- [Screen Printing Direct Aluminum Frames \(12\)](#)
  - Each color of each design needs a frame - these frames are made in the USA and come with a 4 year warranty. Screen Printing Direct guarantees four years of quality prints with these screens, and will replace them for free during this time.
- [VEVOR 16 x 16 inch Flash Dryer](#)
  - This device allows for flash drying the ink in multi-color designs, and comes with a 3 year warranty.
- [Brother SE625 Combination Computerized Sewing & Embroidery Machine](#)
- Miscellaneous Printing Supplies
  - This includes photo emulsion (and remover), ink, squeegees, transparencies, and other printing necessities.

# COMPANY

## OVERVIEW

### Ownership and Structure

Our Organizational Agreement requires the company to be managed by 3-5 individuals at all times, each sharing the responsibilities associated with running the business. Our four founding officer positions are shown below.

The **Head of Operations** prints apparel, maintains supplies, handles accounting, and administers donations to the nonprofits selected by the Company, among other responsibilities.

The **Head of Design** creates clothing designs, selects samples and fabrics, and manages content and marketing for each release, among other responsibilities.

The **Head of Ethics** conducts research on corporate partners and nonprofits, ensuring their consistency with our goals, and makes recommendations to the Company, among other responsibilities.

The **Head of Engineering** maintains and modernizes the Habitat Sartorial website, enhances technological innovations, and establishes social media presences, among other responsibilities.

### Advisors

We've worked extensively with the **Kelley Institute for Social Impact (KISI)** at Indiana University's Kelley School of Business, and with advisors at the **Indiana Small Business Development Center (ISBDC)**. In these sources, we have a great collection of mentors with experience both starting businesses themselves and helping others start businesses. We intend to work closely with them throughout the beginning of our operations, and discuss growth strategies with them as we proceed.

# TEAM

## Management Team

### **Tyler Benson** - Head of Engineering

Taking a gap year 2020-21 from Princeton University in an attempt to find what makes me tick, I spend my time using data science to reduce hospital mortality, volunteering at blood drives, and building web apps for nonprofits. I find that I yield fulfillment in committing myself towards helping others. I'll be using my knowledge of data science, experience in web development, studies of computer science, and especially my drive to help others to keep Habitat Sartorial growing.



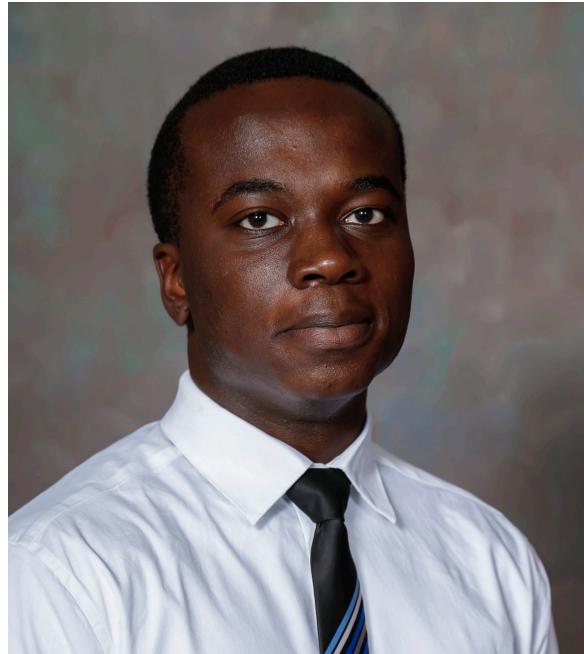
### **Jack Hidde** - Head of Design

I began my journey into the fashion industry thanks to our Head of Operations. I have fostered my love for fashion and design at Indiana University since then, and with Habitat Sartorial I hope to use my knowledge and skills to empower those less fortunate than myself. Using the techniques of design I have learned from Merchandising and Fashion Design courses at IU, I hope to create a meaningful product that connects those supporting and those benefitting from the charities who receive our donations.



**Edem Kabasa** - Head of Ethics

As a long time friend of the other three members, the opportunity to assist in a charitable business venture was a lucrative and exciting call. The combination of our strengths and skills, zeal for success, and unitive synergy have fostered an idea manifesting in excellence. I have always been concerned with the ethical side of business, especially in the fashion industry and my philosophical experience and human connection bring a fresh take to the pragmatic nonprofit and industrial world of fashion development and design.



