

PINEBROOK



**SEVEN
HILLS
HOMES**

PINEBROOK PROJECT TEAM



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HILLS
HOMES**



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1.1 Overview

Senior Executive Committee, we invite you to explore the following land investment opportunity of Pinebrook in La Plata, Maryland. This prospective venture is guaranteed to provide company growth and aligns with our organization's mission and values.

1.2 Market Analysis

Seven Hills Homes has diligently researched La Plata and its surrounding area. We have analyzed the data acquired and combined it with our development and building strategies to optimize our position within the market. Our strategy towards investment in this land will advance La Plata and Seven Hills Homes.

1.3 Land Development

Pinebrook was carefully designed to meet market demand and to function as an integral part of the lives of those who will live in the new community. The Pinebrook development hosts 563 homes. The design is sensitive to sustainability and preserving existing biodiversity.

1.4 Green Building Strategy

Seven Hills Homes has made it a priority to implement the ICC 700 National Green Building Standards. The green building approach for Pinebrook matches the town of La Plata's sustainability mission stated in their 2030 Comprehensive Plan. With a focus on stormwater management, water supply use, and home energy efficiency, Pinebrook predicts achieving 4-star and Gold NGBES ratings.

1.5 Product Design

The Pinebrook community provides a diverse collection of homes that include six different floor designs, each with several elevation options. Residents have the option of cottages, duplexes, townhomes, and single-family detached houses. These plans range from 1300-2800 sq. ft. with prices ranging between \$235,000-\$475,000. All floor designs offer competitive standard features and optional upgrades.

1.6 Project Management

Seven Hills Homes strives to build strong partnerships with contractors and clients involved with the Pinebrook community development. The Pinebrook project team will consist of knowledgeable members to ensure that the homes are built by the construction schedule, within the cost budget, and to exceed customer satisfaction.

1.7 Sales and Marketing

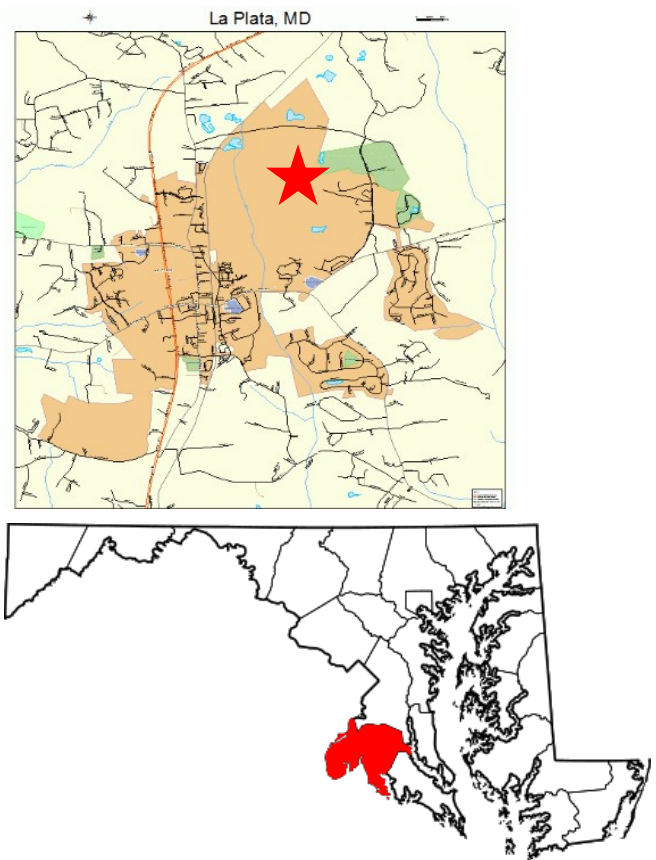
A comprehensive and successful sales and marketing strategy will be managed by our in-house sales team of seven employees. Through digital, traditional, and experiential marketing, we will reach each of our segmented target markets and establish Pinebrook as one of the most desirable new communities in the region.

1.8 Financial and Risk Analysis

Pinebrook anticipates to achieve an unlevered internal rate of return of 27.79% with a net profit of \$36,267,460 and an average profit margin of 28.33% per home sale. The development requires a peak equity investment of \$11.94MM reached in August 2023. Through risk-averse phasing and a presales strategy, we will break even in the 15th month of the project in June 2024.

2.1 Overview

Pinebrook is a proposed development in La Plata, Maryland, located roughly an hour south of Washington, D.C. near the middle of Charles County. It was annexed in March of 1990, where it was placed into the Mixed-Use District. Five months later, the master development plan was approved by the town. La Plata is a small suburb with an estimated 2021 population of 10,404. It has numerous retail outlets and is within 60 miles of three major airports. The town's schools rank in the top 50% in the state. Considering these factors, Pinebrook is an optimally positioned development site that caters well to our target market.



2.2 Surrounding Area

La Plata, historically a small town in Charles County, Maryland, has developed into a dynamic region strategically positioned for growth and development. Despite its dramatic growth, La Plata prides itself on its small-town feel, with locally owned businesses providing a vast amount of shopping and dining experiences. Fewer than 20 miles away, however, are major cities including: Saint Charles, Waldorf, and Woodbridge, conveniently making La Plata's location ideal for small-town or big-city people.

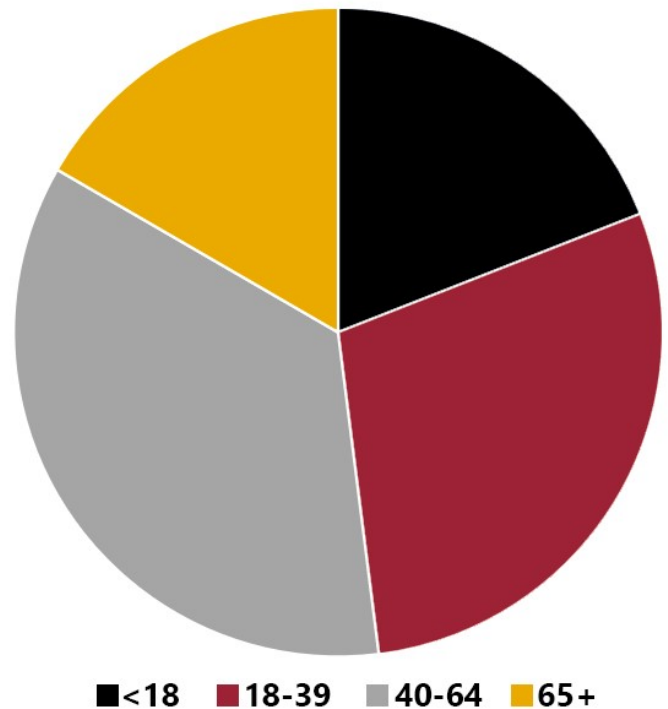
The Pinebrook development is surrounded by opportunities for outdoor adventures, boutique shopping, historical learning, and artistic entertainment. Future residents can fossil hunt at Purse State Park, kayak at Mallows Bay, watch a baseball game at Regency Furniture Stadium, visit the historical home of Dr. Samuel A. Mudd, or witness a comedy show at Port Tobacco Players. Similarly, its location along Crain Highway gives residents access to many restaurants, grocery stores, and other eateries. In addition, the town boasts seven city parks, and is host to multiple Charles County recreational parks. This includes Laurel Springs Regional Park, which is located right next to Pinebrook.

2.3 Demographics

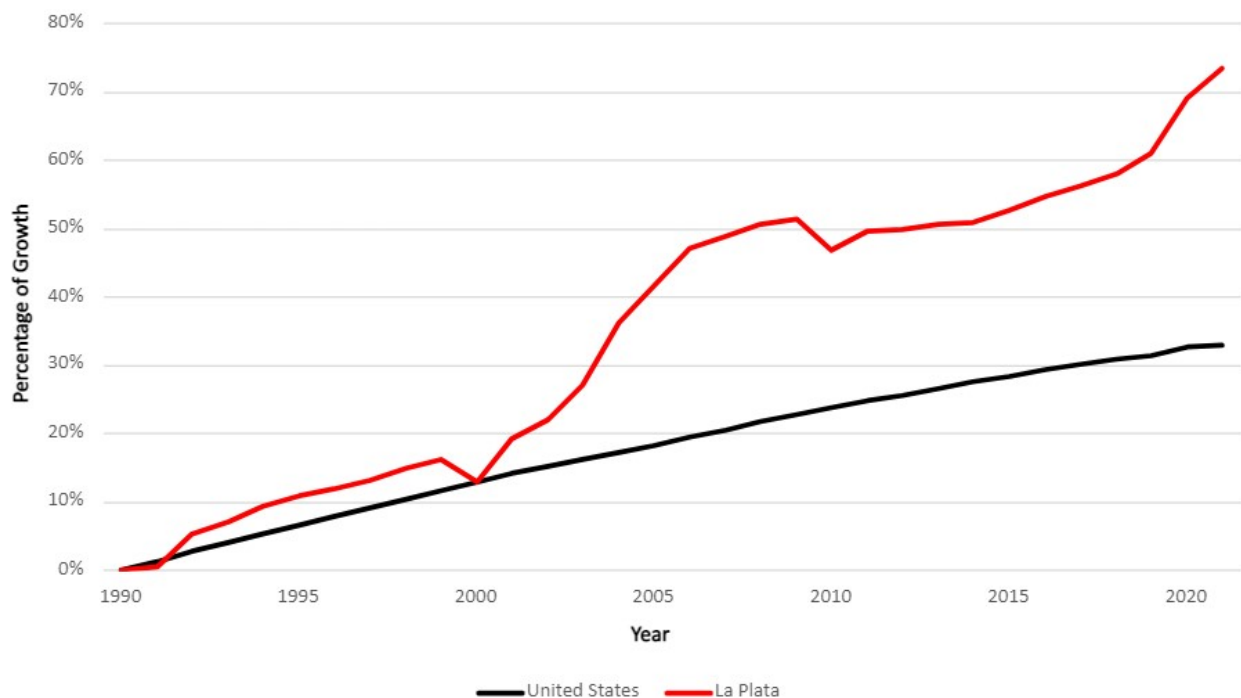
La Plata has seen momentous growth in the last decade, placing it in the top 20 fastest-growing cities in Maryland. Growing 16.1% over the past 10 years, La Plata currently has a population of 10,404 people.

The average household size in La Plata is 2.6, in line with the national average. The median age in La Plata is 40.5 years, however, this is relatively variable between men and women. The median age for males is 36.8 while the median age for females is 43.7. Homeownership in La Plata is stronger than the presence of renters with 69.3% of the population currently owning a home. The largest demographic of homeowners is married households with 87.9%.

Age Ranges of La Plata Residents



Population Growth by Percentage Since 1990

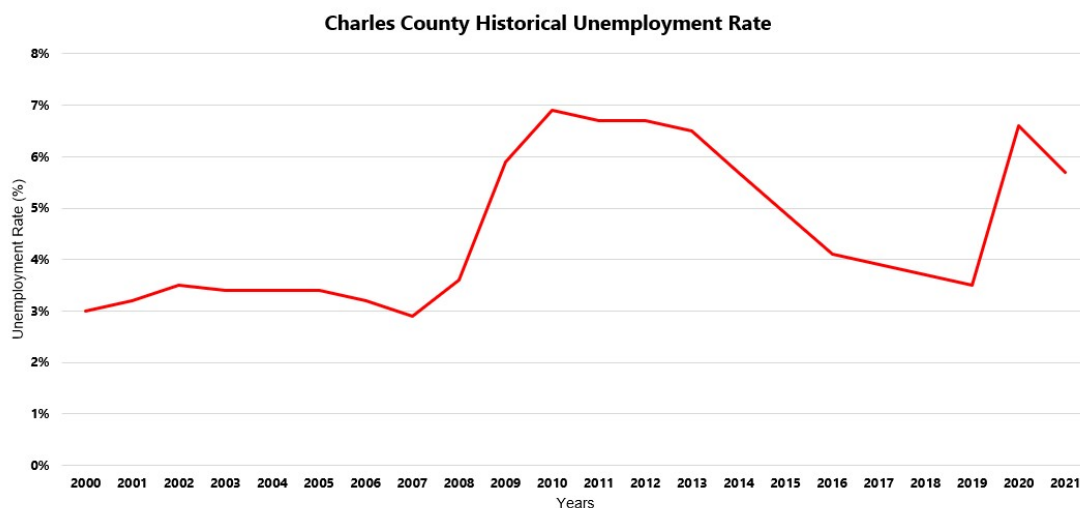


2.4 Employment

Charles County's largest employer is the Naval Support Facility in Indian Head. Other major employers include the Charles County School District, Charles County Government, and the University of Maryland Charles Medical Regional Center. Future job growth is expected to be 37.1% over the next ten years, which is slightly above the national average of 33.1%.

