

**FACTORY DEVELOPMENT PLAN:
Directly Supporting the Haitian Economy**
by Harbor Homes™ LLC - HaitiHouse™ Disaster Recovery Division

[Henry Ford was once asked, “Who’s going to be able to afford to buy your products?” He responded in paraphrase, “We are going to employ them.” And he then helped create a larger middle class.]

A WAY FORWARD FOR ECONOMIC DEVELOPMENT

In addition to providing immediate ramped-up delivery of villages, with residential/dual-use commercial PermaShelter™ units by the thousand, and the supporting cargo2™ container shower houses, bathrooms, administrative offices - our HaitiHouse™ team has developed a multi-stage plan for aiding economic development, job growth, and skills acceleration within Haitian, hiring and training Haitians, with the ultimate goal of creating whole new manufacture and service industries there.

While we agree with the idea that Haitians should be leading the rebuilding effort, we are also aware that putting together weak and unsafe transitional shelters that do not address all the basic needs does not help fuel true economic growth. What Haiti needs is a vision for more industry, not a continuation of a hand-out philosophy.

Here is our plan to integrate our operations with Haitian labor:

STAGE 1 - Installation of PermaShelters™. Creation of a service company in Haiti to hire, train, and supply Haitian workers with the knowledge and ability to erect the PermaShelter™ homes purchased. The core supervisors and trainers would be brought to the US to our factory so we can educate them about the product, options, features and methods used to install PermaShelters™. By developing a native service company, we can create a ripple effect on their return. The more villages we need to establish the easier it will be with a ready work force. They can clear land, level, grade and position units in conjunction with the families/neighbors being supplied. Secondly homeowners may want to have porches installed and these same crews could provide that service. As workers progress in ability they can transition into supervisory roles in the first company. We envision this role would continue for the first six months exclusively. *(The costs of unit upgrades or retrofitting options are not included in the base prices of purchased units.)*

STAGE 2 - Service support development. We would continue the process by establishing two more service companies - one focused on electric services the other on plumbing. The next group of skilled workers would be trained in the electric and plumbing aspects of the upgraded options. They would be tasked to install cisterns, check and connect the gutter systems, pipes, toilets, lavatory sinks, filtration systems, UV systems, and the roof cooling systems. They would be trained on retrofitting base units at later dates, including the above and adding electric lighting, pumps, ceiling fans, and any other new items at that time. An entire subcontractor workforce would be developed that could port the skills to provide similar services to others. These would be highly desirable workers.

Within the first year of deployment of village units, we would like to get this company started so we have a readily available force to address the upgrade and optional needs. Some workers would have to be available almost immediately coinciding with the arrival of the first units should they be delivered with options included for installation.

The full effect of Stage 2 growth should take root by month twelve of our plan.

STAGE 3 - Manufacturing final assembly. As with many products today, parts are shipped to a final assembly location and local workers create the finished pieces. With PermaShelters™ we not only have final installation needs, but we can form a factory where the steel frames are mated with flooring, roof elements joined to frames and finish work done on other items in assembly line fashion. This would be a trained workforce skilled in completing the manufacturing process, and preparing home segments for upgrade. We can envision establishing a plant for this purpose within two to three years to continue the home building process.

STAGE 4 - Manufacturing raw material development. Items like the bunk beds with powder coated steel elements, wall segments and other piecework could be produced in a full fledged factory setting in Haiti. The same factory location used in Stage 3 can be expanded and converted to include Stage 4 manufacture.

Flooring can be cut and sized. Everything contributing to the creation of the products can be produced and we can develop this process in sub stages starting with the simplest items first. Once Haiti's infrastructure begins to improve and we can reliably transport, train and equip a factory we would be able to transition much of the production to the island. Until we have an adequate force skilled in welding and steel work we would retain the frame manufacturing segment in the US. We have the capital commitment in place and could begin larger factory operations by year four we believe.

EXPORTATION

Once the operations are meeting needs of Haitians, the product line can also be sold overseas, establishing in Haiti a new home building industry, marketable to other areas of the world. This would help improve Haiti's overall economy.

Factory Plan Summary

The Harbor Homes™ HaitiHouse™ five-year factory plan calls for the creation of several Haitian companies run by and for Haitian development using our proprietary product designs and consultation. By making this commitment we can create a higher standard of living not only through the use of environmentally friendly, safe housing with clean water and electric for families that want to advance, we also create multiple service and manufacturing opportunities, add an education element and begin creating a more vibrant middle class population segment in Haiti.

Haiti will also benefit from having a rapidly expanding pool of workers with better skills and a desire to increase their skills.

This section demonstrates Harbor Homes™ HaitiHouse™ commitment to disaster recovery efforts. We believe we can take a terrible tragedy and turn it into something positive for the nation.