**Payne Vogtman** - Head of Operations

I spent Monday nights over my senior year in downtown Indianapolis, sharing sandwiches with people and asking them about their stories, their families, and for advice. The time I spent in Indy created a desire to help these ordinary folks overcome the rough circumstances holding them back. This company is the result of that desire. I've studied digital marketing extensively, and I'll use the market analysis, accounting, and networking skills I've picked up at Indiana University to keep Habitat Sartorial strong and constantly expanding.



# FINANCIAL PLAN

## FORECAST

### Key Assumptions

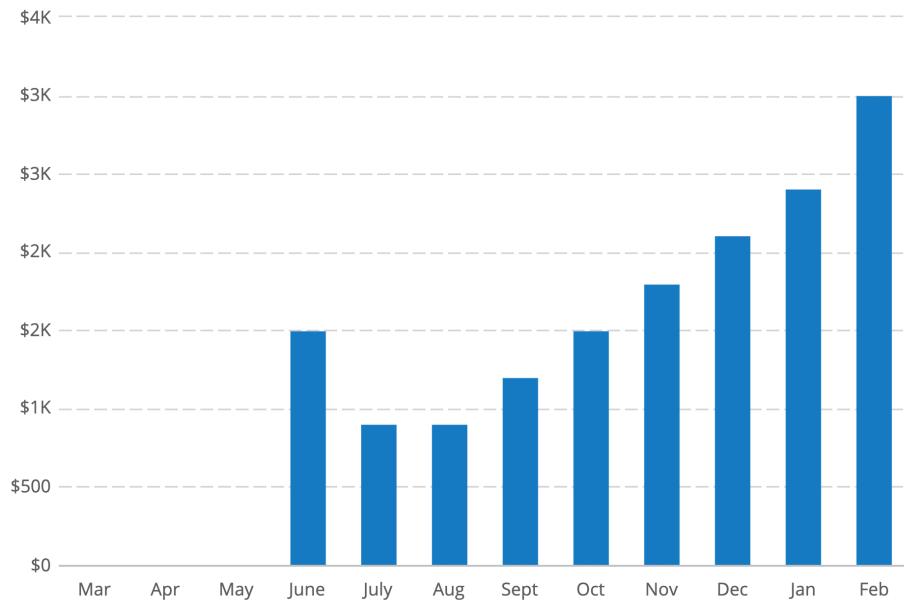
Our initial projections are based on the sales we expect to create within our personal networks. Each of us have social media followings around 1000, and much smaller groups of very loyal friends who've expressed interest in our apparel (and who also have social media followings around 1000). In 2021, we expect **sales in our first month not to exceed 50 units**, including a one-time increase in sales associated with the start of any business selling a product. Accordingly, we expect sales to drop to around 30 units in July, and then slowly **grow to 70 units in December** as a result of our presence on social media, and our more personal marketing efforts.

As word of mouth spreads, we've assumed a **growth rate of 30% for the following 3 years**. Even with these modest sales predictions and growth assumptions, by January 2025, **we'll have generated almost \$7,500 of donations** for local nonprofits in Indianapolis.

