

Cover Page

BUSINESS PLAN FOR AFFORDABLE GREEN HOUSING

Confidentiality Agreement

The undersigned reader acknowledges that the information provided by _____ in this business plan is confidential; therefore, reader agrees not to disclose it without the express written permission of _____.

It is acknowledged by reader that information to be furnished in this business plan is in all respects confidential in nature, other than information which is in the public domain through other means and that any disclosure or use of same by reader, may cause serious harm or damage to _____.

Upon request, this document is to be immediately returned to _____.

Signature

Name (typed or printed)

Date

This is a business plan. It does not imply an offering of securities.

1.0 Executive Summary

_____, Incorporated is a startup company providing environmentally friendly and energy efficient building components at a price the average first time home buyer can afford to purchase. Components are manufactured in a closed, controlled environment out of as far as possible recycled or natural renewable materials. Corporate headquarters is in Mesquite, Nevada with a branch office in Sandy, Utah. Manufacturing facilities are planned in the Florida and Western United States areas. We will be manufacturing exterior wall and roof components from which to erect affordable environmentally friendly energy efficient residential and commercial buildings. The purpose of this plan is to provide prospective investors with the details necessary to make a sound business decision based on the projected profitability of the company.

Chart: Highlights

1.1 Objectives

Affordable Green Building Systems International Inc.

EXECUTIVE SUMMARY

The Building industry in the United States has relied on forest based materials in the construction of residential buildings since the founding of this nation. Our company has developed a product which will free the industry from that dependence while at the same time providing highly energy efficient, environmentally friendly construction components.

THE EXISTING PROBLEM

The building of single family residential housing relies heavily on the use of hard to replace forest products. The average length of time required to grow a tree to produce one 2x4 is in excess of 30 years.

The present use of recycled material in residential and commercial construction is almost nonexistent.

The cost of labor and materials to build a traditional stick built home on site have steadily increased over the last 50 years, and show no signs of declining, thus making homes less and less affordable to the average home buyer.

THE SOLUTION

_____ building components are made from recycled or environmentally sustainable materials, steel, polyurethane and polystyrene.

_____ components are mass produced on an assembly line and delivered to the site ready to assemble.

_____ components are termite and mildew resistant.

_____ components when assembled are designed to withstand winds of up to 325 miles per hour.

_____ components are pre finished at the factory increasing speed of construction on site.

_____ cost of construction per square foot of building space is less than or comparable to conventional construction.

TECHNOLOGY AND PROCESS

The technology and process involved in the _____ component building system were developed and successfully used in the construction of single family homes and duplexes in the Southern Nevada market area. Patents on the system have been applied for. International patent protection is also being filed.

Production facilities in Florida and Idaho have been located.

Production line equipment is available and has been sourced.

Raw materials made from recycled materials are readily available and have been sourced.

Flexible production line allows for manufacture of wall and roof panels of various dimensions to meet the builders needs.

The factory is designed to be environmentally clean.

Prototypes of both wall and roof panels have been built, tested and qualified.

THE MARKET

Affordable Green Building Systems International Inc.

Home buyers
National and regional residential building contractors
National and regional commercial building contractors
Architects and developers
Smaller home and commercial builders
Custom home builders
Hotel/motel industry developers

1.1 Objectives:

Build 2 model homes using our system on lots in Avalon Beach Florida, in order to create a working model for builder/customers to see and increase our market presence.

Open a manufacturing facility in Northwestern Florida initially in a leased facility in order to manufacture our products for sale to customers in South and Eastern United States, and for use by our subsidiary in a joint venture operation in the development of the Avalon Beach area of Florida.

Open a manufacturing facility in Southeastern Idaho, or Northern Utah to provide our products to the Western and Central United States.

Build a permanent manufacturing facility in both locations to eliminate lease costs and increase profitability of the company over the long term as soon as possible within the first three years of operation.

Build/open additional manufacturing facilities in locations based upon needs analysis and demand for the products throughout the United States, Canada and Mexico.

License our patented product system to facilities in other countries to increase our market share worldwide while minimizing the hard start-up costs to us in opening these plants.

1.2 Mission

To provide cost effective environmentally friendly building components to residential and commercial building contractors throughout the United States and as soon as possible the remainder of the world.

We aim to product the greenest building components on the market at a price which will allow all home buyers the opportunity to purchase an environmentally friendly, energy efficient home at a price competitive with traditionally built homes.

1.3 Keys to Success

1. Location of plants central to major transportation hubs such as rail lines and freeways.
2. Plants located in areas where high demand for single or multi-family dwellings exist.
3. Products made to the maximum extent possible with recycled materials or sustainable green materials which provide a high degree of energy efficiency and overall money savings to the end consumer.
4. Improvement and development of new products which will continually increase our

market to builders and contractors looking to use green building products in the construction of their buildings.

5. Creating and increasing the market for green built homes through advertising and marketing strategies aimed at both builders and home buyers regarding the benefits of our products, including the health and safety benefits as well as energy savings.

6. Creation of strategic partnerships in both the land development and home and commercial building markets to maximize our strengths with the strengths of our partners and create greater returns for all partners.

7. Maximization of our connection with or application to current or future government incentive programs designed to increase green building products and method in the United States and other countries. Currently we would meet or exceed the requirements needed for builders to participate in the Department of Energy Builders Challenge program.

2.0 Company Summary

We are a start-up "green" building company. Our goal is to provide environmentally friendly building components, i.e. wall and roof panels, to residential and commercial builders for the construction of green buildings. Components similar to the ones we will manufacture have already been successfully used by the designer of our system in several construction projects in southern Nevada over the last five years. These homes have produced energy savings of fifty percent over traditionally constructed homes as reported by the owners of these properties.

To accomplish this goal our company proposes a twofold process. First the company will manufacture exterior wall panel and roofing panels which will be used in the construction of residential and commercial building. Each panel unit will have the external finish applied at the factory. This application process greatly reduces the overall construction process required on-site and allows us to compete with traditional wood construction as far as costs are concerned. The only thing remaining to finish the exterior walls is assembly of the panels on site and installation of interior plumbing, HVAC, electrical, drywall and interior finish work. Roof panels will be covered with standing seam steel roofing material and will be permanently attached to the exterior wall panels on-site through a to patent applied for process developed by our designer. Alternative roofing materials may be used at the customers discretion but our recommendations will be the superior steel roofing product which has greater durability and supports the whole house system. This process will make our homes or commercial buildings resistant to any type of weather or natural event including tornado and hurricane force winds.

In order to complete the manufacture of the roof and wall panel systems we will initially be leasing manufacturing facilities in the Pensacola, Florida, and Southern Idaho or Northern Utah. Factory sites have already been identified in these two locations which will provide start-up abilities for our initial operations. Long term plans will include building between 4 and 10 plants regionally based on demand for our products to make them most accessible to the markets in which they are in demand. In addition, we anticipate

international demand requiring either building facilities, or licensing our product to manufacturers in those countries where demand is highest. Initial production will provide the necessary wall and roof components to construct a 1200 to 1500 square foot home with attached two car garage. Each manufacturing facility will have the capability to expand production to up to nine homes or 3 commercial buildings per day.

The second component of our company development plan anticipates a joint venture development of 160 residential building lots in Florida, 158 in Avalon Beach, a suburban area approximately 15 miles northeast of Pensacola, the other 2 lots in Lehigh Acres, a suburban area outside of Fort Meyers, Florida. These lots are owned by partners with us and dedicated for building exclusively _____. This venture will be conducted by a wholly owned subsidiary of _____, under the name of _____. Our company has been approached by other land owners in Avalon Beach and we will seek partnerships with these land owners similar to the partnership currently in place on the initial 160 lots.

