

## Project &amp; Proforma Summary

## Roosevelt Property - 15,000 sf Lots

Product Type	SFD			Min Lot Size	15,000 sf				
Density	1.7 du's/acre			Sales Absorption Rate	1.5 du's/month				
<b>Schedule:</b>	(starting month)	(starting period)	(const periods)				(ending month)	(ending period)	
Deposit	May '16	5	1	<b>Close Escrow</b>			June '16	6	
Start Final Design	June '16	6	8	Complete Final Design			Jan '17	13	
Start Grading	Feb '17	14	2	Complete Grading			Mar '17	15	
Start Storm Drain	Mar '17	15	2	Complete Storm Drain			Apr '17	16	
Start Water & Sewer	Apr '17	16	2	Complete Water & Sewer			May '17	17	
Start Streets	May '17	17	2	Complete Streets			June '17	18	
Start Landscaping	July '17	19	6	Complete Landscaping			Dec '17	24	
Start Models	June '17	18	6	Complete Models			Nov '17	23	
Start Sales	Oct '17	22		Last Sale			Oct '18	34	
Start Production	Sept '17	21	7	Complete Production			Dec '18	36	
First Closing	Apr '18	28		Last Closing			Mar '19	39	
<b>Plan No.</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>Product Average</b>	<b>Percent</b>	<b>Project Total</b>
No. of Units	6	7	7						20
Unit Mix	30.0%	35.0%	35.0%					100%	
Square Footage	4,800	5,200	5,600				5,220		
Direct Cost	80.00	80.00	80.00				80.00		
Value Ratio w/options & premiums	254.93	248.69	243.34				248.69		
<b>Revenues</b>									
Base Sale Price	1,133,000	1,197,375	1,261,750				1,200,594	92.6%	24,011,875
Premiums	0	0	0				0	0.0%	0
Options	90,640	95,790	100,940				96,048	7.4%	1,920,950
<b>Total Revenue</b>	<b>1,223,640</b>	<b>1,293,165</b>	<b>1,362,690</b>				<b>1,296,641</b>	<b>100.0%</b>	<b>25,932,825</b>
<b>Costs</b>									
<b>Land Acquisition</b>	<b>195,000</b>	<b>195,000</b>	<b>195,000</b>				<b>195,000</b>	15.0%	<b>3,900,000</b>
Final Design	17,330	17,330	17,330				17,330	1.3%	346,591
Grading	27,225	27,225	27,225				27,225	2.1%	544,493
Storm Drain	16,315	16,315	16,315				16,315	1.3%	326,290
Water & Sewer	15,679	15,679	15,679				15,679	1.2%	313,580
Streets	22,961	22,961	22,961				22,961	1.8%	459,223
Dry Utilities	9,367	9,367	9,367				9,367	0.7%	187,339
Landscape and Fences	25,589	25,589	25,589				25,589	2.0%	511,770
Contingency	11,837	11,837	11,837				11,837	0.9%	236,745
Bonds, Permits & Fees	74,556	74,556	74,556				74,556	5.7%	1,491,119
<b>Offsite Costs</b>	<b>220,858</b>	<b>220,858</b>	<b>220,858</b>				<b>220,858</b>	<b>17.0%</b>	<b>4,417,150</b>
<b>Finished Lot Cost</b>	<b>415,858</b>	<b>415,858</b>	<b>415,858</b>				<b>415,858</b>	<b>32.1%</b>	
Directs	384,000	416,000	448,000				417,600	32.2%	8,352,000
Options Cost	63,448	67,053	70,658				67,233	5.2%	1,344,665
*Fixed Indirects	30,591	32,329	34,067				32,416	2.5%	648,321
*Monthly Indirects @ \$20,000	17,930	18,949	19,968				19,000	1.5%	380,000
*Fixed Marketing	18,355	19,397	20,440				19,450	1.5%	388,992
*Monthly Marketing @ \$20,000	12,268	12,965	13,662				13,000	1.0%	260,000
*Model Upgrades	37,748	39,893	42,038				40,000	3.1%	800,000
*Model Upgrade Recovery	(13,212)	(13,962)	(14,713)				(14,000)	-1.1%	(280,000)
*Commissions/Closing Costs	12,236	12,932	13,627				12,966	1.0%	259,328
*Warranty	12,236	12,932	13,627				12,966	1.0%	259,328
*Insurance	12,236	12,932	13,627				12,966	1.0%	259,328
*Property Taxes	3,896	4,118	4,339				4,129	0.3%	82,577
*G & A	36,709	38,795	40,881				38,899	3.0%	777,985
<b>Directs &amp; Soft Costs</b>	<b>628,443</b>	<b>674,332</b>	<b>720,221</b>				<b>676,626</b>		<b>13,532,525</b>
<b>Total Costs Before Financing</b>	<b>1,044,300</b>	<b>1,090,189</b>	<b>1,136,078</b>				<b>1,092,484</b>		<b>21,849,675</b>
Gross Profit Before Financing	179,340	202,976	226,612				204,158		4,083,150
Gross Profit Percentage	14.7%	15.7%	16.6%				15.7%		15.7%
*A&D Financing	15,221	16,086	16,950				16,129	1.2%	322,576
*Construction Financing	38,150	40,318	42,486				40,426	3.1%	808,527
<b>Total Cost with Financing</b>	<b>1,097,672</b>	<b>1,146,593</b>	<b>1,195,514</b>				<b>1,149,039</b>	<b>88.6%</b>	<b>22,980,778</b>
<b>Profit</b>	<b>125,968</b>	<b>146,572</b>	<b>167,176</b>				<b>147,602</b>	<b>11.4%</b>	<b>2,952,047</b>
<b>% Profit</b>	<b>10.3%</b>	<b>11.3%</b>	<b>12.3%</b>						<b>11.4%</b>
<b>Financial Notes:</b>	Lenders	Loan Amt	Interest Rate	Loan Fee %	LTV	Loan Fee	Interest	*Total Soft Costs	19.2%
	A&D Loan	5,406,050	6.5%	1.5%	65%	81,091	241,486	Soft Costs plus Profit	30.5%
	Const Loan	16,596,000	6.5%	1.5%	80%	248,940	559,587	Un-Leveraged IRR	18.0%
								Leveraged IRR	27.0%
	Equity	Profit	Preferred	Peak	Preferred			Total Return	IRR
	Share %	Share %	Return %	Capital	Return	Profit	Total Return	IRR	
	Builder	100%	100%	0.0%	4,688,514	0	2,952,047	2,952,047	27.0%

All revenues and costs are in 2016 dollars