



THE PREVAIL MODEL

Rather than spend hundreds of millions on a high rise, we are imagining multi-bedroom homes in neighborhoods. These homes, what we call Prevail Homes, will house 5+ people as cooperative rooming houses. All occupants are owners in the cooperative, but Prevail News acts as the overseeing agent and purchaser.

Prevail Homes will feature the following:

- A list of “house” rules
- Enforcement of house rules by a person elected as the administrator
- A workspace for some kind of money-making enterprise
- A community space
- A program much like the 12-step program for re-integration
- A rotating list of housekeeping chores
- Specific rules for any member to be removed from the property
- Complete remote system for viewing home (cameras, monitors, phone app)

HOW TO GO ABOUT PURCHASING HOMES

Theoretically, it’s possible to create cooperative homes as demonstrated by Zvago in Minnesota. Once we get information from Zvago or like organization, we can determine how to finance the purchase of homes, and then how to determine perks of cooperative ownership.

HOW TO PAY THE MORTGAGE

Mortgages can likely be paid by the minimum payment provided to homeless people (\$203 per month). However, taxes and repair will be added to that. And the administrator receives some remediation for their position.

Ideally the enterprise will start to make money, but that cannot be guaranteed as recovery from homelessness is a long process.

We are imagining a 3-year supplemental administrative and property management fee for each home. That fee will depend on the price of the home. After three years, we anticipate self-support from the cooperative owners.

PILOT PROJECT

We would like to purchase a 5-bedroom home in a suburb of the twin cities for \$250,000 or less. We will include a tent with sides for the community space in the back yard. In the winter it will be heated by a propane heater. The likely enterprise with an easy entrance is cottage foods (pickles, seasoning, etc) for sale at the Farmer’s Markets.

\$600	Electronic Outfitting of Home.
\$700	Tent, heater, lawnmower, tools.
\$25,000	10% down
\$18,000	3-year property management (remaining years at zero)
<u>\$44,300.00*</u>	Total

IF WE DON'T CREATE MORE HOUSING

- We pay \$40,000 per year* for each homeless person versus 1/5th of that in our model.
- Homeless people will continue to be without work skills.
- Options will continue to be vouchers for landlords to house the homeless (not) or multi-million dollar high rises.

**According to HUD secretary.*

*Note that this is a preliminary figure.