Initially 2 model homes will be built to be used for marketing our products to both home buying consumers, and residential and commercial builders. Additional homes will be built as pre-sold units with a down payment required and the construction loan provided by the company to be paid off on the back end after construction is complete thus allowing the company to profit from both the sale of the home and interest on the construction loan. One of the barriers we have faced thus far in the initial marketing of our product has been the desire of builders to see the actual end product in use. Through the second phase of our strategic plan we will both create a marketing tool, and an additional cash flow source until sales to other builders have reached a sustainable level to create stronger profitability for the company as a whole.

2.1 Company Ownership

The Company, _____, is a privately held corporation. It is incorporated under the laws of the state of Nevada. _____ is company President and Chairman of the board and CEO; _____, Esq., is Vice President/Secretary and COO; _____, MBA is Chief Financial Officer and Treasurer. Additional share holders will be among the initial officers of the company as stocks will be part of initial compensation plans to offset some of the initial cash demand.

2.2 Start-up Summary

The Start up expenses include the legal fees required for incorporation of the business and patent filing, rent on an office from which to initially operate, including telephone and internet service. Other expenses include development of company logo, advertising and marketing of the product, travel in conjunction with land acquisition and plant construction and one year salaries for company founders/management team, sales and marketing team and factory personnel.

A 70 thousand square foot manufacturing facility is available in Pace Florida which will serve as the initial Southeastern operations facility. Lease costs for this facility are \$2.00 accessible to the markets in which they are in demand. In addition, we anticipate

per square foot per year. This will be most convenient to the Avalon Beach development for the initial production of our products and will allow customers coming to the area to look at the homes built with the product to also tour the manufacturing facility as well. Start up costs for this facility are estimated at \$4,000,000.00.

Proposed long term assets include the eventual purchase of ten acres in the industrial park in Altmore, Alabama or other alternative site in the Southeastern U.S. which will meet the logistical needs of the company and provide government and other local incentives for location of a one hundred thousand square foot fabricating plant, including fabricating equipment for the manufacture and delivery of environmentally friendly wall and roof panels to contractors.

At all plant locations we will be seeking eventual purchase of property in order to reduce the overall long-term overhead costs, and increased profitability of these plants. This will be done only after initial sustainability of that location is shown through sales.

Table: Start-up

Start-up	
Requirements	
Start-up Expenses	
Stationery etc.	\$20,000
Insurance and benefits	\$100,000
Rent--office space	\$10,000
Rent--Manufacturing facility	\$350,000
computers and communications equip	\$25,000
Legal	\$40,000
Advertising and Marketing	\$150,000
Start-Up Inventory	\$400,000
Salaries--Management, sales and office staff	\$400,000
Travel and Perdiem	\$100,000
Joint Venture Construction cost --5 model homes	\$1,500,000
Manufacturing equipmwnt	\$6,000,000
Misc unprojected expenses	\$500,000
Salaries and Benefits at production Facilities	\$1,000,000
Total Start-up Expenses	\$10,595,000
Start-up Assets	
Cash Required	
Other Current Assets	\$1,553,500
Long-term Assets	\$30,000
Total Assets	\$1,583,500
Total Requirements	\$12,178,500

Chart: Start-up

2.3 Company Locations and Facilities

The company main office is located in Mesquite, Nevada. This location provides the greatest tax benefits to the company. The company President and Chief Executive officer, is located in this office and this office serves as the central point of contact for the company. Offices are, or will be located in Pensacola/Pace, Florida and Sandy, Utah. These offices will be the regional contact points and management offices for operations in these two areas.

The initial manufacturing facility will be located in Pace, Florida. This location is adjacent to the Avalon Beach properties we will be developing in that area using our product. The final location of the manufacturing facilities there will be based on the location with the greatest financial and tax incentives available from State and local government entities, and access to transportation hubs.

The Sandy, Utah office will be managed by Holly Mahoney, Vice President and Chief Operations Officer. She will act as manager of the Western region and will explore the financial and tax incentive available at various locations identified within Southeastern Idaho and Northern Utah as potential sites for the second manufacturing facility as well as other facilities within the United States based on demand. The Idaho/Utah facility will be located in the most financially advantageous location available. All of the proposed sites are centrally located on both major interstate hubs and rail lines.

Marketing and sales operations will also be managed from the Sandy office in coordination with the main office in Mesquite. Marketing and sales of the homes in the Avalon Beach project have been contracted out to Integrity Real Estate Services, located in Pensacola, Florida. This operation will be overseen by President and CEO William R. Foster.

Future development property has been identified in the Heber Valley in Utah. A tentative agreement has been made with the Trustee of 13 acres held in a family trust located in an undeveloped area of Heber, Utah. This 13 acres would be developed as a joint venture with the family trust and the property would be mixed use having moderate to low income rental property with affordable townhomes as well. These would be marketed to the employees of businesses in Park City who are unable to afford to live in that area. There are currently many economic incentives available to build this type of development in that area and these will be maximized. This project is anticipated to begin within the next two to three years based on the availability of paved roads into the property as is already in the city master plan.

3.0 Products

We will be manufacturing environmentally friendly wall and roof panels. The panels are made of recycled steel combined with polyurethane and polystyrene. Wall panels will leave the factory pre-finished in the customer's choice of finished surfaces; synthetic stucco, lap board, brick veneer or stone veneer. Windows will also be installed. Wall panels can be constructed in lengths up to fifty feet with heights from eight to twelve feet. Roof panels will be similarly constructed and covered with 28 gauge steel standing seam roofing in colors of the customer's choice. Additional roofing options will be offered,

but steel roofing is recommended. All panels offer the advantage of being termite, mildew and fire resistant with the ability to withstand hurricane force winds. Homes assembled using the panel system can usually be completely framed and ready for drywall in less than three days. The homes constructed using our panel system offer energy savings of fifty percent over homes built with lumber and in the conventional manner.

Beginning in November 2010, we are forecasting the sale of two model homes and the pre-sale of at least 5 homes in the Avalon Beach properties in Florida. These model homes we anticipate beginning construction by June 1, 2010. Completion of the homes will be in 60 days and we believe the homes will be sold prior to completion. These homes will be used to pre-sell additional homes. We will continue to build model homes after the sale of the initial 2 models so as to always have at least two model homes available to show at a time on the lots we have available.

Upon completion of the manufacturing facility, we will be able to produce the framework for one home per day running a single shift. If demand requires we can add two additional shifts to produce two additional homes per day. The manufacturing facility is large enough to add up to 3 additional assembly lines for a total of nine homes per day with three shifts per day running. Based on anticipated demand from interest shown at the West Coast Green convention we believe that both factories will need to be running at full capacity by the first of January 2011.

We also anticipate working with the Department of Defense Contractor for the Eglin Air Force Base housing contract. We will seek to sub-contract with the builder of those housing units, which would require our Pace plant to be running at full production by the end of the first quarter of 2011 with sale of 9 units per day beginning April 2011, through the end of that year or possibly further into 2012.

We attended as an exhibitor the West Coast Green conference held in San Jose, California September 25-27, 2008. This conference drew 14,000 industry professionals including builders, architects, developers, real estate professionals and other green industry leaders and professionals. This initial conference allowed us to get exposure, and get a feel for the demand for our product in the Western regions. We were extremely well received especially by developers, architects and builders.

We also anticipate participation at the Green Building Expo International at Boston in November 2010. We anticipate similar sales growth coming out of exposure at this event as has come from our participation at West Coast Green. This event is a National convention and the exposure at this event will be greater as it will include not just the northeast region, but builders, developers, architects, and green building professional from all over the country.

DR Horton Company, one of the nation's largest homebuilders, has already expressed interest in this product and indicated that he would use it upon seeing it in actual use in a home. Orders would be anticipated from that organization also beginning in January or February of 2011. The Day's Inn Company has also expressed interest in seam roofing in colors of the customer's choice. Additional roofing options will be offered,

our product for motel and other development.