2.5 Education

Pinebrook is conveniently located next to La Plata High School and Mary H. Matula Elementary School. It is also close to both Milton M. Sommers Middle School and Walter J. Mitchell Elementary School. Across the district, there are roughly 3,300 students. La Plata High School ranks among the top 20% of public schools in Maryland and is ranked 3,669 out of 17,843 high schools nationwide. Residents of La Plata who are 25 and older have a high school graduation rate of 90.8%, which is slightly higher than the national average of 88.5%. The percentage of citizens 25 and older with a bachelor's degree or higher is equivalent to the U.S. national average of 32.9%.



	La Plata	Charles County	United States
High School Graduate or Higher, Percent of Persons Age 25+ Years, 2016-2020	90.8%	93.6%	88.5%
Bachelors Degree or Higher, Percent of Persons Age 25+ Years, 2016-2020	32.9%	30.0%	32.9%

2.6 Transportation

The area has developing bike trails in accordance with a comprehensive alternative transportation model adopted by the county in development. It also offers plenty of bus routes and roads. La Plata offers direct access to US 301, the primary route to Washington, D.C. Many residents drive and La Plata also offers its Express MTA bus system which runs all the way to Washington, D.C. This access to major transportation routes is especially important, as Charles County residents have the second-highest average commute time in Maryland at 43.3 minutes one-way. Adding to the convenience of its location, La Plata is fewer than 60 miles from three major airports: Ronald Reagan Washington National Airport, Washington Dulles International Airport, and Baltimore-Washington International Airport.

2.7 Housing Supply Trend

Many of the communities around La Plata offer a mix of single-family, townhomes, and retirement communities. Within La Plata, the focus is on maintaining the small-town, country feel with its continued growth. Residents desire walkable, green communities with a variety of housing options and shared community spaces for neighbors to gather.

The median property value in La Plata is \$477,000 compared to the \$357,810 U.S. median property value.



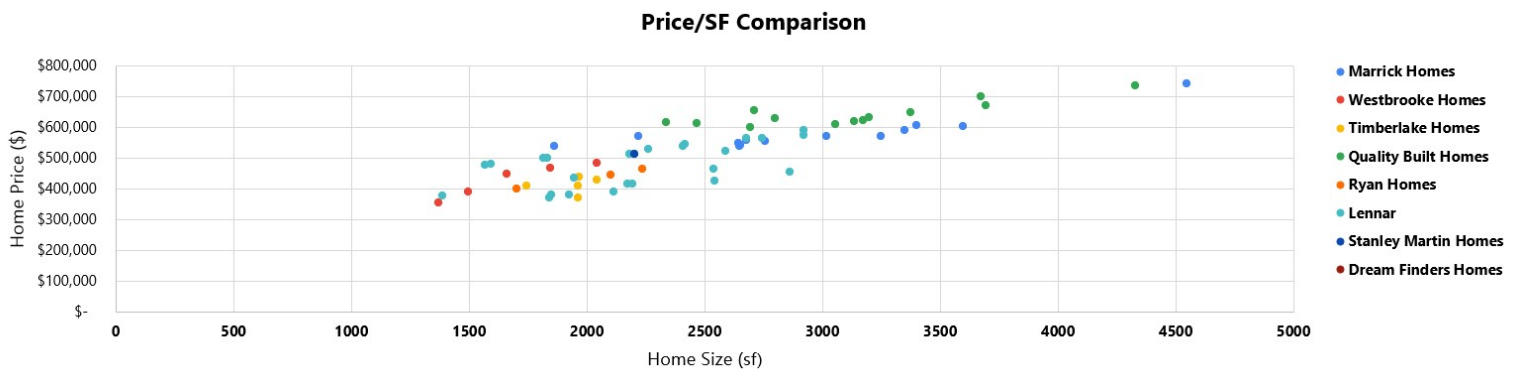
Airports Relative to La Plata

2.8 Absorption

The current absorption rate for Charles County is 20.5%. Out of 934 houses for sale in September of 2022, 191 were sold. This absorption is a slight decrease from previous months, which lines up with current market trends. Houses were on the market for an average of 22 days, an increase from previous months, aligning with the decreasing absorption rates and a slowdown of market demand.

2.9 Affordability

Given the average price of Pinebrook's single-family homes at \$382,000, and Pinebrook's townhomes at \$390,000, the average household income will likely be around \$100,000 per year.



2.10 Market Comparison

Across the United States, home sales prices have increased 30% over the last year-and-a-half. This is attributable to a variety of factors, namely inflation due to rising demand and stagnant housing supply. The price increase has resulted in homes becoming less affordable for the average American, causing the absorption rate to drop. The current median new home sales price in comparable communities within the region is roughly \$533,880 priced at \$209 per sq. ft, following the current U.S. market trend. Pinebrook homes are priced competitively relative to this market.

The La Plata housing market is almost exclusively comprised of single-family residences. On average, new units being built consist of four bedrooms, three baths, 2576 sq. ft, and a 0.69-acre lot.

The newest community developments within a five-mile radius of La Plata offer a mix of single-family, townhomes, and 55+ active-adult retirement neighborhoods.

Agricopia - Marrick Homes

2.1 Miles from Site
1864-4546 sq. ft.
\$201 / sq. ft.
Base Price: \$536,900



St. Charles - Lennar

2.2 Miles from Site
1386-2923 sq. ft.
\$220 / sq. ft.
Base Price: \$369,990



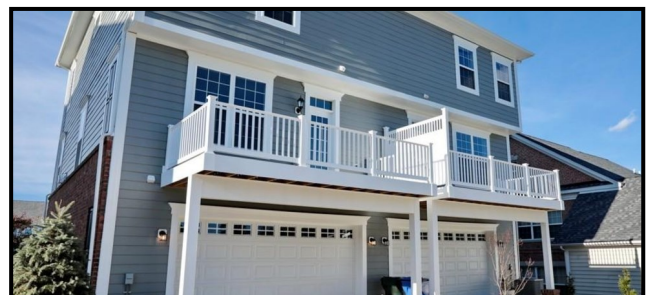
Hawthorne Green - Westbrook Homes

4.4 Miles from Site
1372-2043 sq. ft.
\$256 / sq. ft.
Base Price: \$353,900



Steeplechase - Timberlake Homes

4.6 Miles from Site
1745-2044 sq. ft.
\$213 / sq. ft.
Base Price: \$370,900



2.11 Target Market

The last few years have seen relative volatility within the housing market. While recent months have resulted in a decline, the market is still hot. This, combined with La Plata's small-town feel, means the target market is families making roughly \$100,000 per year. With the naval base so close, and a decent number of the town's residents already employed there, the Pinebrook development seeks to explore that niche and gear our marketing toward attracting naval families. The most likely buyers are families with two or three kids, where both of the parents work. A second market would likely be younger buyers; Gen Z and millennials looking to buy their first home. When marketing to this demographic, our focus is on selling our Elm and Evergreen townhome models. Market research shows they are more likely to buy a townhome than older generations. Finally, a third market would be older seniors looking to retire in La Plata. There has been a recent increase in the construction of active-adult communities in the area, emphasizing independent living for older adults. Likely, they would have family or friends also living close by. The chart below gives some information on the various target markets.



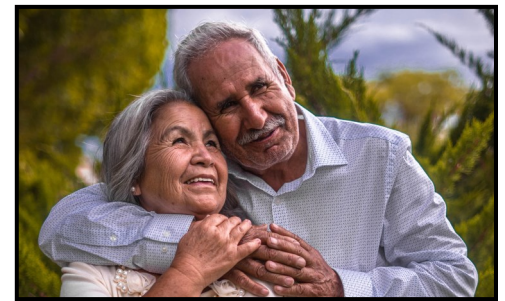
Families

- Income Range: \$120k-\$150k
- Age Range (Adults): 30-55
- Housing Size: 4-5
- Education: At least one family member with a bachelor's degree or higher
- Goals and Wants:
 - ◊ Raise a family
 - ◊ Have their children receive a good education
 - ◊ Live in a safe community



Millennials / Gen Z

- Income Range: \$70k-\$100k
- Age Range: 25-40
- Housing Size: 1-2
- Education: Bachelor's degree
- Goals and Wants:
 - ◊ Get financially stable
 - ◊ Build credit
 - ◊ Find a partner or spouse



Seniors

- Income Range: N/A
- Age Range: 65+
- Housing Size: 1-2
- Education: Bachelor's degree
- Goals and Wants:
 - ◊ Spend time with family
 - ◊ Build community with other seniors
 - ◊ Enjoy retirement

3.1 Natural Features

Pinebrook is situated on approximately 200 acres of a tranquil, red-pine forest replete with attractive rolling hills. Traveling along the western edge of the property is Clark Run Stream. In a similar fashion, the northern border features well-established stormwater retention ponds which surround attractive, naturally occurring ponds. The area to be developed contains several dedicated wetlands along the northern border and through the middle section of the acreage. These demarcated wetlands present a challenge to some, but our proposed site design incorporates these wetlands as an attractive, natural feature of Pinebrook.

The proposed site is attractive to potential residents because of its accessibility. Along the northern border of the property lies Rosewick Road, a divided, four-lane highway offering easy access to connecting surface roads. The routes lead to businesses, shopping, cultural and entertainment venues, as well as schools and employment. Future construction along the western border of Pinebrook, La Plata Parkway, will connect Rosewick Road to Charles Street to the south. Residents will also be able to take advantage of the well-developed bike/pedestrian path running parallel to Rosewick Road for recreational as well as commuting purposes.

The site geologically consists of rolling hills and valleys. The soil comprising the site is predominantly classified as *Udorthents*, which possesses good drainage properties, although soil studies and normal practice generally find a 'high' water table in this type of soil.