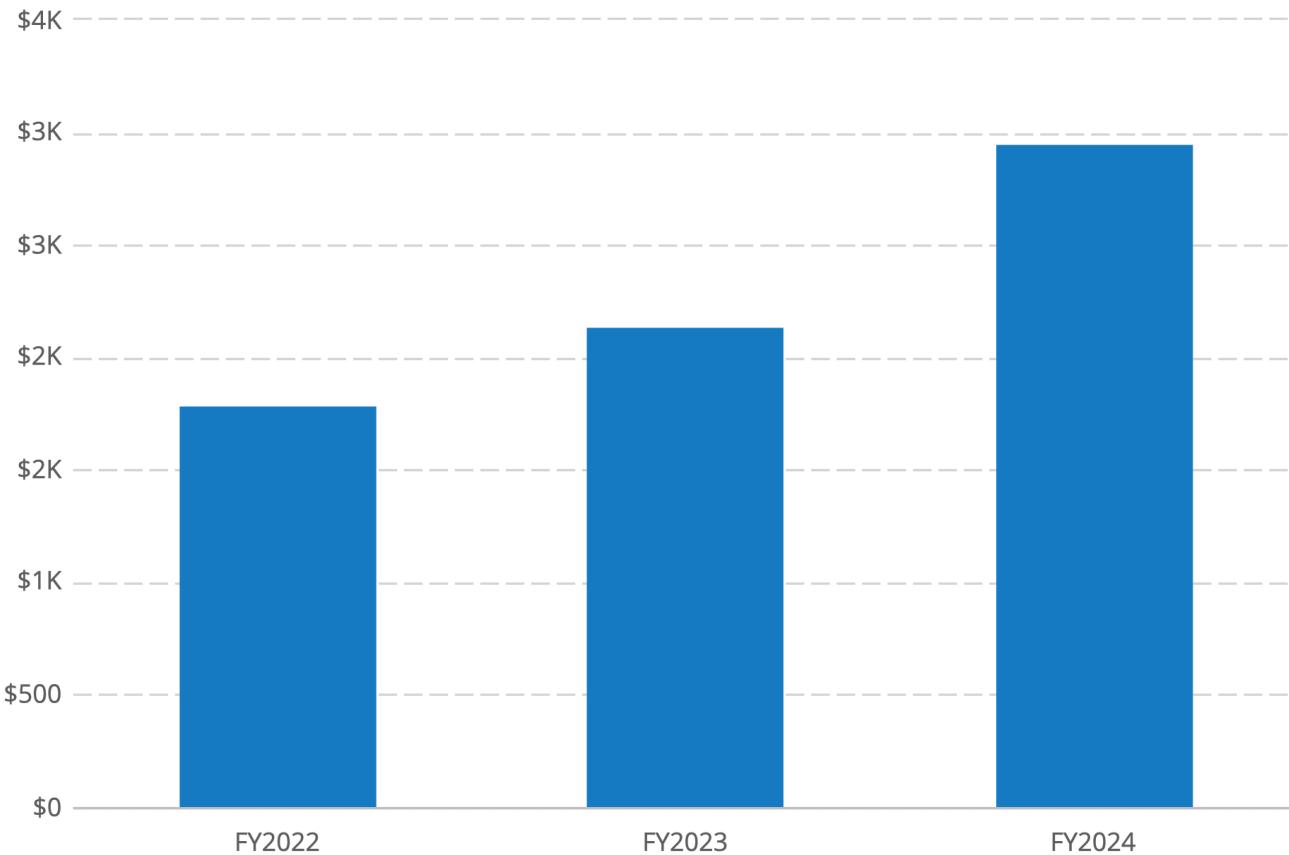
### Revenue by Month, 2021



## Expenses by Month, 2021



## Net Profit by Year, 2022-24



# FINANCING

## Use of Funds

\$2,500 Equipment	<ul style="list-style-type: none"> <li>Riley Hopkins 4-color Printing Press</li> <li>Brother Combination Sewing/Embroidery Machine</li> <li>Aluminum-mesh Printing Frames</li> <li>Vevor 16x16 Flash Dryer</li> <li>Shipping Label Printer</li> </ul>	This equipment enables HSLC to produce apparel at or above the level produced by the majority of apparel producers in the market today. We've carefully researched options for each piece, looking at reviews, features, and warranties to ensure the quality and longevity of these purchases.
\$1,500 Supplies	<ul style="list-style-type: none"> <li>First Set of Apparel Blanks (for samples and initial orders)</li> <li>Photo Emulsion &amp; Photo Emulsion Remover</li> <li>Water-based Screen Printing Ink</li> <li>Polyester Embroidery Thread</li> <li>Squeegees, Painter's Tape, other misc. supplies</li> <li>Packaging and Shipping Supplies</li> </ul>	The same rigorous research has gone into these supplies, finding the softest yet most durable blanks, the brightest inks, and the most sustainable, eco-friendly shipping processes.
\$1,000 Legal Costs	<ul style="list-style-type: none"> <li>Business Liability Insurance</li> <li>Filing Fees for: <ul style="list-style-type: none"> <li>Articles of Organization</li> <li>Department of Revenue</li> <li>Retail Licensing</li> </ul> </li> <li>Virtual Address Services</li> <li>Registered Agent Services</li> </ul>	All of our paperwork has been filed on credit already. Our next step, before we begin selling, is to purchase liability insurance.
\$5,000 Other Costs	<ul style="list-style-type: none"> <li>Unforeseen/Hidden Expenses</li> <li>Expansion/Repair Expenses <ul style="list-style-type: none"> <li>Additional/Larger Printing Presses</li> <li>Additional Printing Frames</li> <li>Rent for a shop space</li> </ul> </li> <li>Financial Security Deposit (Company Savings)</li> </ul>	<p>We'll use this money to cover the unplanned expenses that are sure to appear as we begin production, including those associated with equipment failure. Also, this portion of our fundraising will cover expansion costs; as order volume grows, more equipment may become necessary, possibly including a rented shop space and wages to employees.</p> <p>Finally, we'd like to keep a company savings in our bank account, in case of financial misfortune or sudden large order volume.</p>

**\*All of our Advisors recommended raising more funds than are immediately necessary.** These funds will secure our operations and reduce risk dramatically.