The second facility in Utah/Idaho, we would anticipate opening on or before April 15, 2011 upon recruitment and training of production team and equipment and inventory set-up. A plant manager for this facility has been identified. This operation will supply building components to the intermountain and western states markets. Currently we have interest from builders in Utah and Nevada who we anticipate orders from them once operations are up and running. We have previously constructed buildings made from this product in Pahrump, Nevada which these builders have seen or can see.

3.1 Product Description

We will be manufacturing environmentally friendly wall and roof panels. The panels are made of recycled steel combined with polyurethane and polystyrene. Wall panels will leave the factory pre-finished in the customer's choice of finished surfaces; synthetic stucco, lap board, brick veneer or stone veneer. Windows will also be installed. Wall panels can be constructed in lengths up to fifty feet with heights from eight to twelve feet. Roof panels will be similarly constructed and covered with 28 gauge steel roofing in colors of the customer's choice. All panels offer the advantage of being termite, fire and mildew resistant and the ability to withstand hurricane force winds. Homes assembled using the panel system can usually be completely framed and ready for drywall in less than three days. The homes constructed using our panel system offer energy savings of fifty percent over homes built with lumber and in the conventional manner.

We will market the system as a whole house or whole building system, but could make wall panels, or roof panel separately priced to meet specific needs of consumers. Wall panels are priced per running foot finished without doors or window prices included. The window and door prices are added based on the number and quality of each as determined by the customer and then the total price is given to the customer. The roof panel price is based on running foot also and is slightly more than the wall panel based on the cost of the roofing.

3.2 Competitive Comparison

Through extensive search of internet green building sites and feedback received at the West Coast Green Building Expo, we have not found a product which is comparable to our product on the market today. All comparable green building systems are much more costly than our product, and all still require the exterior finish be applied on site after installation of the system. Making our product the most cost effective of all the "green" building systems on the market today. Brochures from some of these products are provided for comparison in the appendix.

Our comparisons to the building industry thus are to traditionally built homes and commercial structures. These structures are primarily made from non-renewable forest products, or environmentally unfriendly materials. The savings in energy efficiency, time,

and decrease in the overall environmental impact of our product make it particularly competitive in today's market. Our pricing is at or currently slightly below the cost of wood built structures. This makes us very competitive in the overall building market particularly as the speed of construction and the energy efficiency of our products make them better to use in an ever increasing "green" conscious market.

3.3 Sales Literature

See attached brochure and flyer.

3.4 Sourcing

We have identified sources for recycled rolled steel sheeting which will be used to make the steel wall studs used in our wall and roof panels. Steel roofing sources have also been identified and these sources will provide sufficient products for our needs all using recycled products. We have also identified sources for recycled polyurethane foam insulation and polystyrene sheeting which will be used in the manufacture of our wall panels.

All equipment sourcing needs have been identified for both plant locations, and the equipment will be ready to ship upon the availability of funding.

These sources have been provided in the appendix for review, they include:

1. Triad Versa Steel vertical sub-components assembly and framing tables
2. Knudson panel machine, frame maker
3. Karr's building supply and service

3.5 Technology

Our plants will utilize the latest technology available in the construction of the wall and roof panels. We will be using a steel pre-form technology which allows us to pre-form the studs and connect them in one smooth process by the machine without extensive human effort. This technology speeds up the process and increases the productivity of the manufacturing facility, thus allowing us to be competitive with traditionally built structures.

Our development director is well versed in the current technologies available and is constantly developing newer, faster and more efficient processes of manufacturing the wall and roof panels. He has developed our patent applied for technology for connecting the roof and wall panels together which allows the structures built with our system to withstand hurricane force winds.

3.6 Future Products

We are currently in the process of developing a shutter system which could be used in homes in hurricane and tornado regions as an easier way to protect windows from strong

winds and flying debris.

With regard to Avalon Green Builders, following development of properties in Avalon Beach, Florida, we are looking to develop land in Heber City, Utah in partnership with a land trust. This development would be mixed multifamily residential both rental and for sale. Providing necessary affordable housing to workers in the Park City, Utah resort area. Current rental and purchase prices of housing in Park City are prohibitive to workers in that area. Heber City is conveniently located within 20 miles of the resorts and the city center of Park City.

4.0 Market Analysis Summary

The Prospective Housing Market in Northern Florida-Pensacola/Pace area.

There are both builders and home buyers in this rapidly growing area of northern Florida. This region of Florida will see an influx of over 14,000 families over the next 5 to 10 years with the federal base realignment to the Eglin Air Force Base area. Eglin is 30 miles from the Pensacola/Pace Florida area, where our current Avalon Beach development property is located. We are in the process of developing model homes using our Green Building System.

We plan to build and market homes on the 158 building lots we have contracted with as a joint venture with the owners of the lots using the Green Building System. We will use these homes as a marketing tool for showing this system to other builders and developers. We will use these homes to market to both residential and commercial developers. In addition, we will contact other lot owners in Avalon Beach to propose the same type of joint venture operation with them. Our goal will be to create a total green community and use this as a model for marketing to developers and land owners in other parts of the country.

While these homes are being built and the product is produced on-site, we will be formalizing plans for the factory in Northwest Florida or Alabama. Locations for this plant have been identified however all financial incentives from local and State governments have not been finalized which would determine which location would be best for a permanent factory location. We can then use this facility as a tour site to show our process to prospective builders such as DR Horton, Pulte Homes, Days Inns, IHG, Marriott, Layton, and smaller builders in the southeast. In addition we will be looking for a partner builder who could act as a contractor to use our system on the base housing projects needed on the Eglin Air Force Base housing reconstruction project. We will also be marketing our system extensively to the participant builders in the Department of Energy Builders Challenge Program. Our panels meet or exceed the minimum requirements currently in place on this incentive program, thus we are strategically placed for growth in that market.

Currently much of the old family housing on Eglin Air Force Base is not adequate and must be torn down and replaced. In addition, additional housing is needed for the influx of new military personnel and their families coming in due to base closure and realignment. These contracts have not been assigned yet. We are working with base personnel to get

the information necessary to access these contracts and be in touch with builders interested in the contracts who could use our product in the building of these facilities.

National Housing Market

The national housing market is now moving more and more into "Green" or the construction of environmentally friendly energy efficient buildings. The U.S. Department of Energy has issued a voluntary challenge to builders entitled "Builders Challenge." This program provides incentives to builders who voluntarily engage in construction practices which increase the energy efficiency of the homes they build with the goal of building a 0 energy consuming home by the year 2030. The current goal for 2009 is to produce home which will be 70% energy efficiency rating. Using our product, the current enrollees in the Builders Challenge can far exceed the 70% energy efficiency ratings for their homes and build them at the same price as they would using traditional wood products. In addition, by partnering with solar power systems and other green supplemental products which would also support our system we can cross market those products as well in conjunction with our own to increase the energy efficiency of our homes.

In marketing to builders and home buyers, we will be using print ads, direct mail, billboards, electronic media, trade show presentations and publications to get our name and information out to the public. We are currently in development of a 3D presentation of the production of our product to be used at the November green building expo held in Boston. This presentation will give us a professional look and improve our image at this convention thus increasing the potential for sales coming out of this event.

The reception of our booth and feedback received at the West Coast Green Building Conference and Expo in San Jose, California was extremely positive. We made contact with architects, contractors and private individuals who were very interested in the availability of our product for use in their projects.

4.1 Market Segmentation

The U.S. Department of Energy Builders Challenge Program (see attached information) calls for the Construction of 200,000 homes by the year 2012 with an energy efficiency rating of 70. Our product already exceeds that rating classification, Thus we feel we are ideally situated to market our product to contractors who are already enrolled in the Builders Challenge program. Many of these builders are located in Florida and the Western United States.