3.2 Site Requirements and Zoning

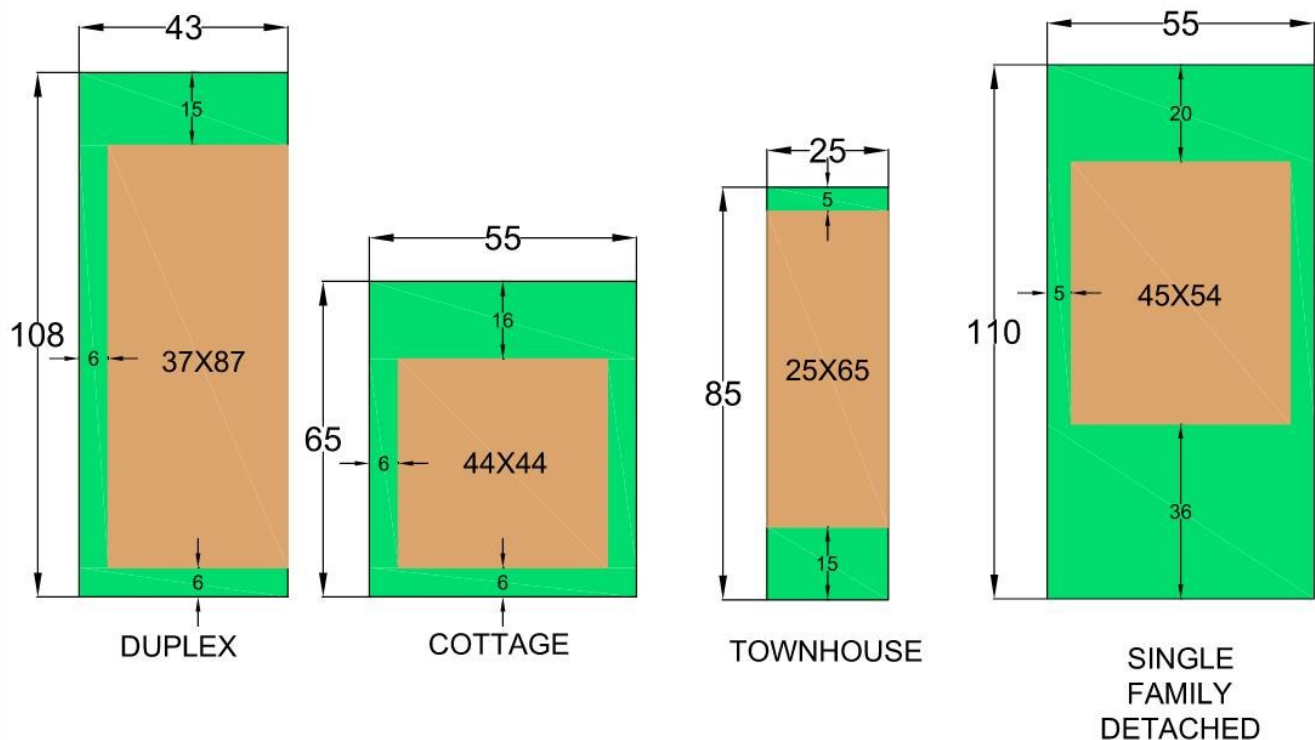
Purchase of the property and subsequent development requires construction of acceleration and deceleration lanes along Rosewick Road, facilitating entry and exit onto La Plata Parkway. The lanes are required by the town of La Plata, and necessitate a financial commitment by the developer. There is a "school seat allocation" fee of \$13,000 assessed against each completed dwelling unit.

The zoning for the proposed parcel is Traditional Mixed Use Development (TDX). The intent behind Traditional Mixed Use Development is to encourage human-scaled development. Areas zoned TDX are required to incorporate a designated percentage of land area for open space, multi-family, and commercial use.

Zoning does not define minimum lot sizes, setbacks, and floor-to-area ratios. This is an advantage to developers seeking lot sizing approval within the review process as they are provided with a great deal of flexibility with regard to housing designs incorporated within the overall site plan.

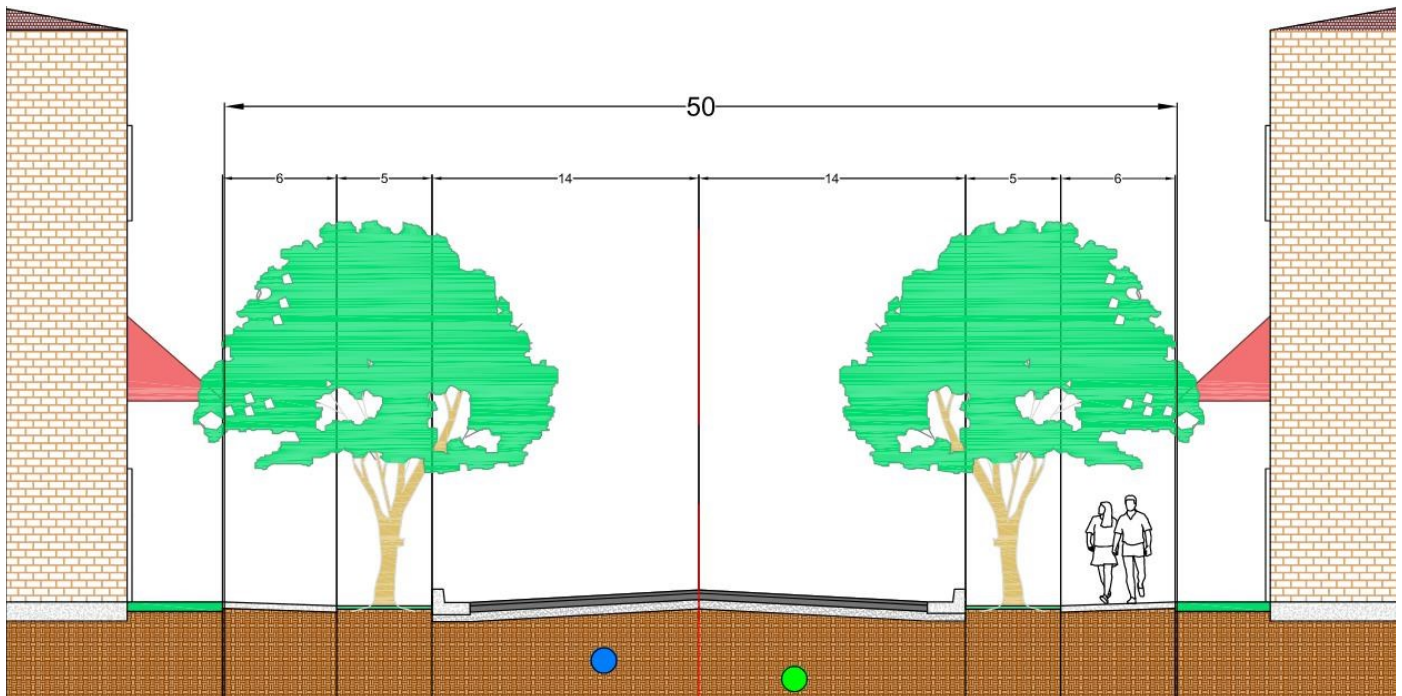
3.3 Site Design Priorities

Our land development team proposes four lot sizes with a footprint meeting the siting requirements for each of the home designs. The site design proposal is sensitive to current challenges of uncertain economic conditions with increasing interest rates. The proposal secures an acceptable rate of return on investment by carefully balancing the demand for affordable housing development with responsible increases in density. The four lot sizes and building pads detailed below are also in response to the goals established by the town of La Plata.



The intent of TDX zoning incorporates, as a central principle, the concept of “pedestrian oriented development.” This principle focuses on walkability and interconnectedness. Interwoven throughout the design plan are pathways, accessible community-oriented spaces, and a commercial live-work district within the site.

The design team has placed a strong emphasis on landscape design to enhance the expression of the TDX concept of “human-scaled development.” Streetscapes within the development complement the landscape design by incorporating planted trees along both sides of the street and homesite frontage, providing a lush, natural environment. Weaving prominent and subtle existing environmental elements with aesthetically pleasing, complementary landscaping allows natural elements to create places where family and community will live and grow together for years to come.



Site Design Priorities (Continued)

Recognizing public policy interests, as well as our own corporate ethos of sensitivity to the environment, our design proposal minimizes the impact to protected wetlands and promotes their future. As such, grading design will minimize runoff and erosion. Low-impact development and construction techniques will include numerous rain gardens and other natural stormwater-retention devices to reduce erosion while controlling and treating stormwater runoff. Areas which would require extensive regrading to become buildable, such as steep slopes located by existing stream beds, will remain undeveloped. This approach mitigates costs while preserving naturally forested areas and community park space. Each of these elements described above will comport with the goal of maintaining an aesthetically pleasing, natural design.

3.4 Lot Premiums and Model Homes

Lot premiums are primarily based on three major considerations: proximity to amenities, lot size, and privacy. However, site premium costs will vary due to differences in product type and prospective homebuyer preference. They will therefore be determined on a case-by-case basis.

Potential premium lot locations are displayed on the next page. To facilitate sales for both our homebuyers and sales staff, model home construction will prioritize products available for sale in that same construction phase.



3.5 Landscaping

Our site design team has taken great care in selecting natural plantings to be used for site landscaping, streetscaping, as well as low-impact stormwater management structures. These plants are intended not only to be low maintenance and aesthetically pleasing, but most importantly, thrive given existing soil and weather conditions. As noted in the town's TDX zoning requirements, street tree plantings are to be deciduous. Given site conditions and the existing flora of the site, our team has determined deciduous trees will grow poorly. Therefore, our team intends to apply for a variance within the zoning code seeking to plant species similar to existing native species such as coniferous trees. Some of the plant species we propose to add include ostrich fern grass, rhododendron, pampas feathers, Maryland wildflowers, southern magnolias, and red pines.

3.6 Stormwater Management

Conservation and stewardship of the site's natural resources and beauty was of utmost importance when designing the community layout. Preservation of existing wetlands and streams was a priority. Stormwater management systems such as bioswales, rain gardens, and curb cuts along planting strips are strategically placed throughout the site to collect site runoff. Not only do these structures control pollution and erosion, they also provide natural beautification.

Additionally, the site grading plan is specifically designed to drain storm runoff away from existing wetlands and streams. Areas deemed too steep, often leading to erosion if developed, are to remain undeveloped. As detailed within our proposed land development schedule, erosion control measures including silt fence placement, blanketing, and seeding are to be immediately implemented as soon as an area is graded. Erosion control measures are accounted for in both the land development and individual home estimates.



3.7 Value Engineering

Employing value engineering to maximize the use of the existing trees felled during land development, our team will repurpose this organic material as mulch for landscaping. Furthermore, trees cleared can be given to local lumber and mulching companies to be hauled off site at no additional cost. To conserve both money and the environment, our team will reserve a select grouping of existing trees prior to clearing to be used later in the landscaping of the community.

3.8 ICC 700 National Green Building Standards

After comparing our community and home features to the ICC 700 National Green Building Standards, we predict a score of 4 stars for Site Design and Development and an overall Gold rating based on the following Green Building Categories: Lot Design, Preparation, and Development, Resource Efficiency, Energy Efficiency, Water Efficiency, Indoor Environmental Quality, Operation, Maintenance, and Building Owner Education.