## Sources of Funds

We intend to partner with local businesses to raise \$10,000 before we begin operations on June 1.

Corporations in the city of Indianapolis have a vested interest in the community as the place its employees live and/or work. As individuals raised around Indianapolis, we share that interest, and we hope to work together to generate capital for the nonprofits who work daily to enrich it. We'll use investments from for-profit businesses in Indianapolis as flow-through capital: using them to get our operations up-and-running, and then donating the profits from our operations to the nonprofit of the corporation's choice, up to and exceeding the amount of the investment. So, **money invested in our LLC simply makes a pit-stop within Habitat Sartorial LLC, and continues on its way to the community of Indianapolis as the profits from our sales.** Once we begin sales, and our growth steadies, we'll require no further invested capital.

In return for these investments, we will include a dedicated section of our website to our donors, including any statements the corporation would like to make on their goals within Indianapolis, and why our LLC aligns with them. Additionally, we'd love to interview any investor personally, to show both our dedication to all the people of Indianapolis, and our investors' generosity. Finally, **we include a guarantee that 100% of any donations to Habitat Sartorial LLC will be donated according to our mission** eventually. Hopefully, we'll donate them as profit from sales, but if we don't achieve our goals, our *Organizational Agreement requires the sale of any on-hand equipment and supplies and the donation of the proceeds, and the donation of all our apparel to the members of Indianapolis' homeless population through Goodwill, or by hand in the city.* **So, should you choose to donate, you can be confident that, regardless of our success or failure, your money will be put towards clothing and housing homeless and low-income folks in Indianapolis.**

Worst Case Scenario	Best Case Scenario
<b>100% of your donation</b> to Habitat Sartorial LLC is donated to charities in Indianapolis who provide services to the homeless and low-income population.	<b>Your donation to Habitat Sartorial LLC is multiplied many times over</b> as our sales grow, and relationships are built in Indy and real change takes shape.

# STATEMENTS

## Projected Profit, 2022-24

	FY2022	FY2023	FY2024
<b>Revenue</b>	<b>\$15,351</b>	<b>\$16,856</b>	<b>\$21,916</b>
<b>Direct Costs</b>	<b>\$12,420</b>	<b>\$13,638</b>	<b>\$17,732</b>
Gross Margin	\$2,931	\$3,218	\$4,184
<b>Gross Margin %</b>	<b>19%</b>	<b>19%</b>	<b>19%</b>
<b>Operating Expenses</b>			
Supplies	\$461	\$505	\$658
Liability Insurance	\$374	\$500	\$500
Website Development	\$250		
Digital Marketing/Website Mai...	\$54	\$75	\$75
<b>Total Operating Expenses</b>	<b>\$1,139</b>	<b>\$1,080</b>	<b>\$1,233</b>
<b>Operating Income</b>	<b>\$1,792</b>	<b>\$2,138</b>	<b>\$2,951</b>
Interest Incurred			
Depreciation and Amortization			
Gain or Loss from Sale of Assets			
Income Taxes	\$0	\$0	\$0
<b>Total Expenses</b>	<b>\$13,559</b>	<b>\$14,718</b>	<b>\$18,965</b>
<b>Net Profit</b>	<b>\$1,792</b>	<b>\$2,138</b>	<b>\$2,951</b>
<b>Net Profit/Sales</b>	<b>12%</b>	<b>13%</b>	<b>13%</b>