Green building incentives exist in Florida, Nevada and California for State tax rebate for the inclusion of green elements into home construction. We will emphasize these benefits to builders in these areas in order to increase our market share.

Since our products are designed to be financially affordable to the average first time home buyer, who will qualify for the any Federal assistance programs which may be available, we feel confident we can market to that segment of the home buying market. This group consists of millions of American's who can afford a mortgage payment. These are the people who are not paying for energy. We are working with the U.S. Dept of Energy to get

the energy efficiency provided by our product.

Chart: Market Analysis (Pie)

4.2 Target Market Segment Strategy

_____ intends to work primarily focus on the commercial, residential and national developer markets. The panel system that is created by _____ will function perfectly in these markets. It will allow residential, commercial and national builders to complete their project more quickly and efficiently. The residential contractors that _____ will focus on will be those that are building individual family homes. The demand of these contractors will give _____ the volume required to grow and expand the business. Additional focus will given to the commercial and national developers to increase potential growth of _____. Eventually the panel system will become available to custom contractors and small home builders. Additional breakdown of the segment strategy will be covered in section 5.0.

4.2.1 Market Needs

All comparable green building systems on the market today are much more costly than our product. In addition, all these systems require the exterior finish be applied on site after installation. Most if not all other products do not include a roofing system in their building systems making our system the only whole house system available.

The demand for this type of product is great especially when considering that none of the current systems are affordable enough for the average home buyer who are the market segment in greatest need of the energy efficiency of "green" homes.

4.2.2 Market Trends

The national housing market is now moving more and more into "Green" or the construction of environmentally friendly energy efficient buildings. The U.S. Department of Energy has issued a voluntary challenge to builders entitled "Builders Challenge." This program provides incentives to builders who voluntarily engage in construction practices which increase the energy efficiency of the homes they build with the goal of building a 0 energy consuming home by the year 2030. The current goal for 2010 is to produce homes which will have a 70% energy efficiency rating. Using our product, the current enrollees in the Builders Challenge can far exceed the 70% energy efficiency ratings for their homes and build them at the same price as they would using traditional wood products. In addition, by partnering with solar power systems and other green supplemental products which would also support our system we can cross market those products as well in conjunction with our own to increase the energy efficiency of our

homes

4.2.3 Market Growth

Growth in the "green" home market is expected to be very aggressive over the next 10 to 20 years with the implementation of the Builders Challenge Program. The market for more energy efficient and environmentally sustainable building products will grow as resources become less and less available.

According to the U.S. Department of Energy, 31% of all homes that will be occupied by 2030 have not been built yet. Their goal is for 3,000,000 0 energy consuming homes by that date. With this goal, the potential growth for this market is very positive and we believe we can become a market leader based on the affordability, ease of construction and durability of our products as compared to others on the market today.

4.3 Industry Analysis

We are in the business of building a totally green modular building panel system for the construction of both residential and commercial buildings. Our system uses 100% steel frames with at least 60% recycled steel. Inside these frames is a soy based polyurethane foam insulation with a polystyrene recycled foam facing . The panels are then finished with an exterior of the customer's choice of either brick or stone veneer, synthetic stucco or hardy board. Roofing panels are 28 gauge steel standing seam roofing material in the customer's choice of color.

Roof panels are bolted directly onto the wall panels for maximum strength and structural integrity. The wall panel system is set into the foundation with concrete to eliminate any chance of wind penetration. The wall panels are mildew termite and fire resistant. They are wind resistant up to 325 miles per hour including the roof system. There is no other building system on the market today with this kind of resistances to the elements. Our system is unique in the green building market and is the greenest in the green building market. The energy efficiency rating of the insulation on our wall and roof system exceed R30. Most current green building systems do not exceed this standard.

4.3.1 Industry Participants

A variety of "green building systems" exist in the market today, however, because none of them have a whole house system and most must be finished on the exterior after construction we do not believe these are competitors to us based on price and functionality.

The following are examples of those systems:

1. 3D smart structures
2. Arxx Building products (insulated concrete forms)
products as well in conjunction with our own to increase the energy efficiency of our
3. SIP home Systems

4. Forma Home Systems
5. Green Building Systems, Inc.
6. kama Energy Efficient Building Systems
7. SG blocks

4.3.2 Distribution Patterns

Current trends show demand in the Southeast, Southwest, California and Nevada markets for green built homes. These trends are supported by current tax benefits available in the States in these regions which support environmentally friendly, energy efficient building. We have therefore proposed to locate our first two factories in locations accessible to these major market areas.

4.3.3 Competition and Buying Patterns

Since our product is new to the market we do not have any estimate on buying patterns. When placed in competition with traditional stick framed construction we are very competitive. Using our panel system we can have a 1500 square foot house framed and roofed with all external surfaces finished in less than one third of the time required for standard construction. Total construction time saving is estimated to be over 50 percent.

This saving in labor costs will enable our houses to be sold at a much more affordable price to the average home buyer and will save commercial developers an estimated twenty five percent in construction costs. The affordable green building system, homes and buildings built from our building system are designed to compete with the traditionally built structures in pricing. They can be built for comparable price points in at least half the time. In addition, currently advertised "green" homes are priced very high above our price points, and are not as energy efficient as to R factor ratings nor are they built with the recycled materials or resistant to the elements as our materials are. These factors make us uniquely situated within that market as well as within the traditional building market.

Our products provide environmental quality and responsibility at the affordability the market needs to make it a universally appealing product for both the residential and commercial building markets.

5.0 Strategy and Implementation Summary

_____ strategy is to expand its production capabilities to meet the demand for its products based on the geographic areas where demand is the highest. At present we believe that demand will be the greatest in the Southeast and Western regions of the country where our first two factories will be located. As knowledge of and demand for our product increases we will expand our production facilities into those areas with the greatest demand.

5.1 Value Proposition

We will be manufacturing the steel studs which provide the basic frame work for our products in house from flat rolled steel. This provides a value added aspect to the project as we can manufacture them to the desired dimension. We will manufacture the wall panels from the outside in so they can be flipped and routed for installation of windows and doors before they leave the factory thus saving time and expense in final assembly of the house or business on the building site. All products will be engineered to the customer's specifications and wiling provide for maximum energy efficiency and environmental friendliness.

5.2 Competitive Edge

Our company offers the most cost effective and comprehensive approach to green construction than any other system. Most green home built today are still built from traditional wood frame construction, and are built using existing buildings with as much recycled materials as possible. They use energy efficient appliances and when possible build to utilize the natural site of the home to maximize sun exposure and minimize both use of the central heating source and loss of heat with additional insulation. Other ground up green systems are more than double in cost what our system is and thus make the homes out of the price range of the average home buyer.

Our product is uniquely situated to bring an totally ground up green home into the price range of the average home buyer making the home cost effective to purchase and affordable to own by its energy efficient and durable design. In addition, the home will withstand most if not all foreseeable natural disasters making it appealing to all geographic areas worldwide.

5.3 Marketing Strategy

_____ will focus its marketing resources in commercial and residential developer markets. These markets will provide the volume and demand that will be required for success. There are four main areas of marketing that will take place during the first two years of operation. The first will consist of market awareness through trade shows, second will be market awareness through the internet, third will be through the sales force and fourth will be creating awareness by public relations to entities promoting going "Green."

A trade show will be attended each quarter for the first two years and subsequent trade shows will be promoted based upon value and exposure. During the first two years a budget will be created for each trade show and a sales/marketing team will attend and create new business and awareness for AGBSI. The initial visits to the trade shows will progressively increase in exposure by moving from the base level booths to the prime booth locations. As _____ increases profitability funds will allocated to improve image at each trade show. List will be purchased from each trade show and will assist the sales team in creating new business.