PROJECT MANAGEMENT

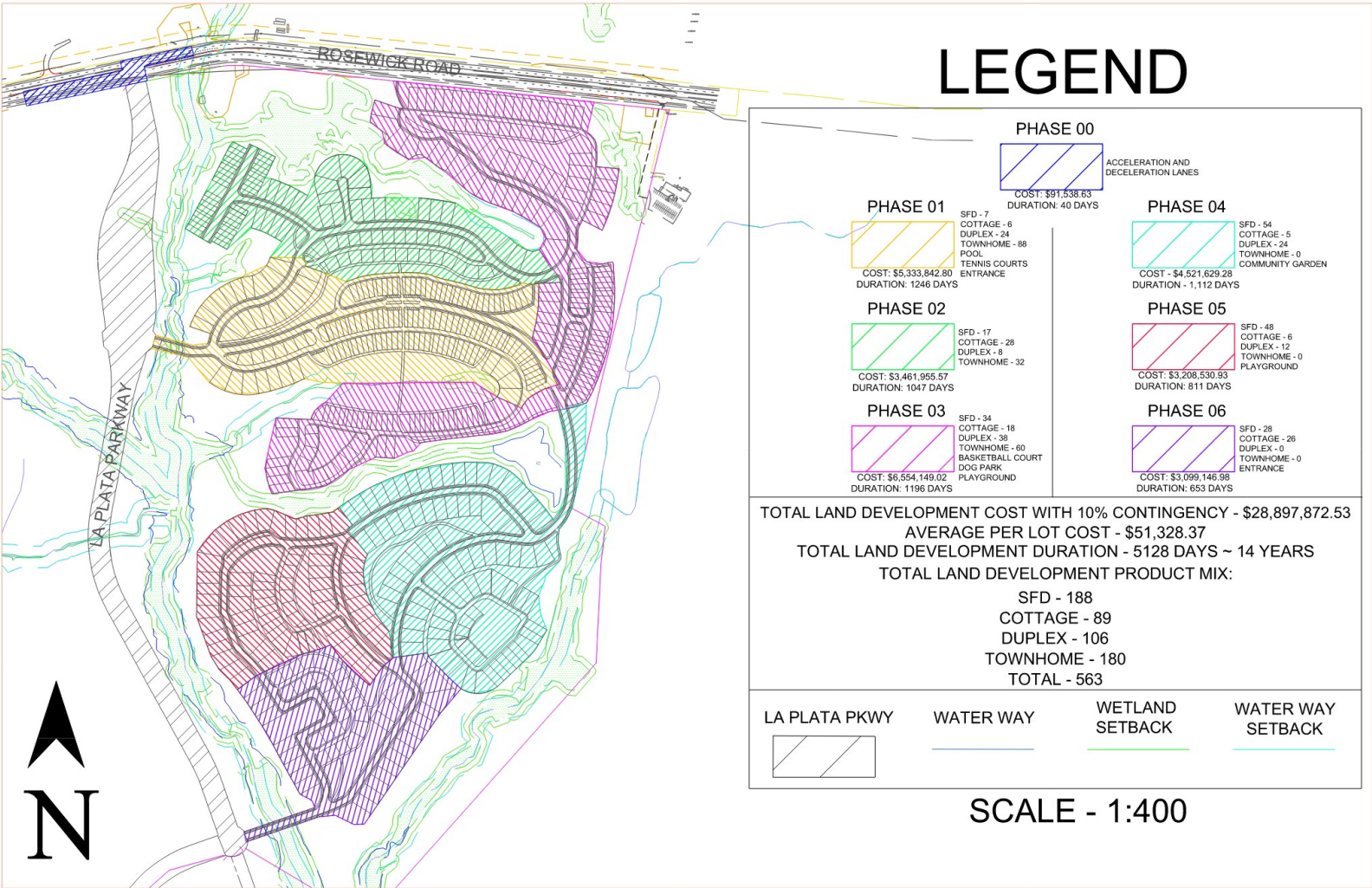
4.1 Phasing

Development will be planned and completed in seven phases. Our preliminary phases will focus on two priorities: affordability and community. In consideration of the current economic climate, denser, more affordable home products will be offered including townhomes and duplexes. This initial development will take place in the northern and middle sections of the site. This development phase will not only offer a more affordable option during what is anticipated to be an economic downturn but allow for the construction of central community amenities (pool, dog park, playgrounds) whose installation will attract homebuyers’ purchase of future development phases.

Development of less dense home products in future phases is a strategic decision anticipating an improving economy, lower interest rates, and greater personal discretionary income by prospective homebuyers. Dividing the overall project into phases will minimize the impact of ongoing construction on existing homeowners.

4.2 Project Estimate

Our site development team has created a detailed site development estimate. The estimate is based upon projected quantities of work for this site plan and historical costs from our site development material and labor pricing database. Additionally, our team has acquired quotes from local subcontractors as a means of double-checking our unit prices.



PHASE 00					
	ITEM	QUANTITY	UNITS	UNIT COST	TOTAL COST
GENERAL CONDITIONS					
\$10,000.00	PERMITTING	1	LS	\$5,000.00	\$5,000.00
	MAINTENANCE OF TRAFFIC	1	LS	\$5,000.00	\$5,000.00
DEMOLITION AND EARTHWORK					
\$34,188.63	DEMOLITION & MILLING	1250	SY	\$3.98	\$4,975.00
	GRADING	0.26	ACRE	\$106,383.00	\$27,659.58
	STRAW AND SEED	0.05	ACRE	\$1,081.00	\$54.05
	SILT FENCE	1500	LF	\$1.00	\$1,500.00
ROADWAY					
\$47,350.00	CURB	1500	LF	\$9.38	\$14,070.00
	AGGREGATE BASE	1250	SY	\$4.62	\$5,775.00
	ASPHALT BASE	1250	SY	\$13.16	\$16,450.00
	ASPHALT SURFACE	1250	SY	\$6.58	\$8,225.00
	STRIPING	2250	LF	\$1.08	\$2,430.00
	SIGNAGE	4	EACH	\$100.00	\$400.00
				TOTAL	\$91,538.63

PROJECT MANAGEMENT

PHASE 01					
	ITEM	QUANTITY	UNITS	UNIT COST	TOTAL COST
PERMITTING					
\$1,677,879.00	PERMITTING AND DEVELOPMENT FEES	1	LS	\$52,879.00	\$52,879.00
	SCHOOL ALLOCATION FEE	125	DWELLINGS	\$13,000.00	\$1,625,000.00
EARTHWORK					
\$2,025,158.48	CLEARING	17.06	ACRE	\$12,325.00	\$210,264.50
	ROUGH GRADING	17.06	ACRE	\$106,383.00	\$1,814,893.98
EROSION CONTROL					
\$48,976.70	CONSTRUCTION ENTRANCE AND EXIT	1	LS	\$2,500.00	\$2,500.00
	SEED AND STRAW	12.7	ACRE	\$1,081.00	\$13,728.70
	SILT FENCE	2708	LF	\$1.00	\$2,708.00
	INLET PROTECTION	24	EACH	\$50.00	\$1,200.00
	STORMWATER MANAGEMENT STRUCTURES	0.72	ACRE	\$34,500.00	\$24,840.00
	ROAD SWEEPING	1	LS	\$4,000.00	\$4,000.00
UTILITIES					
\$635,484.60	SANITARY SEWER LINE	5820	LF	\$16.32	\$94,982.40
	SANITARY MANHOLES	23	EACH	\$1,659.00	\$38,157.00
	SANITARY SERVICE	1801	LF	\$6.69	\$12,048.69
	WATER LINE	5820	LF	\$25.54	\$148,642.80
	HYDRANTS	14	EACH	\$2,000.00	\$28,000.00
	WATER SERVICE	1801	LF	\$17.79	\$32,039.79
	CATCH BASINS	24	EACH	\$1,659.00	\$39,816.00
	STORM LINE	2311	LF	\$16.32	\$37,715.52
	GAS LINE	5820	LF	\$13.07	\$76,067.40
	ELECTRIC AND TELECOMMUNICATION	5820	LF	\$8.25	\$48,015.00
	TRANSFORMER	40	EACH	\$2,000.00	\$80,000.00
ROADWAY					
\$416,552.96	CURB	5680	LF	\$8.00	\$45,440.00
	AGGREGATE BASE	14511	SY	\$4.62	\$67,040.82
	ASPHALT BASE COURSE	14511	SY	\$13.16	\$190,964.76
	ASPHALT SURFACE COURSE	14511	SY	\$6.58	\$95,482.38
	PARKING	33	SPACES	\$500.00	\$16,500.00
	SIGNAGE	15	EACH	\$50.00	\$750.00
	PAVEMENT MARKINGS	15	EACH	\$25.00	\$375.00
FLATWORK AND LANDSCAPING					
\$529,791.06	CONCRETE WALK	66421	SF	\$3.84	\$255,056.64
	CROSSWALK	10	EACH	\$500.00	\$5,000.00
	FINE GRADING	18254	SY	\$2.23	\$40,706.42
	STREET TREES	162	EACH	\$400.00	\$64,800.00
	STREET LIGHTS	36	EACH	\$423.00	\$15,228.00
	LANDSCAPING	49	EACH	\$1,000.00	\$49,000.00
	MONUMENT	1	LS	\$15,000.00	\$15,000.00
	BENCHES	6	EACH	\$500.00	\$3,000.00
	SHELTER	3	EACH	\$4,000.00	\$12,000.00

PHASE 02					
	ITEM	QUANTITY	UNITS	UNIT COST	TOTAL COST
PERMITTING					
\$1,108,330.00	PERMITTING AND DEVELOPMENT FEES	1	LS	\$3,330.00	\$3,330.00
	SCHOOL ALLOCATION FEE	85	DWELLINGS	\$13,000.00	\$1,105,000.00
CLEARING AND GRADING					
\$1,424,484.00	CLEARING	12	ACRE	\$12,325.00	\$147,900.00
	ROUGH GRADING	12	ACRE	\$106,382.00	\$1,276,584.00
EROSION CONTROL					
\$48,311.31	CONSTRUCTION ENTRANCE AND EXIT	2	LS	\$2,500.00	\$5,000.00
	SEED AND STRAW	9.51	ACRE	\$1,081.00	\$10,280.31
	SILT FENCE	3341	LF	\$1.00	\$3,341.00
	INLET PROTECTION	17	EACH	\$50.00	\$850.00
	STORMWATER MANAGEMENT STRUCTURES	0.72	ACRE	\$34,500.00	\$24,840.00
	ROAD SWEEPING	1	LS	\$4,000.00	\$4,000.00
UTILITIES					
\$424,055.74	SANITARY SEWER LINE	3489	LF	\$16.32	\$56,940.48
	SANITARY MANHOLES	17	EACH	\$1,659.00	\$28,203.00
	SANITARY SERVICE	1389	LF	\$6.69	\$9,292.41
	WATER LINE	3489.14	LF	\$25.54	\$89,112.64
	HYDRANTS	9	EACH	\$2,000.00	\$18,000.00
	WATER SERVICE	1389	LF	\$17.79	\$24,710.31
	CATCH BASINS	17	EACH	\$1,659.00	\$28,203.00
	STORM LINE	1667	LF	\$16.32	\$27,205.44
	GAS LINE	3489.14	LF	\$13.07	\$45,603.06
	ELECTRIC AND TELECOMMUNICATION	3489.14	LF	\$8.25	\$28,785.41
	TRANSFORMER	34	EACH	\$2,000.00	\$68,000.00
ROADWAY					
\$231,156.64	CURB	2827.7	LF	\$8.00	\$22,621.60
	AGGREGATE BASE	8539	SY	\$4.62	\$39,450.18
	ASPHALT BASE COURSE	8539	SY	\$13.16	\$112,373.24
	ASPHALT SURFACE COURSE	8539	SY	\$6.58	\$56,186.62
	SIGNAGE	7	EACH	\$50.00	\$350.00
	PAVEMENT MARKINGS	7	EACH	\$25.00	\$175.00
FLATWORK AND LANDSCAPING					
\$225,617.88	CONCRETE WALK	36369	SF	\$3.84	\$139,656.96
	CROSSWALK	8	EACH	\$500.00	\$4,000.00
	FINE GRADING	10204	SY	\$2.23	\$22,754.92
	STREET TREES	81	EACH	\$400.00	\$32,400.00
	STREET LIGHTS	22	EACH	\$423.00	\$9,306.00
	LANDSCAPING	16	EACH	\$1,000.00	\$16,000.00
	BENCHES	3	EACH	\$500.00	\$1,500.00
				TOTAL	\$3,461,955.57