# Projected Balance Sheet

	FY2022	FY2023	FY2024
Cash	\$2,867	\$5,109	\$8,416
Accounts Receivable	\$0	\$0	\$0
Inventory			
Other Current Assets			
<b>Total Current Assets</b>	<b>\$2,867</b>	<b>\$5,109</b>	<b>\$8,416</b>
Long-Term Assets			
Accumulated Depreciation			
<b>Total Long-Term Assets</b>			
<b>Total Assets</b>	<b>\$2,867</b>	<b>\$5,109</b>	<b>\$8,416</b>
Accounts Payable	\$0	\$0	\$0
Income Taxes Payable	\$0	\$0	\$0
Sales Taxes Payable	\$1,075	\$1,179	\$1,535
Short-Term Debt			
Prepaid Revenue			
<b>Total Current Liabilities</b>	<b>\$1,075</b>	<b>\$1,179</b>	<b>\$1,535</b>
Long-Term Debt			
<b>Long-Term Liabilities</b>			
<b>Total Liabilities</b>	<b>\$1,075</b>	<b>\$1,179</b>	<b>\$1,535</b>
Paid-In Capital			
Retained Earnings		\$1,792	\$3,930
Earnings	\$1,792	\$2,138	\$2,951
<b>Total Owner's Equity</b>	<b>\$1,792</b>	<b>\$3,930</b>	<b>\$6,881</b>
<b>Total Liabilities &amp; Equity</b>	<b>\$2,867</b>	<b>\$5,109</b>	<b>\$8,416</b>

# Projected Cash Flow Statement

	FY2022	FY2023	FY2024
<b>Net Cash Flow from Operations</b>			
Net Profit	\$1,792	\$2,138	\$2,951
Depreciation & Amortization			
Change in Accounts Receivable	\$0	\$0	\$0
Change in Inventory			
Change in Accounts Payable	\$0	\$0	\$0
Change in Income Tax Payable	\$0	\$0	\$0
Change in Sales Tax Payable	\$1,075	\$104	\$356
Change in Prepaid Revenue			
<b>Net Cash Flow from Operations</b>	<b>\$2,867</b>	<b>\$2,242</b>	<b>\$3,307</b>
<b>Investing &amp; Financing</b>			
Assets Purchased or Sold			
<b>Net Cash from Investing</b>			
Investments Received			
Dividends & Distributions			
Change in Short-Term Debt			
Change in Long-Term Debt			
<b>Net Cash from Financing</b>			
Cash at Beginning of Period	\$0	\$2,867	\$5,109
Net Change in Cash	\$2,867	\$2,242	\$3,307
<b>Cash at End of Period</b>	<b>\$2,867</b>	<b>\$5,109</b>	<b>\$8,416</b>

**\*Note:** In practice, our financial statements will look different, because all of Cash at End of Period will be donated. We've left those numbers in for ease of understanding the profit we'll generate and then donate; based on these projections, our end of year donations will be \$2,867, \$2,242, and \$3,307 for 2022, 2023, and 2024 respectively.

## APPENDICES

### APPENDIX A - CURRENT NONPROFIT PARTNER



#### Indianapolis Horizon House

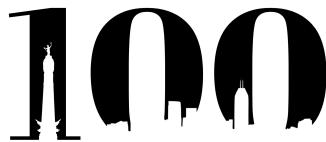
Our current partner is the Indianapolis Horizon House. Horizon House is a “full-service agency that connects individuals experiencing homelessness with integrated, comprehensive services. We provide a safe place and basic services as they take steps towards a more stable life.” We have chosen this organization as our primary beneficiary because their mission aligns well with Habitat Sartorial’s. We trust that any donation to Horizon House will be utilized in the most effective and trustworthy manner.

According to Horizon House’s 2020 annual report, over five-thousand individuals have received aid from the charity. Aid from the organization is given in the form of hot showers, medical examinations, access to mail services, laundry services, nutritious meals, street outreach, case management, job security, and permanent housing. All of these services given freely to the homeless community of greater Indianapolis combined with the experienced leadership of the Horizon House make an organization that Habitat Sartorial is comfortable and excited to work with.

Our head of ethics is working on forming a relationship with the Horizon House now, and we will all participate in volunteer work before we begin operations this summer. Should any investors have a specific nonprofit they wish their investment to be put towards, we look forward to working with them to ensure their money is handled responsibly.

## APPENDIX B - PRODUCTS & DESIGN

Our three core logos have been developed by the team in the past half year, and each reflects our mission statement, while looking contemporary and fashionable at the same time. Apparel bearing these three logos will be included in our first Summer 2021 release.