5.1 Value Proposition Internet awareness will be increased by a corporate website. A webmaster will be outsourced originally for the project and will eventually be brought in house. The

webmaster's goal will be to drive traffic to the website by using search engine strategies, blogs, pop-up advertising and pay per click advertising. The traffic that will come to the website will produce leads for the sales team and overall awareness to _____. This will also help in starting initial interest in any international markets.

5.3.1 Positioning Statement

We are uniquely positioned to take advantage of the worldwide trend toward the desire of people to live in "Green" environmentally friendly dwellings. We have through expensive research determined that no other companies are producing a product which provides the type of affordable environmentally friendly housing which we are producing at our fabrication facility. Our houses are pre finished at the factory and can be assembled on the clients lot in less than three days.

5.3.2 Pricing Strategy

Because _____ is manufacturing our product in a closed factory environment using recycled steel and other environmentally friendly materials which can be assembled on site in a short period of time our product is much less labor intensive than typical wood frame construction. The savings we enjoy due to the reduced labor costs, enable us to sell our higher quality steel based product with energy saving capability equal to or greater than traditional construction at a square foot price comparable to current framing and roofing costs.

At present material costs we can provide the pre finished exterior wall units and pre finished roof units at less than \$30.00 per square foot of floor space.

5.3.3 Promotion Strategy

Initial introduction of our product to the "GREEN" building industry at the West Coast Green Building Convention and Expo in San Jose, California on September 25-27, 2008. Our booth handed out an informational flyer and displayed our product for conference participants. We received very positive response and made contact with many developers, builders, architects and suppliers of Green building components.

We anticipate being exhibitors at the National Green Building Convention and Exposition in Boston in November. This will give us additional exposure to the national green building community. We will again have product informational brochures to distribute as well as advertising give away to present to prospective customers.

We have established a web site with which to communicate with prospects and are in the process of setting up an advertising web page. Additionally we are exploring the option of advertising in several of the National Green Contractors Magazines.

5.3.4 Distribution Strategy

outsourced originally for the project and will eventually be brought in house. The We are locating our production facilities in the vicinity of interstate highways and rail lines

so as to provide the least expensive distribution of our product. Our initial facilities are also geographically located to supply areas of the country projected to generate the greatest demand for our product.

As product demand increases in other geographic areas of the United States we anticipate the opening of manufacturing facilities in those locations in order to reduce distribution costs.

5.3.5 Marketing Programs

See Milestones table for further information. The next significant marketing event will be attendance as an exhibitor at the National Green Building Expo In Boston in November 2010.

5.4 Sales Strategy

AGBSI will be initially selling our products To Avalon Beach Land Trust in Western Florida in order to build five model homes. These homes will provide a sample of our products for prospective clients to visit. Our sales representatives will be visiting and making presentations to participants in the United States Department of Energy Builders Challenge Program. These organizations, like ours, are interested in providing energy efficient housing to the home buying public. Since our product already meets the stated goals of the Builders Challenge program we anticipate that the affordability of our product will make it very appealing to program participants.

We are creating a three dimensional product demonstration program to use when talking to prospective clients. This program will walk the prospect from the manufacturing process through final assembly of the house on the building site.

5.4.1 Sales Forecast

We anticipate a 10 percent growth rate in sales over the first three years as our product becomes more well known in the market and its usability and convenience becomes known. We also anticipate growth into international markets within the continental Americas both into Mexico and Canada, where its affordability and green nature will make it appealing to these markets.

Table: Sales Forecast

Sales Forecast	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Unit Sales					
Residential Housing	2,500	6,300	7,000	7,000	7,700
Commercial Developments	77	325	500	500	550
Total Unit Sales	2,577	6,625	7,500	7,500	8,250

Unit Prices	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Residential Housing	\$44,747.00	\$45,105.00	\$48,000.00	\$50,000.00	\$52,000.00
Commercial Developments	\$146,103.90	\$151,234.77	\$160,000.00	\$160,000.00	\$175,000.00
Sales					
Residential Housing	\$111,867,500	\$284,161,500	\$336,000,000	\$350,000,000	\$400,400,000
Commercial Developments	\$11,250,000	\$49,151,299	\$80,000,000	\$80,000,000	\$96,250,000
Total Sales	\$123,117,500	\$333,312,799	\$416,000,000	\$430,000,000	\$496,650,000
Direct Unit Costs					
Residential Housing	\$32,934.20	\$35,285.71	\$37,500.00	\$40,000.00	\$41,000.00
Commercial Developments	\$63,441.56	\$70,738.46	\$75,000.00	\$80,000.00	\$82,000.00
Direct Cost of Sales					
Residential Housing	\$82,335,500	\$222,300,000	\$262,500,000	\$280,000,000	\$315,700,000
Commercial Developments	\$4,885,000	\$22,990,000	\$37,500,000	\$40,000,000	\$45,100,000
Subtotal Direct Cost of Sales	\$87,220,500	\$245,290,000	\$300,000,000	\$320,000,000	\$360,800,000

Chart: Sales Monthly

Chart: Sales by Year

5.4.2 Sales Programs

Personal selling: Our sales representative will contact prospective buyers, make a three dimensional presentation and take orders for products. They will determine the type of exterior finish and color desired and the type and color of roofing desired. Sales personnel will also have the capability of determining the price of the product including delivery charges based on the size of the home being purchased.

5.5 Strategic Alliances

We are marketing heavily to the builders listed on the U.S. Department of Energy Builders Challenge list of participants. We will seek to become partners with these builders in helping them to achieve the goals of this program of a zero energy consuming home by the year 2030. Our goal is to help them achieve this goal more quickly and to show them how to do it without significantly increasing the cost to the consumer.

In addition to these sources, our building subsidiary will seek partnerships with Solar panel companies and other green industry subcontractors to provide affordable, energy efficient and environmentally sustainable products for our housing units in Avalon Beach, and in other communities where we will build. Supporting our goal of building a total green community.

We will seek partnerships and alliances with both community and governmental entities to support us financially through tax incentive programs for green developments. We will seek economic development funds and incentives to open our fabrication facilities in currently economically depressed communities to provide increased employment and become responsible corporate citizens in these areas while capitalizing on the benefits

they can give us to locate our company in their communities.

We currently have a strong working relationship with the leading manufacturer of polyurethane foam insulation in the nation and with the supplier of the equipment manufacturer for the steel stud machine used in our factories. These relationships will allow us to begin operations at each plant in a minimal amount of time and to have the plants running at full capacity within 90 days of funding of the project.

5.6 Milestones

Our Milestone include attendance at the West Coast Green Expo In San Jose, California from September 25th -27th 2008. Marketing of lots and homes in Avalon Beach Florida, beginning in mid October 2010. Beginning of construction on the Avalon Beach Property and set -up of the Florida Factory by August 1st, 2010, and commencement of production in the Florida plant on October 1st, 2010. Attendance at the National Green Expo and Convention in Boston in November of 2010. Set-up of the fabrication facility in Utah/Idaho on April 15, 2011.