PROJECT MANAGEMENT

PHASE 03					
	ITEM	QUANTITY	UNITS	UNIT COST	TOTAL COST
PERMITTING					
\$1,955,410.00	PERMITTING AND DEVELOPMENT FEES	1	LS	\$5,410.00	\$5,410.00
	SCHOOL ALLOCATION FEE	150	DWELLINGS	\$13,000.00	\$1,950,000.00
CLEARING AND GRADING					
\$2,863,236.96	CLEARING	24.12	ACRE	\$12,325.00	\$297,279.00
	ROUGH GRADING	24.12	ACRE	\$106,383.00	\$2,565,957.96
EROSION CONTROL					
\$101,487.00	CONSTRUCTION ENTRANCE AND EXIT	3	LS	\$2,500.00	\$7,500.00
	SEED AND STRAW	14.34	ACRE	\$2,200.00	\$31,548.00
	SILT FENCE	5439	LF	\$1.00	\$5,439.00
	INLET PROTECTION	25	EACH	\$50.00	\$1,250.00
	STORMWATER MANAGEMENT STRUCTURES	1.5	ACRE	\$34,500.00	\$51,750.00
	ROAD SWEEPING	1	LS	\$4,000.00	\$4,000.00
UTILITIES					
\$728,602.74	SANITARY SEWER LINE	5889	LF	\$16.32	\$96,108.48
	SANITARY MANHOLES	26	EACH	\$1,659.00	\$43,134.00
	SANITARY SERVICE	2600	LF	\$6.69	\$17,394.00
	WATER LINE	5889	LF	\$25.54	\$150,405.06
	HYDRANTS	15	EACH	\$2,000.00	\$30,000.00
	WATER SERVICE	2600	LF	\$17.79	\$46,254.00
	CATCH BASINS	25	EACH	\$1,659.00	\$41,475.00
	STORM LINE	3571	LF	\$16.32	\$58,278.72
	GAS LINE	5889	LF	\$13.07	\$76,969.23
	ELECTRIC AND TELECOMMUNICATION	5889	LF	\$8.25	\$48,584.25
	TRANSFORMER	60	EACH	\$2,000.00	\$120,000.00
ROADWAY					
\$385,151.32	CURB	3833	LF	\$8.00	\$30,664.00
	AGGREGATE BASE	14512	SY	\$4.62	\$67,045.44
	ASPHALT BASE COURSE	14512	SY	\$13.16	\$190,977.92
	ASPHALT SURFACE COURSE	14512	SY	\$6.58	\$95,488.96
	SIGNAGE	13	EACH	\$50.00	\$650.00
	PAVEMENT MARKINGS	13	EACH	\$25.00	\$325.00
FLATWORK AND LANDSCAPING					
\$520,261.00	CONCRETE WALK	72888	SF	\$3.84	\$279,889.92
	CROSSWALK	12	EACH	\$500.00	\$6,000.00
	FINE GRADING	31296	SY	\$2.23	\$69,790.08
	STREET TREES	110	EACH	\$400.00	\$44,000.00
	STREET LIGHTS	37	EACH	\$423.00	\$15,651.00
	LANDSCAPING	56	EACH	\$1,000.00	\$56,000.00
	BENCHES	5	EACH	\$500.00	\$2,500.00
	SHELTER	2	EACH	\$4,000.00	\$8,000.00
	PLAYGROUND	1	LS	\$15,000.00	\$15,000.00
	BASKETBALL COURT	1	LS	\$15,000.00	\$15,000.00
	DOG PARK FENCE	562	LF	\$15.00	\$8,430.00
				TOTAL	\$6,554,149.02

PHASE 04					
	ITEM	QUANTITY	UNITS	UNIT COST	TOTAL COST
PERMITTING					
\$1,082,266.00	PERMITTING AND DEVELOPMENT FEES	1	LS	\$3,266.00	\$3,266.00
	SCHOOL ALLOCATION FEE	83	DWELLINGS	\$13,000.00	\$1,079,000.00
CLEARING AND GRADING					
\$2,168,776.89	CLEARING	18.27	ACRE	\$12,325.00	\$225,177.75
	ROUGH GRADING	18.27	ACRE	\$106,382.00	\$1,943,599.14
EROSION CONTROL					
\$78,416.00	CONSTRUCTION ENTRANCE AND EXIT	1	LS	\$2,500.00	\$2,500.00
	SEED AND STRAW	14.93	ACRE	\$2,200.00	\$32,846.00
	SILT FENCE	3470	LF	\$1.00	\$3,470.00
	INLET PROTECTION	22	EACH	\$50.00	\$1,100.00
	STORMWATER MANAGEMENT STRUCTURES	1	ACRE	\$34,500.00	\$34,500.00
	ROAD SWEEPING	1	LS	\$4,000.00	\$4,000.00
UTILITIES					
\$520,793.54	SANITARY SEWER LINE	4133	LF	\$16.32	\$67,450.56
	SANITARY MANHOLES	21	EACH	\$1,659.00	\$34,839.00
	SANITARY SERVICE	1905	LF	\$6.69	\$12,744.45
	WATER LINE	4133	LF	\$25.54	\$105,556.82
	HYDRANTS	10	EACH	\$2,000.00	\$20,000.00
	WATER SERVICE	1905	LF	\$17.79	\$33,889.95
	CATCH BASINS	22	EACH	\$1,659.00	\$36,498.00
	STORM LINE	2310	LF	\$16.32	\$37,699.20
	GAS LINE	4133	LF	\$13.07	\$54,018.31
	ELECTRIC AND TELECOMMUNICATION	4133	LF	\$8.25	\$34,097.25
	TRANSFORMER	42	EACH	\$2,000.00	\$84,000.00
ROADWAY					
\$307,541.64	CURB	5637	LF	\$8.00	\$45,096.00
	AGGREGATE BASE	10749	SY	\$4.62	\$49,660.38
	ASPHALT BASE COURSE	10749	SY	\$13.16	\$141,456.84
	ASPHALT SURFACE COURSE	10749	SY	\$6.58	\$70,728.42
	SIGNAGE	8	EACH	\$50.00	\$400.00
	PAVEMENT MARKINGS	8	EACH	\$25.00	\$200.00
FLATWORK AND LANDSCAPING					
\$363,835.21	CONCRETE WALK	52036	SF	\$3.84	\$199,818.24
	CROSSWALK	7	EACH	\$500.00	\$3,500.00
	FINE GRADING	18439	SY	\$2.23	\$41,118.97
	STREET TREES	161	EACH	\$400.00	\$64,400.00
	STREET LIGHTS	26	EACH	\$423.00	\$10,998.00
	LANDSCAPING	32	EACH	\$1,000.00	\$32,000.00
	BENCHES	4	EACH	\$500.00	\$2,000.00
	SHELTER	1	EACH	\$4,000.00	\$4,000.00
	COMMUNITY GARDEN	1	LS	\$6,000.00	\$6,000.00
				TOTAL	\$4,521,629.28

PROJECT MANAGEMENT

PHASE 05					
	ITEM	QUANTITY	UNITS	UNIT COST	TOTAL COST
PERMITTING					
\$860,722.00	PERMITTING AND DEVELOPMENT FEES	1	LS	\$2,722.00	\$2,722.00
	SCHOOL ALLOCATION FEE	66	DWELLINGS	\$13,000.00	\$858,000.00
CLEARING AND GRADING					
\$1,499,282.04	CLEARING	12.63	ACRE	\$12,325.00	\$155,664.75
	ROUGH GRADING	12.63	ACRE	\$106,383.00	\$1,343,617.29
EROSION CONTROL					
\$41,634.00	CONSTRUCTION ENTRANCE AND EXIT	2	LS	\$2,500.00	\$5,000.00
	SEED AND STRAW	9.07	ACRE	\$2,200.00	\$19,954.00
	SILT FENCE	1530	LF	\$1.00	\$1,530.00
	INLET PROTECTION	16	EACH	\$50.00	\$800.00
	STORMWATER MANAGEMENT STRUCTURES	0.3	ACRE	\$34,500.00	\$10,350.00
	ROAD SWEEPING	1	LS	\$4,000.00	\$4,000.00
UTILITIES					
\$369,074.30	SANITARY SEWER LINE	2671	LF	\$16.32	\$43,590.72
	SANITARY MANHOLES	13	EACH	\$1,659.00	\$21,567.00
	SANITARY SERVICE	1530	LF	\$6.69	\$10,235.70
	WATER LINE	2671	LF	\$25.54	\$68,217.34
	HYDRANTS	7	EACH	\$2,000.00	\$14,000.00
	WATER SERVICE	1540	LF	\$17.79	\$27,396.60
	CATCH BASINS	16	EACH	\$1,659.00	\$26,544.00
	STORM LINE	2146	LF	\$16.32	\$35,022.72
	GAS LINE	2671	LF	\$13.07	\$34,909.97
	ELECTRIC AND TELECOMMUNICATION	2617	LF	\$8.25	\$21,590.25
	TRANSFORMER	33	EACH	\$2,000.00	\$66,000.00
ROADWAY					
\$204,201.00	CURB	4011	LF	\$8.00	\$32,088.00
	AGGREGATE BASE	7050	SY	\$4.62	\$32,571.00
	ASPHALT BASE COURSE	7050	SY	\$13.16	\$92,778.00
	ASPHALT SURFACE COURSE	7050	SY	\$6.58	\$46,389.00
	SIGNAGE	5	EACH	\$50.00	\$250.00
	PAVEMENT MARKINGS	5	EACH	\$25.00	\$125.00
FLATWORK AND LANDSCAPING					
\$233,617.59	CONCRETE WALK	31153	SF	\$3.84	\$119,627.52
	CROSSWALK	7	EACH	\$500.00	\$3,500.00
	FINE GRADING	7309	SY	\$2.23	\$16,299.07
	STREET TREES	115	EACH	\$400.00	\$46,000.00
	STREET LIGHTS	17	EACH	\$423.00	\$7,191.00
	LANDSCAPING	18	EACH	\$1,000.00	\$18,000.00
	SHELTER	2	EACH	\$4,000.00	\$8,000.00
	PLAYGROUND	1	LS	\$15,000.00	\$15,000.00
				TOTAL	\$3,208,530.93

PHASE 06					
	ITEM	QUANTITY	UNITS	UNIT COST	TOTAL COST
PERMITTING					
\$704,338.00	PERMITTING AND DEVELOPMENT FEES	1	LS	\$2,338.00	\$2,338.00
	SCHOOL ALLOCATION FEE	54	DWELLINGS	\$13,000.00	\$702,000.00
CLEARING AND GRADING					
\$1,398,380.24	CLEARING	11.78	ACRE	\$12,325.00	\$145,188.50
	ROUGH GRADING	11.78	ACRE	\$106,383.00	\$1,253,191.74
EROSION CONTROL					
\$59,227.00	CONSTRUCTION ENTRANCE AND EXIT	3	LS	\$2,500.00	\$7,500.00
	SEED AND STRAW	6.86	ACRE	\$2,200.00	\$15,092.00
	SILT FENCE	1820	LF	\$1.00	\$1,820.00
	INLET PROTECTION	16	EACH	\$50.00	\$800.00
	STORMWATER MANAGEMENT STRUCTURES	0.87	ACRE	\$34,500.00	\$30,015.00
	ROAD SWEEPING	1	LS	\$4,000.00	\$4,000.00
UTILITIES					
\$380,959.48	SANITARY SEWER LINE	3262	LF	\$16.32	\$53,235.84
	SANITARY MANHOLES	14	EACH	\$1,659.00	\$23,226.00
	SANITARY SERVICE	1090	LF	\$6.69	\$7,292.10
	WATER LINE	3262	LF	\$25.54	\$83,311.48
	HYDRANTS	8	EACH	\$2,000.00	\$16,000.00
	WATER SERVICE	1090	LF	\$17.79	\$19,391.10
	CATCH BASINS	16	EACH	\$1,659.00	\$26,544.00
	STORM LINE	1741	LF	\$16.32	\$28,413.12
	GAS LINE	3262	LF	\$13.07	\$42,634.34
	ELECTRIC AND TELECOMMUNICATION	3262	LF	\$8.25	\$26,911.50
	TRANSFORMER	27	EACH	\$2,000.00	\$54,000.00
ROADWAY					
\$249,987.76	CURB	4919	LF	\$8.00	\$39,352.00
	AGGREGATE BASE	8616	SY	\$4.62	\$39,805.92
	ASPHALT BASE COURSE	8616	SY	\$13.16	\$113,386.56
	ASPHALT SURFACE COURSE	8616	SY	\$6.58	\$56,693.28
	SIGNAGE	10	EACH	\$50.00	\$500.00
	PAVEMENT MARKINGS	10	EACH	\$25.00	\$250.00
FLATWORK AND LANDSCAPING					
\$306,254.50	CONCRETE WALK	43549	SF	\$3.84	\$167,228.16
	CROSSWALK	6	EACH	\$500.00	\$3,000.00
	FINE GRADING	11958	SY	\$2.23	\$26,666.34
	STREET TREES	141	EACH	\$400.00	\$56,400.00
	STREET LIGHTS	20	EACH	\$423.00	\$8,460.00
	LANDSCAPING	24	EACH	\$1,000.00	\$24,000.00
	MONUMENT	1	LS	\$15,000.00	\$15,000.00
	BENCHES	3	EACH	\$500.00	\$1,500.00
	SHELTER	1	EACH	\$4,000.00	\$4,000.00
				TOTAL	\$3,099,146.98

