

CONFIDENTIAL & TIME SENSITIVE INFORMATION

EcoCabins Park Model - "Floorplanning" Investment

SUMMARY OF OPPORTUNITY

EcoCabins (www.ecocabins.com), a division of Z,Inc. is a Colorado dealer in a niche segment of manufactured homes, park models, and cabins. We are expanding our sales model for the 2013 season, after successfully proving a unique sales concept. We are looking for limited capital partners for a



~\$30,000K collateralized investment per unit, which will yield a standard interest rate, plus a profit sharing component among other perks. Investment opportunity is on a first-come, first-available basis.

OVERVIEW

EcoCabins is growing, and needing to expand our sales model. We have an immediate need and opportunity for new "Spec Models" to be strategically placed in 5-10 prime "high-traffic" and "high-visibility" locations around Colorado, with signage, brochures, and availability to walk the inside. We have identified the following additional major market areas as opportunities: South Fork, Durango, Fort Collins/Loveland, Denver (2), I-70, Highway 285, and Colorado Springs. The idea is that with several units, the EcoCabins name becomes much better known, and much more visible.



These spec units will be "manned" on prime weekends by incentivized sales people in their different regions. This billboard/model style of exposure has proven to generate tremendous leads and website hits from our first location off I-25 at Jellystone RV Park by Castle Rock. This ultimately leads to sales on any EcoCabins product (Park Models, HUD Homes, Modular cabins, and now Log Cabins). We are currently doing a major reworking of our website, spending a significant amount of time and money on marketing and training, and expanding incentivized salespeople to quickly grow the business.

We have expanded our sales force into the mountains, and Denver / North, and are now in the process of cross-training our mobile home sales staff up and down the CO Front Range. We have brought on a new General Sales Manager, Tom Worley who will aggressively head up the sales in the mountain region. Tom has an incredible background in sales, marketing, and building/development. Tom has helped us immediately identified prime locations on I70 and Highway 285 out from Denver, and we are in the process of negotiating agreements with the lot owners. Part of our arrangement in these locations is a participation in Net Profit from sales to the "lot", so we have no overhead/risk and the "lot" receives benefits with no costs. In this model, we have uniquely removed ourselves from being the old-school traditional "lot" dealer, and go where the people are with incredible exposure.



THE INVESTMENT OPPORTUNITY

- We need capital to purchase spec models at wholesale, as a type of bank “floorplanning” (similar to car dealers). Units would be insured through Z,Inc’s floorplanning policy, and investorsheld harmless for liabilities, damages, or deductibles.
- Investors would receive a simple APR and/or Profit Participation from each sale generated by the unit. Investors will be participating in all product sales generated from a “first viewed” basis where each sale is tracked from the client’s first view of the model, and attributed to that sale.
- \$30K-40K is a typical model cost which includes delivery and setup. Investment would be the actual cost of the unit FOB destination. The investor would see the actual invoices.
- Net Profit on the units is targeted to be 20% or higher, with a minimum of \$5,000. For purposes of ROI examples below, we will assume 4 sales per year, at a minimum profit, with a \$30,000 investment.
- Investments are a minimum of 2 year commitment, collateralized by model. The title will be held by lender or held in escrow. Investor has option for renewal at the end of the term.
- If the actual “model” is sold, Lender is repaid first and has the first right of refusal to re-participate on a newly purchased and replaced model.
- Investor has the first right of purchase (at actual wholesale cost) on the unit after the end of note, or the right to purchase one custom unit at actual wholesale cost.
- The loan is assignable by the lender.

INVESTMENT OPTIONS – LENDERS DISCRETION

Option 1: (lower risk, lower potential profit reward)

- 3% APR, paid quarterly
- 7% Participation of Net Profit on each sale.
 - Targeted Minimum Return of 7.67% APR = \$2,400 (\$900 from APR, plus \$1400 from Net Profit Participation. Plus upside on more sales, and higher item sales prices).

Option 2: (higher risk, highest potential profit reward)

- 0% APR, Plus option to switch to lower risk option upon written request.
- 15% Participation of Net Profit on each sale.
 - Targeted Minimum Return of 10% APR = \$3,000 (all from Net Profit Participation. Plus maximum potential upside on more sales, and higher item sales prices.)

CONTACT INFORMATION

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OTHER RESOURCES

Our Website: <http://www.ecocabins.com/>

Our Manufacturers:

Athens: <http://www.athensparkhomes.com/>

Cavco: <http://www.cavco.com/>

Southern Energy: <http://www.sehometexas.com/>