Table: Milestones

Milestone	Start Date	End Date	Budget	Manager	Department
Attend W Coast Green Expo	9/24/2008	9/27/2008	\$15,000	Bill Foster	Management
Begin Mktg Avalon Beach Prop	10/10/2009	1/1/2011	\$25,000	Stewart/Integrity	Sales
Begin Set-up Florida Plant	1/1/2010	3/15/2010	\$1,000,000	TBD	R&D
Begin Cnstr Avalon Beach Hses	1/1/2010	3/15/2010	\$500,000	Kuba Construction	
Market Avalon Beach Houses	12/1/2009	10/10/2011	\$0	Integrity Realty	
Begin Production Florida Plnt	3/15/2010	Indefinite	\$2,500,000	TBD	R & D
Begin Set-up Utah Plant	4/15/2010	5/01/2010	\$1,000,000	Holly Mahoney	Management
Begin Production Idaho Plant	5/01/2010	Indefinite	\$2,500,000	H. Mahoney/manager	Management
Attend Nat'l Green Expo	11/20/2009	11/23/2009	\$20,000	Stewart/D. Beesley	Marketing/Sales
Annual Green Trade Shows	3/3/2010	Indefinite	\$100,000	Stewart/D.Beasley	Marketing/Sales
Totals			\$7,660,000		

Chart: Milestones

6.0 Management Summary

Our management team at this time consists of six employees. _____, Chairman of the Board, President and CEO; _____, Vice President/Secretary and COO; _____, Chief Financial Officer and Treasurer; _____, Director of Marketing and Sales.

6.1 Organizational Structure

_____, President, is located in the Mesquite Nevada office and is responsible for overall business management. Our directors of research and development, marketing and sales report directly to William.

_____, is Vice President, Legal Counsel and Secretary is located in the Sandy Utah office and is responsible for all legal activities and operations in the Western United States.

_____, Chief Financial Officer and Treasurer is located in the Boise Idaho office and is responsible for all financial transactions. Plant Managers will report all matters concerning finances directly to him.

Org. Chart: Organizational Chart

6.2 Management Team

The management team will consist of those persons listed on the previous page. See resume page for qualifications.

6.3 Management Team Gaps

We presently anticipate we will need to hire two plant managers within the next 90 days. We will be looking for personnel with previous experience in the manufacturing sector with a proven leadership record.

We will also need to hire office managers for each manufacturing facility prior to their opening. we anticipate ten fabrication employees will be required for reach assembly line in each plant.

6.4 Personnel Plan

The personnel plan calls for an increase in plant employees from an initial number of 12 at plant opening to 95 to 110 at each facility when each plant is operating at a maximum production level. This will probably occur within the first year of opening at each plant. Additional employees will no doubt need to be added to increase administrative and accounting support. Two additional employees will be added to the sales and marketing division. We will attempt to retain all current employees in their present location so they will not have to relocate.

When additional fabrication facilities are required, all employees will be hired, if possible from the local labor pool. Management employees will be brought to existing plants for specific product training.

Table: Personnel

Personnel Plan	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Corporate Headquarters	\$312,250	\$336,000	\$433,475	\$566,822	\$713,500
Florida Fabrication Plant	\$1,006,400	\$2,640,000	\$2,635,922	\$2,767,716	\$2,906,000
Idaho Fabrication Plant	\$676,700	\$2,642,000	\$2,635,920	\$2,767,716	\$2,906,000
Total People	199	199	202	205	208
Total Payroll	\$1,995,350	\$5,618,000	\$5,705,317	\$6,102,254	\$6,525,500

7.0 Financial Plan

The projected financial plan is very sound. The initial investment in _____ enables the construction of two manufacturing facilities; one in Alabama and a second in Pocatello, Idaho. Assembly lines will be set up initially in leased facilities and two assembly lines will operate in each facility.

Projected profit from each assembly line is \$10,000 per shift, per assembly line, per day of operation. Using these figures one line operating 250 days per year would generate \$2.5 million dollars profit annually. When there are three assembly lines in each manufacturing facility operations will be 300 days per year, the projected profit will be \$18 million dollars per year. Each additional facility we open in other target areas of the United States would provide us with the potential profit ranging from \$2.5 million per line minimum production to \$11.5 million per line maximum production.

In addition to continued expansion of the domestic market, _____ intends to expand into the international markets. Initial expansion is anticipated for Canada and Mexico, with later expanding into Europe, Africa and the Pacific Rim Nations. The final level of expansion would include India, China and Russia.

Additional opportunities for _____ would be to enter into joint ventures or partnerships with other entities. We would license these entities to manufacture and market our panel system in other areas of the world.

The international expansion, joint venture and partnerships have not been included in the

financial forecasts and do not appear in the tables.

The financial plan is base on important assumptions, detailed in the following statements:

The prospects of global warming and the decline in availability of carbon based non renewable sources of energy makes the production of energy efficient (Green) building components essential to the human existence. Our technology helps to meet the need for affordable green housing in recycled materials with the further depletion of the Earth's natural resources.

The US Department of Energy Builders Challenge Program, with the goal of 220,000, level 70 rated homes by 2012 A.D. and 1.3 million level 0 rated homes by 2030 A.D. This provides us the opportunity to market our product to affiliated contractors. Aligning with these contractors in this program will make it easier to meet and achieve our projected goals.

Cash flow is not expected to be a problem with most of the components being paid for on delivery, the exception being major contractors with contracts and billing cycles.

Addition_____ growth is based on internal financial resources. _____ will budget 50% for growth and 50% from the profits as dividends after taxes (from year two forward and as long as it does not affect the planned growth of the company).

_____ assumes a 5% annual raise in or selling price. This figure is in line with comparable increases in the construction industry.

_____ assumes minimal raises in material costs which we anticipate will be offset by discounts for volume purchases. _____ assumes demand for our technology will increase worldwide in the foreseeable future due to the demand for environmentally friendly building components.

7.1 Start-up Funding

The start up costs for _____ will consist primarily of lease of office and fabrication facilities, fabrication equipment, inventory and inventory of materials to construct our products. The present directors will contribute \$1,550,000.00 in land and equipment plus labor and expertise to the start up. Investors will contribute \$10,500,000.00. Investors will own forty percent of the company and current directors will own the remaining sixty percent.

Start up funding will fund the first year of operations including leasing of two fabrication facilities and the equipment to set up and operate a total of six assembly lines capable of operating three shifts a day producing one 1200 to 1500 square foot home per shift per line per day. It is estimated that any additional assembly facilities can be funded through the income generated by the first two plants.

Table: Start-up Funding

Start-up Funding	
Start-up Expenses to Fund	\$10,595,000
Start-up Assets to Fund	\$1,583,500
Total Funding Required	\$12,178,500

Assets	
Non-cash Assets from Start-up	\$1,583,500
Cash Requirements from Start-up	\$0
Additional Cash Raised	\$0
Cash Balance on Starting Date	\$0
Total Assets	\$1,583,500
Liabilities and Capital	
Liabilities	
Current Borrowing	\$0
Long-term Liabilities	\$0
Accounts Payable (Outstanding Bills)	\$0
Other Current Liabilities (interest-free)	\$0
Total Liabilities	\$0
Capital	
Planned Investment	
Investor	\$0
Investor	\$0
Additional Investment Requirement	\$12,178,500
Total Planned Investment	\$12,178,500
Loss at Start-up (Start-up Expenses)	(\$10,595,000)
Total Capital	\$1,583,500
Total Capital and Liabilities	\$1,583,500
Total Funding	\$12,178,500

7.2 Important Assumptions

We are competitive with the traditional building industry because of the cost and time effective nature of our product, and because our product is a "green" building product using recycled products and the latest technology to have the lowest impact environmentally.

We assume that although we are currently the only manufacturer of this type of product on the market today, we anticipate that similar products will appear on the market as the move toward a greener building industry increases.

We will stay competitive through our patent pending assembly process, high quality customer service and innovation in the field adding value to the products we already have on the market.

We assume that economic conditions in the housing market will stabilize, and improve over the next five years. We have strategically placed our development projects in areas with high growth potential where the current housing issues have been felt less than in other markets.

We assume that the building market will continue to move toward "green building" and

away from traditionally built homes as shown by the Dept. of Energy Builders Challenge goal of a 0 energy consuming home by the year 2030 and 70% by 2012.