SUMMARY

PHASE	COST	DURATION
PHASE 00	\$91,538.63	03/01/23 - 04/26/23
PHASE 01	\$5,333,842.80	03/01/23 - 12/09/27
PHASE 02	\$3,461,955.57	04/15/27 - 04/21/31
PHASE 03	\$6,554,149.02	05/22/30 - 12/21/34
PHASE 04	\$4,521,629.28	04/17/34 - 07/21/38
PHASE 05	\$3,208,530.93	12/07/37 - 01/15/41
PHASE 06	\$3,099,146.98	04/25/40 - 10/27/42
CONTINGENCY	\$2,627,079.32	
TOTAL	\$28,897,872.53	03/01/23 - 10/27/42
PER LOT COST	\$51,328.37	

4.3 Project Schedule

Land development task durations are modeled from our previous project database. Our team has strategically allowed for project slack in order to account for delays due to weather, material / labor, etc.

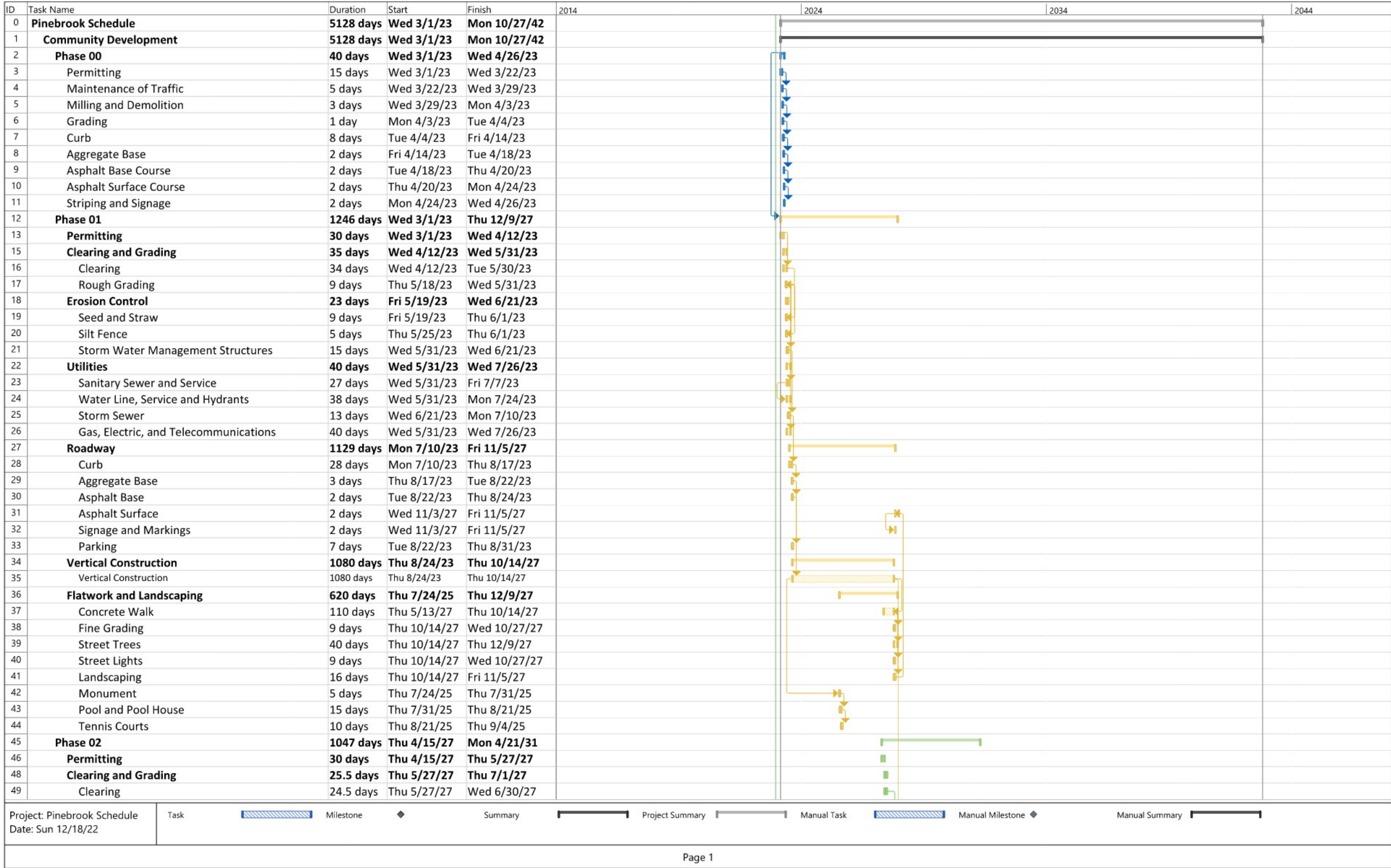
Our projected number of home construction starts per phase are detailed below. Estimated starts take into account potential economic and market conditions. Our team expects homebuyer demand to slow over the next 5-10 years. For this reason, our team has decided to slow construction starts in order to match decreased market demand over phases 01-03. In the remaining phases, construction starts to steadily increase due to expected growth in home demand. Please note our estimated home starts are projected to begin within expected economic conditions and are therefore subject to change.

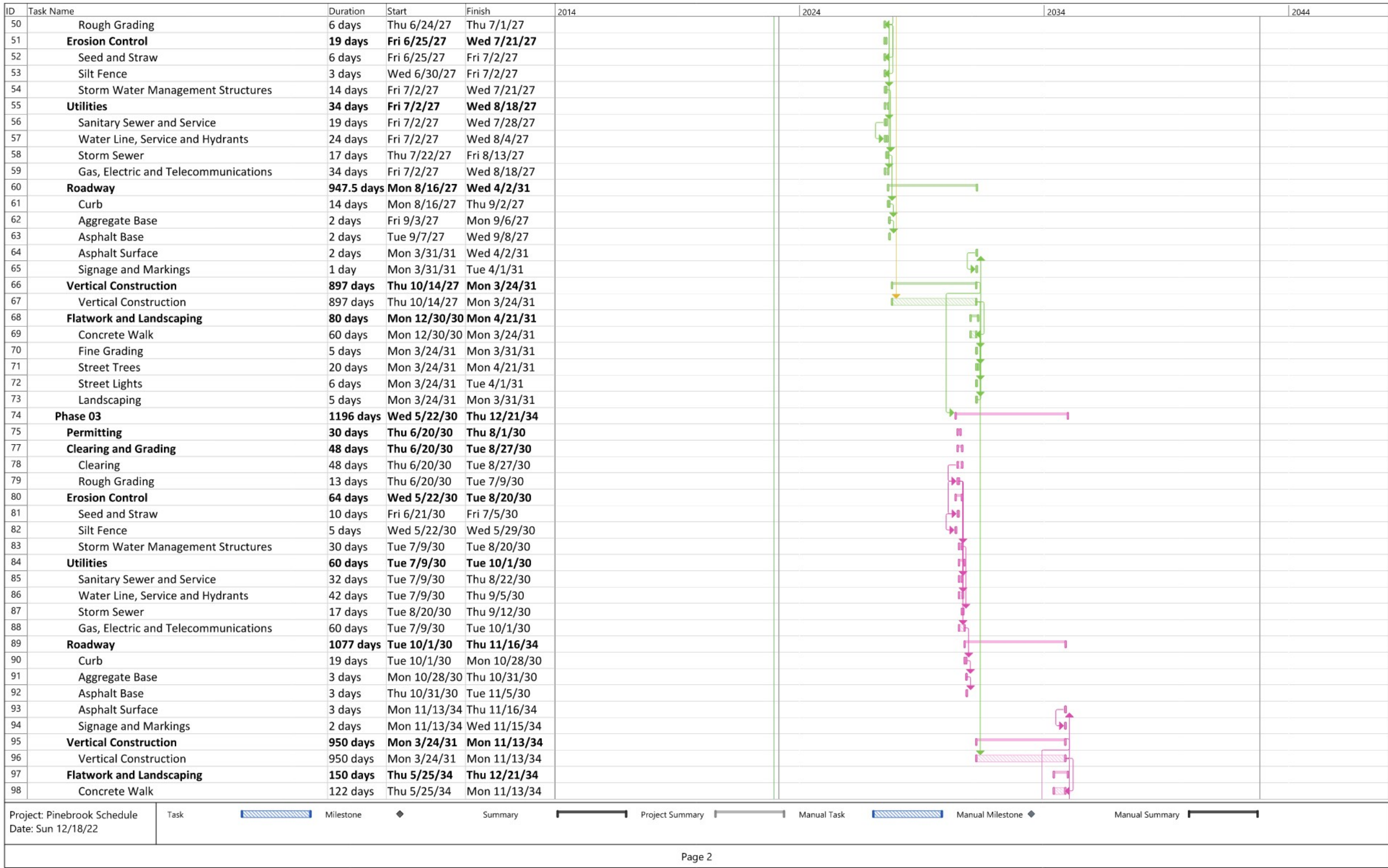
HOME CONSTRUCTION BREAKDOWN PER PHASE

PHASE	# LOTS	# DAYS	# YEARS	ATTACHED (4 TH 2 DPLX)		DETACHED		TOTAL PHASE	# STARTS	CONST. BREAKDOWN
				TH	DPLX	SFD	CTG			
PHASE 01	125	1080	3.0	22	12	7	6	47	11	2TH,2DPLX,1SFD/CTG
PHASE 02	85	897	2.5	8	4	17	28	57	9	1TH,1DPLX,2SFD/CTG
PHASE 03	150	950	2.6	15	19	34	18	86	15	2TH,2DPLX,2SFD,1CTG
PHASE 04	83	922	2.5	0	12	54	5	71	9	2DPLX,6SFD,1CTG
PHASE 05	66	660	1.8	0	6	48	6	60	10	1DPLX, 7SFD,1CTG
PHASE 06	54	450	1.2	0	0	28	26	54	12	6SFD,6CTG
TOTAL LOTS		TOTAL DAYS	TOTAL YEARS	TOTAL TH	TOTAL DPLX	TOTAL SFD	TOTAL CTG	TOTAL BLDGS	AVG STARTS	
563		4959	13.6	45	53	188	89	375	11	