<b>HABITAT</b>		
<b>"HA317AT" logo</b>	<b>"Rotary" Logo</b>	<b>"100" Logo</b>
The Ha317at logo combines our primary mission with our primary location, blending our desire to provide homes for the homeless with the area code of the city that inspired that goal.	The Rotary logo displays the skyline of Indianapolis, with stars above the third, first, and seventh buildings (317) in the given perspective. These stars form a roof over the city.	The 100 logo also includes Indianapolis' skyline, with the Soldiers' and Sailors' Monument, one of Indy's identifying symbols. It represents the 100% of our profit we've promised to donate.

Our Head of Design is in the process of developing five to ten new designs for placement on the front, rear, and sleeves of our shirting apparel, and the front-left area of our sweatpants, just above the knee. Some of these designs will be printed, some embroidered, and some will offer options for both.

Our Summer 2021 collection will include short and long sleeve t-shirts, a hooded sweatshirt, a cropped hooded sweatshirt, and sweatpants. The initial colors are shown in the table below; we'll offer different color options (of both fabric and of printing/embroidery) in periods of roughly two weeks over the summer, to refresh the styles.

<b>Model and Color</b>	<b>Image</b>	<b>Maximum Cost</b>	<b>Sales Price</b>	<b>Donation Margin*</b>	<b>Estimated % of Demand</b>
<i>Comfort Colors C1717 Adult Heavyweight RS T-shirt Ivory</i>		\$8	\$22	\$6.59	30%
<i>Comfort Colors C6014 Adult Heavyweight RS Longsleeve T-shirt Ivory</i>		\$14	\$28	\$6.41	20%
<i>American Apparel 5495W Unisex California Fleece Pullover Hoodie White</i>		\$22	\$36	\$6.17	30%
<i>Bella+Canvas B7502 Ladies' Cropped Fleece Hoodie White</i>		\$24	\$38	\$6.11	10%
<i>Independent Trading IND20PANT Unisex Midweight Fleece Pants White</i>		\$25	\$40	\$7.05	10%

\*The donation margin is calculated by subtracting a) a 3% supplies cost, b) the maximum blank cost and c) the maximum shipping cost from the sales price. The cost of blanks decreases as order volume increases, and the maximum shipping cost of \$6.75 decreases if shipments are sent over shorter distances. So, this margin indicates the *absolute minimum* donation generated from the sale.

## APPENDIX C - CURRENT EXPANSION PLANS

Our business model is **excellent** for expansion. We are starting out here in Indianapolis, in the city we were raised in and know best. But the homeless problem in the United States goes far beyond the "317." So, after establishing a firm foundation in our city, we plan to take our business plan to other cities across the US. This won't be too difficult due to the e-commerce and digital nature of our marketing and sales processes, and cultivating relationships with local nonprofits can be done via web-conferencing or short, inexpensive trips to volunteer.

Currently, **we plan to bring this business to Bloomington, IN in the fall of 2021.**

Indiana University's campus sits directly adjacent to a population of hundreds of homeless people in downtown Bloomington. The COVID-19 pandemic has resulted in the eviction of many more low-income families from tightly-packed housing in units designed for one or two. We'll develop a new collection of designs and apparel for release in the fall, catering to IU's student population. Additionally, we'll harness an existing, consistent, and widespread apparel market in Bloomington: fraternities and sororities. Each of these organizations designs new apparel every year for their pledge classes, and they are extremely popular, as symbols of brother/sisterhood. Most of these organizations use online print shops, where they have to pay for lower quantity orders, and upkeep of those large organizations. Habitat Sartorial LLC can offer higher quality apparel at a lower price, since we print in house and will not have to pay to ship the apparel to their locations, as well as the incentive of helping the homeless in their very city. With so many frats and sororities on campus, we're guaranteed to reach agreements with, at minimum, a few organizations with dozens of loyal customers. By offering discounts for social media engagement, we'll grow our digital marketing channels, and grow our network on campus, all while generating donations for the charities the frats and sororities support AND for our chosen partners in Bloomington.

In the long term, we hope to apply for and be certified as a 501(c)(3) organization in the state of Indiana, and have collections for major cities like Chicago, New York, and Los Angeles. We believe we're not the only ones with a desire to help the population of our city, and **we plan to find those individuals who share our passion for apparel to create a nationwide network of college students and entrepreneurs who consistently and enthusiastically interact with nonprofits focused on homelessness** - not because they feel *obligated* to, but because it's *simple* and *seamless*, unlike it's ever been before.