7.3 Key Financial Indicators

See Benchmark chart.

Chart: Benchmarks

7.4 Break-even Analysis

See Break-even chart.

Table: Break-even Analysis

Break-even Analysis	
Monthly Units Break-even	20
Monthly Revenue Break-even	\$977,226
Assumptions:	
Average Per-Unit Revenue	\$47,775.51
Average Per-Unit Variable Cost	\$33,845.75
Estimated Monthly Fixed Cost	\$284,927

Chart: Break-even Analysis

7.5 Projected Profit and Loss

The company expects to close the first year of operation with two manufacturing facilities operating at maximum capacity. This would allow us to manufacture between 1500 and 1800 residential and commercial units. Sales are projected to be \$123,117,500.00 in fiscal year 2011 and are anticipated to be \$333,312,799.00 in fiscal year 2012. Net earnings are expected to exceed \$22,000,000.00.

Table: Profit and Loss

Pro Forma Profit and Loss	We assume that the building market will continue to move toward "green building" and
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	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Sales	\$123,117,500	\$333,312,799	\$416,000,000	\$430,000,000	\$496,650,000
Direct Cost of Sales	\$87,220,500	\$245,290,000	\$300,000,000	\$320,000,000	\$360,800,000
Other Costs of Sales	\$0	\$0	\$0	\$0	\$0
Total Cost of Sales	\$87,220,500	\$245,290,000	\$300,000,000	\$320,000,000	\$360,800,000
Gross Margin	\$35,897,000	\$88,022,799	\$116,000,000	\$110,000,000	\$135,850,000
Gross Margin %	29.16%	26.41%	27.88%	25.58%	27.35%
Expenses					
Payroll	\$1,995,350	\$5,618,000	\$5,705,317	\$6,102,254	\$6,525,500
Marketing/Promotion	\$115,000	\$60,000	\$75,000	\$85,000	\$100,000
Depreciation	\$0	\$0	\$0	\$0	\$0
Rent	\$237,771	\$21,000	\$21,000	\$21,000	\$23,000
Utilities	\$21,000	\$30,000	\$30,000	\$32,000	\$32,000
Insurance	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000
Salaries/Payroll	\$870,000	\$1,260,000	\$1,323,000	\$1,389,150	\$145,608
Operating Costs	\$60,000	\$90,000	\$110,000	\$130,000	\$150,000
Total Operating Expenses	\$3,419,121	\$7,199,000	\$7,384,317	\$7,879,404	\$7,096,108
Profit Before Interest and Taxes	\$32,477,879	\$80,823,799	\$108,615,683	\$102,120,596	\$128,753,892
EBITDA	\$32,477,879	\$80,823,799	\$108,615,683	\$102,120,596	\$128,753,892
Interest Expense	\$0	\$0	\$0	\$0	\$0
Taxes Incurred	\$9,743,364	\$24,247,140	\$32,584,705	\$30,636,179	\$38,626,168
Other Income					
Other Income Account Name	\$0	\$0	\$0	\$0	\$0
Other Income Account Name	\$0	\$0	\$0	\$0	\$0
Total Other Income	\$0	\$0	\$0	\$0	\$0
Other Expense					
Other Expense Account Name	\$0	\$0	\$0	\$0	\$0
Other Expense Account Name	\$0	\$0	\$0	\$0	\$0
Total Other Expense	\$0	\$0	\$0	\$0	\$0
Net Other Income	\$0	\$0	\$0	\$0	\$0
Net Profit	\$22,734,515	\$56,576,659	\$76,030,978	\$71,484,417	\$90,127,724
Net Profit/Sales	18.47%	16.97%	18.28%	16.62%	18.15%

Chart: Profit Monthly

Chart: Profit Yearly

Chart: Gross Margin Monthly

Chart: Gross Margin Yearly

7.6 Projected Cash Flow

_____ plans to manage cash flow during the first year from investor provided

funds. After the first year, sales volume will provide for sufficient cash flow to cover operating expenses, return a profit to the investor group and allow for continued expansion of the company. Continued projected growth in the out years offers the opportunity for a very significant return on the investment capital.

Table: Cash Flow

Pro Forma Cash Flow	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Cash Received					
Cash from Operations					
Cash Sales	\$123,117,500	\$333,312,799	\$416,000,000	\$430,000,000	\$496,650,000
Subtotal Cash from Operations	\$123,117,500	\$333,312,799	\$416,000,000	\$430,000,000	\$496,650,000
Additional Cash Received					
Non Operating (Other) Income	\$0	\$0	\$0	\$0	\$0
Sales Tax, VAT, HST/GST Received	\$9,849,400	\$26,665,024	\$33,280,000	\$34,400,000	\$39,732,000
New Current Borrowing	\$0	\$0	\$0	\$0	\$0
New Other Liabilities (interest-free)	\$0	\$0	\$0	\$0	\$0
New Long-term Liabilities	\$0	\$0	\$0	\$0	\$0
Sales of Other Current Assets	\$0	\$0	\$0	\$0	\$0
Sales of Long-term Assets	\$0	\$0	\$0	\$0	\$0
New Investment Received	\$9,000,000	\$1,500,000	\$0	\$0	\$0
Subtotal Cash Received	\$141,966,900	\$361,477,823	\$449,280,000	\$464,400,000	\$536,382,000
Expenditures	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Expenditures from Operations					
Cash Spending	\$1,995,350	\$5,618,000	\$5,705,317	\$6,102,254	\$6,525,500
Bill Payments	\$127,656,537	\$289,441,843	\$352,875,611	\$355,284,637	\$410,333,676
Subtotal Spent on Operations	\$129,651,887	\$295,059,843	\$358,580,928	\$361,386,891	\$416,859,176
Additional Cash Spent					
Non Operating (Other) Expense	\$0	\$0	\$0	\$0	\$0
Sales Tax, VAT, HST/GST Paid Out	\$0	\$0	\$0	\$0	\$0
Principal Repayment of Current Borrowing	\$0	\$0	\$0	\$0	\$0
Other Liabilities Principal Repayment	\$0	\$0	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$0	\$0	\$0	\$0	\$0
Purchase Other Current Assets	\$35,000	\$15,000	\$10,000	\$10,000	\$10,000
Purchase Long-term Assets	\$3,682,000	\$2,600,000	\$2,500,000	\$1,000,000	\$1,000,000
Dividends	\$0	\$2,000,000	\$3,000,000	\$3,000,000	\$5,000,000
Subtotal Cash Spent	\$133,368,887	\$299,674,843	\$364,090,928	\$365,396,891	\$422,869,176
Net Cash Flow	\$8,598,013	\$61,802,980	\$85,189,072	\$99,003,109	\$113,512,824
Cash Balance	\$8,598,013	\$70,400,993	\$155,590,065	\$254,593,174	\$368,105,998

Chart: Cash

7.7 Projected Balance Sheet

See balance sheet tables which follow.