LEGEND	
TH =	TOWNHOME
DPLX =	DUPLEX
SFD =	SINGLE-FAMILY HOME
CTG =	COTTAGE

4.4 Full Land Development Schedule







ID	Task Name	Duration	Start	Finish	2014	2024	2034	2044
149	Storm Sewer	13 days	Thu 3/11/38	Tue 3/30/38				
150	Gas, Electric and Telecommunications	33 days	Wed 3/3/38	Mon 4/19/38				
151	Roadway	687 days	Mon 4/19/38	Wed 12/5/40				
152	Curb	20 days	Mon 4/19/38	Mon 5/17/38				
153	Aggregate Base	1 day	Mon 5/17/38	Tue 5/18/38				
154	Asphalt Base	1 day	Tue 5/18/38	Wed 5/19/38				
155	Asphalt Surface	1 day	Tue 12/4/40	Wed 12/5/40				
156	Signage and Markings	1 day	Tue 12/4/40	Wed 12/5/40				
157	Vertical Construction	660 days	Wed 5/26/38	Wed 12/5/40				
158	Vertical Construction	660 days	Wed 5/26/38	Wed 12/5/40				
159	Flatwork and Landscaping	81 days	Mon 9/24/40	Tue 1/15/41				
160	Concrete Walk	52 days	Mon 9/24/40	Wed 12/5/40				
161	Fine Grading	4 days	Wed 12/5/40	Tue 12/11/40				
162	Street Trees	29 days	Wed 12/5/40	Tue 1/15/41				
163	Street Lights	4 days	Wed 12/5/40	Tue 12/11/40				
164	Landscaping	6 days	Wed 12/5/40	Thu 12/13/40				
165	Playground	10 days	Wed 12/5/40	Wed 12/19/40				
166	Phase 06	653 days	Wed 4/25/40	Mon 10/27/42				
167	Permitting	30 days	Wed 4/25/40	Wed 6/6/40				
169	Clearing and Grading	30 days	Wed 6/6/40	Wed 7/18/40				
170	Clearing	24 days	Wed 6/6/40	Tue 7/10/40				
171	Rough Grading	6 days	Tue 7/10/40	Wed 7/18/40				
172	Erosion Control	17 days	Wed 7/18/40	Fri 8/10/40				
173	Seed and Straw	5 days	Thu 7/19/40	Thu 7/26/40				
174	Silt Fence	3 days	Thu 7/19/40	Tue 7/24/40				
175	Storm Water Management Structures	17 days	Wed 7/18/40	Fri 8/10/40				
176	Utilities	33 days	Tue 7/10/40	Fri 8/24/40				
177	Sanitary Sewer and Service	16 days	Wed 7/18/40	Thu 8/9/40				
178	Water Line, Service and Hydrants	22 days	Tue 7/10/40	Thu 8/9/40				
179	Storm Sewer	9 days	Fri 8/10/40	Thu 8/23/40				
180	Gas, Electric and Telecommunications	27 days	Wed 7/18/40	Fri 8/24/40				
181	Roadway	524 days	Thu 8/23/40	Wed 8/27/42				
182	Curb	26 days	Thu 8/23/40	Fri 9/28/40				
183	Aggregate Base	2 days	Fri 9/28/40	Tue 10/2/40				
184	Asphalt Base	2 days	Wed 10/3/40	Thu 10/4/40				
185	Asphalt Surface	2 days	Mon 8/25/42	Wed 8/27/42				
186	Signage and Markings	2 days	Mon 8/25/42	Wed 8/27/42				
187	Vertical Construction	450 days	Wed 12/5/40	Wed 8/27/42				
188	Vertical Construction	450 days	Wed 12/5/40	Wed 8/27/42				
189	Flatwork and Landscaping	268 days	Wed 10/16/41	Mon 10/27/42				
190	Concrete Walk	73 days	Fri 5/16/42	Wed 8/27/42				
191	Fine Grading	6 days	Wed 8/27/42	Thu 9/4/42				
192	Street Trees	35 days	Wed 8/27/42	Wed 10/15/42				
193	Street Lights	4 days	Wed 8/27/42	Tue 9/2/42				
194	Landscaping	8 days	Wed 10/15/42	Mon 10/27/42				
195	Monument	10 days	Wed 10/16/41	Wed 10/30/41				
Project: Pinebrook Schedule Date: Sun 12/18/22								
Task  Milestone  Summary  Project Summary  Manual Task  Manual Milestone  Manual Summary 								
Page 4								

5.1 Living Options

Pinebrook presents a diverse collection of homes to suit the living needs of residents within our target market. Residents have the option to live in homes ranging from 1316 sq. ft. to 2771 sq. ft. Each design reflects Seven Hills Homes' mission to provide high-quality and sustainable living. Each home type is equipped with high quality base features and offers optional upgrade packages.

Exteriors

- Façade Options: Fiber Cement Siding, Stacked Stone, Brick Veneer
- Exterior Lighting Package
- Low-e Coated Double Pane Windows
- R-30 Insulated Roofs and R-15 Insulated Walls
- Two-Car Garage
- Front Porch
- Concrete Driveway and Sidewalk
- Parcel Graded for Proper Drainage
- Decorative Insulated Thermal Break at Front Entry

Kitchen

- Energy Star rated *Samsung* Appliance Package
- *Moen* WaterSense Faucets
- 4" Marble Backsplash
- Waterfall Kitchen Island
- Countertop Options: Marble, Granite, Butcher Block, Polished Concrete
- Soft Close Drawers
- Walk In Pantry

Interiors

- Open 9' Ceilings
- Extended Living, Kitchen, and Dining Space
- UL Certified Ionization Smoke Alarm
- *Google Nest Protect* Carbon Monoxide Detector
- *Benjamin Moore Eco Spec* Paint Finish
- Crown Molding
- Baltic Birch Plywood Cabinets

MEP

- Energy Star Certified *Google Nest* Thermostat
- Single-Zone Split-System Heat Pump
- 72 Gallon *Rheem* Electric Tank Water Heater
- Washer Connections
- Pendant and Track Lighting in Kitchen and Dining Space
- Semi-Flush Mount Lighting in Private Spaces

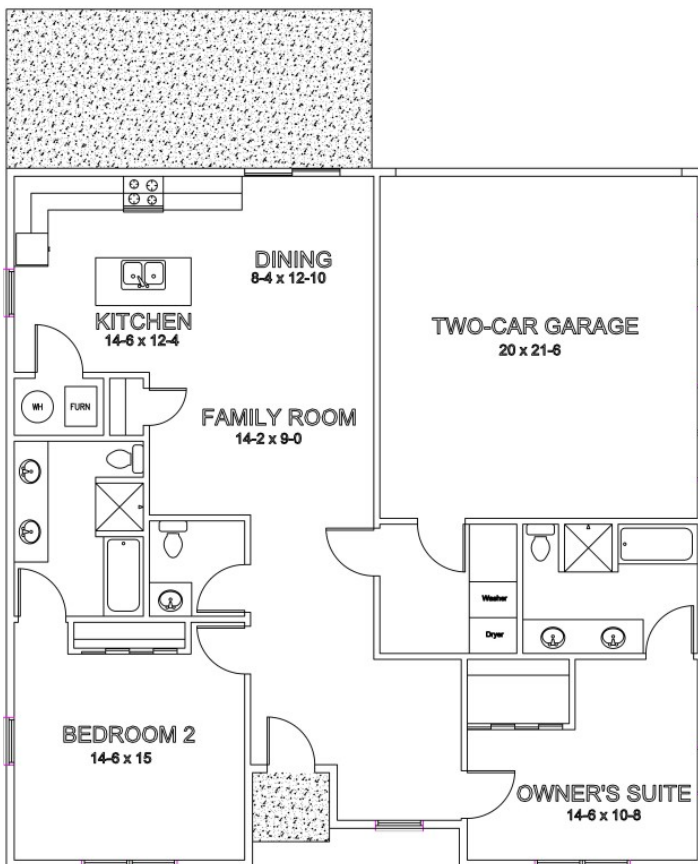
Energy Package

- Single-Zone Split-System Air Conditioning with *Carrier Infinity 98* Furnace
- R-38 Insulated Roof with R-23 Insulated Walls
- *Rheem* Tankless Water Heater
- Dynamic Glass with Optimal Window U-factors, SHGC, and Visible Transmittance

ADA Package

- Walk-In Bathtub and Shower Bench
- Accessible Grab Bars in Bathrooms
- Lowered and Roll-Under Countertops
- Low Reaching Cabinetry
- 5' Turn Radius in Bathrooms

5.2 Cottage - Alder



Base Price:

\$235,990

\$179 / sq. ft.

1316 sq. ft.

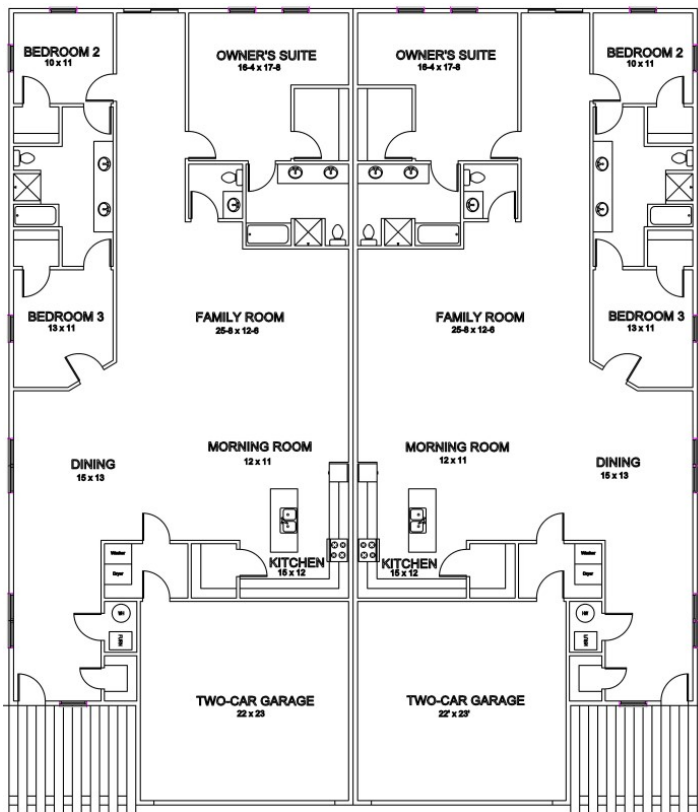
2 Bedrooms

2.5 Bathrooms

2 Car Garage

The Alder features two bedrooms with two and a half bathrooms. The full bathrooms contain double vanities, full bathtub, and shower. The open common space leads to a spacious back patio next to the rear-loaded two-car garage. This single-story model is perfect for those looking for easy accessibility.

5.3 Duplex - Sycamore



Base Price:

\$395,990

\$163 / sq. ft.

2430 sq. ft.

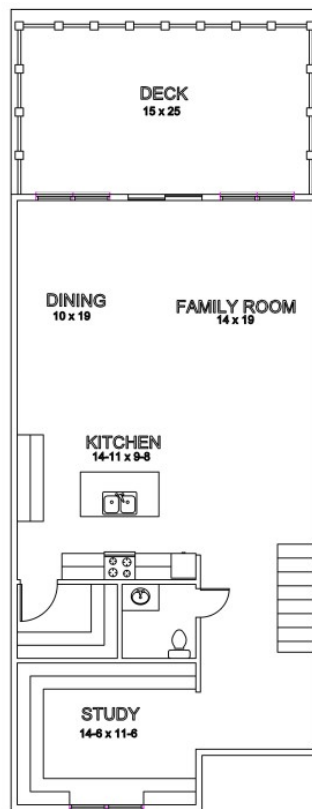
3 Bedrooms

2.5 Bathrooms

2 Car Garage

The Sycamore is a duplex style home with mirroring parcels. Each unit provides three bedrooms plus two and a half bathrooms. This model with a front-loaded two-car garage serves as a perfect home for those looking for less overall maintenance.

5.4 Townhome - Elm



Base Price:

\$345,990

\$162 / sq. ft.

2130 sq. ft.

