

Business Plan for Anchor Bridge Workforce Housing Campus

Executive Summary

Anchor Bridge Workforce Housing Campus is a repurposed residential community designed from previously used military barracks to address the critical need for affordable, high-quality housing for workers in the Homer area. The campus will initially offer duplex-style accommodations with 32 rooms, with three rooms sharing a kitchen and bathroom, with plans to expand into bunkhouse accommodations, transportation services, laundry facilities, and corner property rentals by May 2026. The project targets a 90% occupancy rate, leveraging strategic partnerships and a low-cost operational model to ensure profitability. With a projected Year 1 net profit of \$16,192 and positive cash flow by Month 9, Anchor Bridge aims to provide sustainable housing solutions while delivering financial returns.

Business Description

- **Name:** Anchor Bridge Workforce Housing Campus
 - **Location:** Homer Area, Kenai Peninsula Borough, Alaska]
 - **Mission:** To provide affordable, comfortable, and accessible housing for workers in industries such as oil and gas, construction, and tourism, fostering community stability and economic growth.
 - **Vision:** To become the leading provider of workforce housing in the region, expanding services to meet growing demand while maintaining high standards of quality and affordability.
 - **Legal Structure:** LLC
 - **Industry:** Real Estate / Workforce Housing
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Market Analysis

Industry Overview

The workforce housing sector is driven by demand from industries requiring temporary or long-term accommodations for employees, particularly in remote or high-cost areas. In Homer, industries such as oil and gas, fishing, and tourism face housing shortages, creating opportunities for scalable, cost-effective solutions.

Target Market

- **Primary Customers:** Workers in industries requiring affordable housing, including oil and gas workers, construction crews, seasonal tourism staff.
- **Secondary Customers:** Employers seeking bulk housing solutions for employees (B2B Long term leasing, B2C Short term leasing).
- **Demographics:** Predominantly male, aged 18-50, seeking affordable, short- to medium-term housing.
- **Competitive Advantage:**
 - Affordable pricing (\$1,550/\$750 per room/month for duplexes, \$1,000 per bed/month for bunkhouses).
 - Strategic location near major employers.
 - Comprehensive services (housing, transportation, laundry).
 - High occupancy (90%) driven by local demand.

Competitors

- **Local Hotels/Motels:** Higher cost, less tailored for long-term stays.
 - **Apartment Complexes:** Limited availability, higher prices.
 - **Other Workforce Housing:** Limited competitors in the region, offering an opportunity for Anchor Bridge to capture market share.
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Products and Services

- **Duplex Housing:**
 - 32 rooms, priced at \$1,550/\$750 per month.
 - Revenue begins in Month 7 (July 2025), reaching \$49,600/month at full capacity.
 - Year 1 revenue: \$216,300.
 - **Bunkhouse Housing** (Starting May 2026):
 - 43 beds, priced at \$1,000 per month.
 - Not included in Year 1 projections.
 - **Transportation (B2B Partnership):**
 - Limited service starting in Month 8 (August 2025), generating \$900 in Year 1.
 - **Laundry Facilities** (Starting May 2026):
 - Not included in Year 1 projections.
 - **Corner Property Rental** (Starting May 2026):
 - Not included in Year 1 projections.
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Marketing and Sales Strategy

Marketing Plan

- **Targeted Outreach:** Partner with local employers in e.g., oil and gas, construction to secure bulk housing contracts.
- **Digital Marketing:** Utilize social media, local job boards, and a dedicated website to promote availability and pricing.
- **Community Engagement:** Host open houses and collaborate with local chambers of commerce to build brand awareness.
- **Branding:** Position Anchor Bridge as the affordable, reliable choice for workforce housing.

Sales Strategy

- **B2B Partnerships:** Offer discounted rates for employers signing long-term contracts.
 - **Direct Rentals:** Streamlined online booking system for individual tenants.
 - **Pricing Strategy:** Competitive pricing (\$1,550/\$750 for duplexes, \$1,000 for bunkhouses) to attract tenants while maintaining profitability.
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Operations Plan

Facility

- **Duplex Units:** 32 rooms, fully furnished, designed for single or shared occupancy.
- **Future Expansion:** Bunkhouse (43 beds), laundry facilities, and corner property rentals by May 2026.
- **Location:** 42706 Old Sterling Highway, Anchor Point, AK 99556

Operations

- **Staffing:**
 - Self-run property management in Year 1 (funded through loan, \$60,000).
 - Part-time janitorial staff (\$10,000/year starting Month 8).
- **Utilities:**
 - Electric: \$4,827/year.
 - Water delivery: \$8,000/year (Months 6-9).
 - Internet: \$1,500/year (starting Month 7).
 - Garbage: \$2,250/year (starting Month 7).
- **Maintenance:**
 - Snow removal: \$16,000/year (Months 3, 4, 10, 11, 12).
 - Supplies for incidentals: \$900/year.
- **Payment Processing:** 3% of gross revenue (\$6,000/year).

Loan and Financing

- **Northrim Loan Payment:** \$121,380/year (\$10,115/month).
 - **Global Loan:** Loan in Progress
 - **Property Taxes:** \$20,001/year (Month 10).
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Financial Plan

Year 1 Projected Profit and Loss

- **Total Revenue:** \$217,200
 - Duplex rentals: \$216,300.
 - Transportation (B2B): \$900.
- **Total Expenses:** \$201,008
 - Major expenses:
 - Northrim Loan Payment: \$121,380 (60%).
 - Property Taxes: \$20,001 (10%).
 - Snow Removal: \$16,000 (8%).
 - Janitorial: \$10,000 (5%).
 - Water Delivery: \$8,000 (4%).
- **Net Profit:** \$16,192
- **Cash Flow:**
 - Negative cash flow in Months 1-6 due to pre-revenue expenses.
 - Positive cash flow starting Month 9 (September 2025).
 - Year-end cash flow: \$16,192.

Break-Even Analysis

- Break-even point reached in Month 9 (September 2025), when cumulative cash flow turns positive.
- Monthly break-even revenue: Approximately \$16,751 (total expenses ÷ 12).

Financial Assumptions

- 90% occupancy rate for duplexes.
 - Revenue growth from bunkhouse, laundry, and corner property rentals starting in Year 2 (May 2026).
 - Stable loan payments and predictable operational costs.
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Risk Analysis

- **Risks:**
 - Lower-than-expected occupancy (mitigated by potential B2B partnerships).
 - Rising operational costs (mitigated by fixed-rate loans and conservative expense projections).
 - Seasonal fluctuations (mitigated by year-round demand from target industries).
 - **Contingency Plan:**
 - Offer promotional pricing to boost occupancy.
 - Secure additional B2B contracts to stabilize revenue.
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Exit Strategy

- **Option 1:** Sell the property after 5-10 years to capitalize on appreciation and demand for workforce housing.
 - **Option 2:** Transition to a third-party property management company to generate passive income.
 - **Option 3:** Expand to additional locations, leveraging the Anchor Bridge brand.
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This business plan outlines a viable path for Anchor Bridge Workforce Housing Campus to achieve profitability while addressing a critical market need. By leveraging affordable pricing, strategic partnerships, and a scalable model, Anchor Bridge is poised for long-term success. For further details or to discuss investment opportunities, please contact Michael Daniel at michael.daniel@anchor907.com or 907-299-8866