Total Liabilities	50.49%	42.72%	37.80%	36.62%	36.04%	53.39%
Net Worth	49.51%	57.28%	62.20%	63.38%	63.96%	46.61%
Percent of Sales						
Sales	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Gross Margin	29.16%	26.41%	27.88%	25.58%	27.35%	15.01%
Selling, General & Administrative Expenses	10.69%	9.43%	9.61%	8.96%	9.21%	6.38%
Advertising Expenses	0.09%	0.02%	0.02%	0.02%	0.02%	0.47%
Profit Before Interest and Taxes	26.38%	24.25%	26.11%	23.75%	25.92%	1.72%
Main Ratios						
Current	1.87	2.25	2.56	2.66	2.71	2.01
Quick	0.30	1.08	1.59	1.92	2.08	1.06
Total Debt to Total Assets	50.49%	42.72%	37.80%	36.62%	36.04%	61.21%
Pre-tax Return on Net Worth	97.48%	90.41%	66.87%	44.23%	40.74%	13.09%
Pre-tax Return on Assets	48.26%	51.78%	41.60%	28.03%	26.06%	5.08%
Additional Ratios						
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	
Net Profit Margin	18.47%	16.97%	18.28%	16.62%	18.15%	n.a
Return on Equity	68.23%	63.29%	46.81%	30.96%	28.52%	n.a
Activity Ratios						
Inventory Turnover	4.00	3.74	3.47	3.31	3.41	n.a
Accounts Payable Turnover	6.29	9.79	12.17	12.17	12.17	n.a
Payment Days	27	34	31	30	28	n.a
Total Asset Turnover	1.83	2.14	1.59	1.18	1.01	n.a
Debt Ratios						
Debt to Net Worth	1.02	0.75	0.61	0.58	0.56	n.a
Current Liab. to Liab.	1.00	1.00	1.00	1.00	1.00	n.a
Liquidity Ratios						
Net Working Capital	\$29,606,015	\$83,082,674	\$153,613,652	\$221,098,070	\$305,225,794	n.a
Interest Coverage	0.00	0.00	0.00	0.00	0.00	n.a
Additional Ratios						
Assets to Sales	0.55	0.47	0.63	0.85	0.99	n.a
Current Debt/Total Assets	50%	43%	38%	37%	36%	n.a
Acid Test	0.30	1.08	1.59	1.92	2.08	n.a
Sales/Net Worth	3.70	3.73	2.56	1.86	1.57	n.a
Dividend Payout	0.00	0.04	0.04	0.04	0.06	n.a

7.9 Long-term Plan

Our long term plan calls for the addition of a minimum of at least one fabrication facility per year after our second full year of operation. We also see the possibility of expanding to markets in Canada, Mexico and Central America. We feel these areas are in need of affordable housing which provides for energy efficiency and environmental friendliness.

7.10 The Investment Offering

AGBSI plans to be a privately-held corporation, engaging in the manufacture of as the name implies, affordable "GREEN" housing components which will meet the requirements of the United States Department of Energy Builders Challenge Program. In order to meet the company goals of having two manufacturing facilities operating at full capacity by the end of fiscal year 2010 we are offering forty percent ownership in this startup company to

an interested investor group. A total of \$10,595,000.00 in startup funding is required. This amount includes leasing of manufacturing space, manufacturing equipment acquisition and expenses incurred during the first year of operation. Future profit potential indicates that the original amount could be returned to the investors within two years including a significant return on investment. Out years would become even more profitable.

Table: Investment Offering

Investment Offering	Seed	Round 1	Round 2	Exit
Proposed Year:	1	2	3	7
Valuation, Investment, Shares				
Investment Amount	\$10,500,000	\$0	\$0	
Equity Share Offering Percentage	49.00%	0.00%	0.00%	
Valuation	\$21,428,571	\$0	\$0	\$100,000,000
Investor Exit Payout	\$49,000,000	\$0	\$0	
Investor Years Until Exit	6	5	4	
Investor IRR	29.27%	0.00%	0.00%	
Share Ownership				
	Year 1	Year 2	Year 3	Year 7
Founders' Shares	10,000,000	10,000,000	10,000,000	10,000,000
Stock Split Multiple		0	0	0
Stock Options Issued	0	0	0	0
Investor Shares Issued	9,607,843	0	0	
Price per share	\$1.09	\$0.00	\$0.00	\$5.10
Options Holders' Shares	0	0	0	0
Year 1 Investors' Shares	9,607,843	9,607,843	9,607,843	9,607,843
Year 2 Investors' Shares		0	0	0
Year 3 Investors' Shares			0	0
Total Shares Outstanding	19,607,843	19,607,843	19,607,843	19,607,843
Equity Ownership Percentage				
	Year 1	Year 2	Year 3	Year 7
Founders' Equity	51.00%	51.00%	51.00%	51.00%
Option Holders' Equity	0.00%	0.00%	0.00%	0.00%
Year 1 Investors' Equity	49.00%	49.00%	49.00%	49.00%
Year 2 Investors' Equity		0.00%	0.00%	0.00%
Year 3 Investors' Equity			0.00%	0.00%
Total Equity	100.00%	100.00%	100.00%	100.00%
Investors' Equity	49.00%	49.00%	49.00%	49.00%
Founders' & Employees' Equity	51.00%	51.00%	51.00%	51.00%

7.11 Use of Funds

See start up table for detailed explanation of use of fund.

7.12 Payback

Table: Payback

Payback						
Projected Payback Calculation						
	Investment	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Investment	\$500,000					
Cash Returns by Year		\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Combination as Income Stream	(\$500,000)	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Cumulative Net Cash Flow to Investors	(\$500,000)	(\$400,000)	(\$300,000)	(\$200,000)	(\$100,000)	\$0
Payback Period	5 years					

Chart: Payback Period

Table: Sales Forecast

Sales Forecast													
		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Unit Sales													
Residential Housing		0	5	5	30	60	120	240	360	360	360	460	500
Commercial Developments		0	0	0	1	2	3	6	10	10	10	15	20
Total Unit Sales		0	5	5	31	62	123	246	370	370	370	475	520
Unit Prices													
Residential Housing		\$0.00	\$31,550.00	\$31,550.00	\$44,800.00	\$44,800.00	\$44,800.00	\$44,800.00	\$44,800.00	\$44,800.00	\$44,800.00	\$44,800.00	\$44,800.00
Commercial Developments		\$0.00	\$0.00	\$0.00	\$100,000.00	\$100,000.00	\$100,000.00	\$150,000.00	\$150,000.00	\$150,000.00	\$150,000.00	\$150,000.00	\$150,000.00
Sales													
Residential Housing		\$0	\$157,750	\$157,750	\$1,344,000	\$2,688,000	\$5,376,000	\$10,752,000	\$16,128,000	\$16,128,000	\$16,128,000	\$20,608,000	\$22,400,000
Commercial Developments		\$0	\$0	\$0	\$100,000	\$200,000	\$300,000	\$900,000	\$1,500,000	\$1,500,000	\$1,500,000	\$2,250,000	\$3,000,000
Total Sales		\$0	\$157,750	\$157,750	\$1,444,000	\$2,888,000	\$5,676,000	\$11,652,000	\$17,628,000	\$17,628,000	\$17,628,000	\$22,858,000	\$25,400,000
Direct Unit Costs													
Residential Housing	0.00%	\$0.00	\$31,550.00	\$31,550.00	\$32,000.00	\$32,000.00	\$32,500.00	\$33,000.00	\$33,000.00	\$33,000.00	\$33,000.00	\$33,000.00	\$33,000.00
Commercial Developments	0.00%	\$0.00	\$0.00	\$0.00	\$60,000.00	\$12,000.00	\$62,000.00	\$65,000.00	\$65,000.00	\$65,000.00	\$65,000.00	\$65,000.00	\$65,000.00
Direct Cost of Sales													
Residential Housing		\$0	\$157,750	\$157,750	\$960,000	\$1,920,000	\$3,900,000	\$7,920,000	\$11,880,000	\$11,880,000	\$11,880,000	\$15,180,000	\$16,500,000
Commercial Developments		\$0	\$0	\$0	\$60,000	\$24,000	\$186,000	\$390,000	\$650,000	\$650,000	\$650,000	\$975,000	\$1,300,000
Subtotal Direct Cost of Sales		\$0	\$157,750	\$157,750	\$1,020,000	\$1,944,000	\$4,086,000	\$8,310,000	\$12,530,000	\$12,530,000	\$12,530,000	\$16,155,000	\$17,800,000