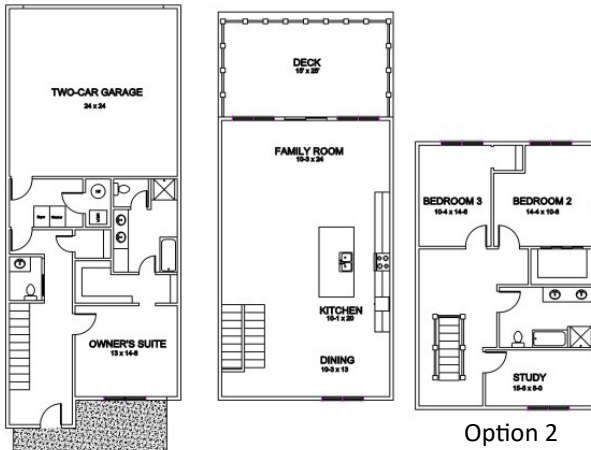
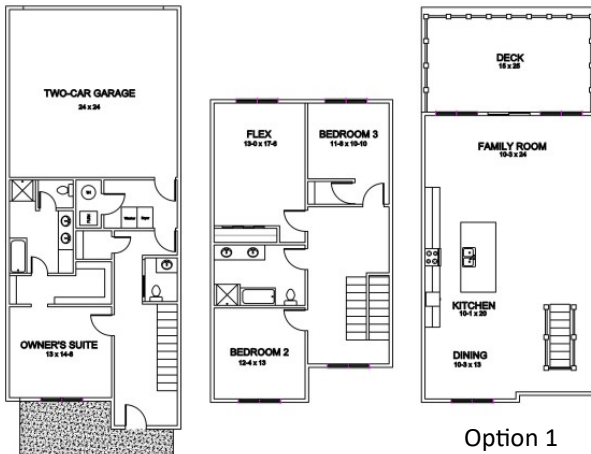
2 Bedrooms

2.5 Bathrooms

2 Car Garage

The Elm is a two-story standard townhome with a first-floor owner's suite. The unit is rear-loaded to provide a more livable front with views of the natural parks and gardens. The second floor has an open concept living space leading to an expansive deck. This model is perfect for starter families.

5.5 Townhome - Evergreen



Base Price:

\$435,990

\$176 / sq. ft.

2482 sq. ft.

3 Bedrooms

2.5 Bathrooms

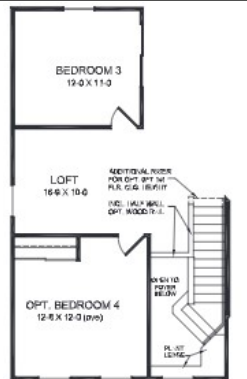
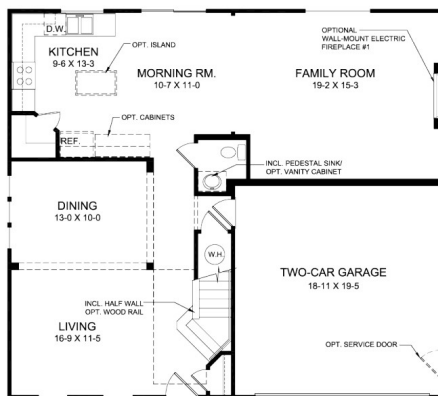
2 Car Garage

The Evergreen is a three-story luxury townhome with two floor design options. Both options have a first-floor owner's suite. The open living space with deck has the option of residing on the second or third floor. This model suits growing families looking for a financially friendly, post-modern style home.

5.6 Single-Family Home - Willow



Courtesy of Fischer Homes



Base Price:

\$420,990

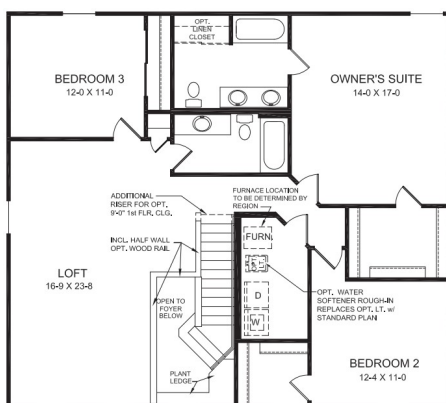
\$173 / sq. ft.

2439 sq. ft.

3 Bedrooms

2.5 Bathrooms

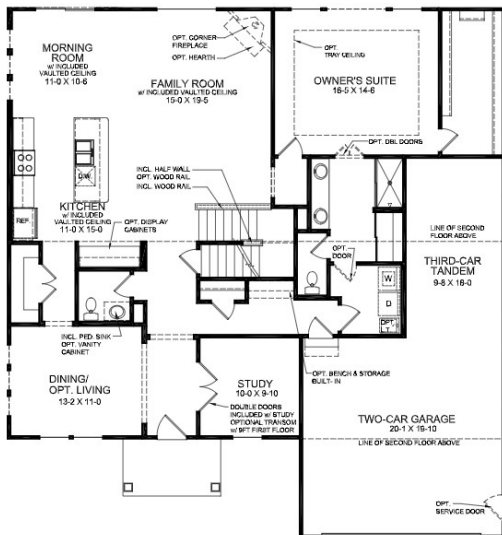
2 Car Garage



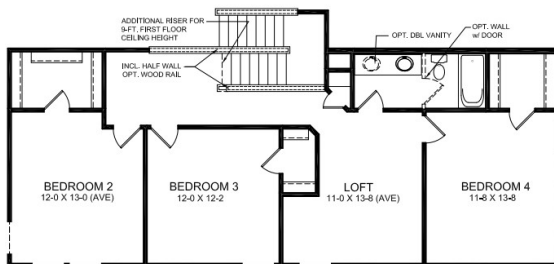
The Willow floor design displays three bedrooms and two and a half bathrooms. There is an optional fourth bedroom with a loft. The optional basement will include another full bathroom. This single-family detached home is ideal for active families looking for more space.

Floor designs courtesy of Fischer Homes

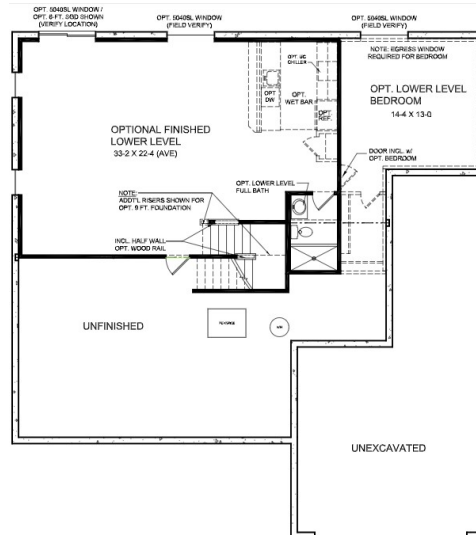
5.7 Single-Family Home - Chesapeake



FIRST FLOOR DESIGN



SECOND FLOOR DESIGN



OPTIONAL BASEMENT

Courtesy of Fischer Homes

Base Price:
\$475,990
\$172 / sq. ft.

2771 sq. ft.
4 Bedrooms
3.5 Bathrooms
2 Car Garage

The Chesapeake is the largest model with four bedrooms and three and a half bathrooms. The first floor boasts an optional third-car tandem attachment to the garage. The optional basement has finished and unfinished features. This model is perfect for larger families looking to entertain.

Floor designs courtesy of Fischer Homes

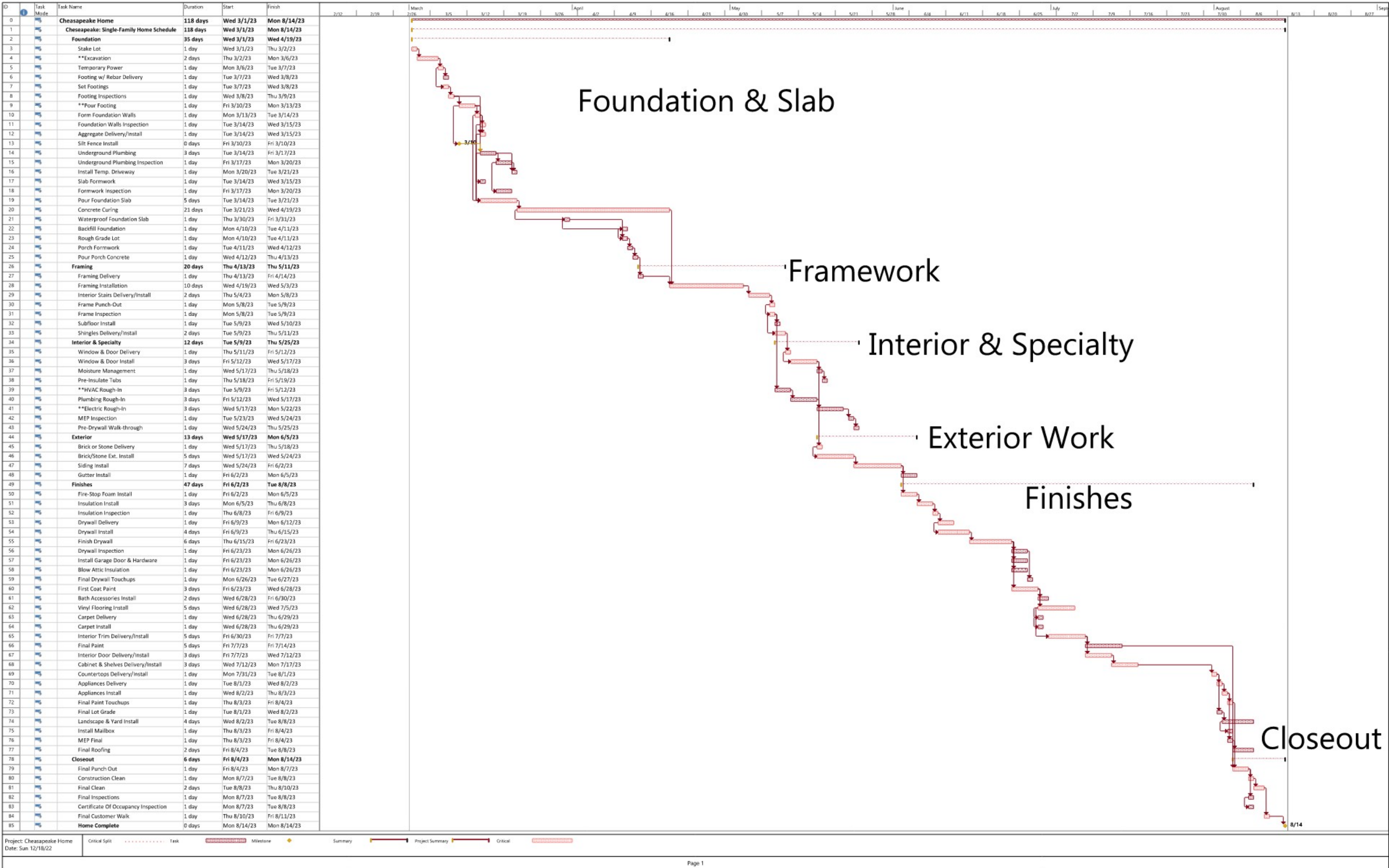
CONSTRUCTION MANAGEMENT

6.1 Home Estimate by Model

	Alder	Sycamore	Elm	Evergreen	Willow	Chesapeake
Livable Sq. Footage	1316	2430	2130	2482	2439	2771
Cost Per Sq. Footage	\$ 79.89	\$ 54.74	\$ 61.91	\$ 57.89	\$ 55.47	\$ 52.95
I. Pre-Construction Costs						
A. Building Permit Fees	\$ 230.96	\$ 297.80	\$ 279.80	\$ 300.92	\$ 298.34	\$ 318.26
B. Zoning & Planning Fees	\$ 725.00	\$ 725.00	\$ 725.00	\$ 725.00	\$ 725.00	\$ 725.00
C. Water and Sewer Inspection Fees	\$ 140.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ 140.00
D. Lateral Inspection Fees	\$ 325.00	\$ 325.00	\$ 325.00	\$ 325.00	\$ 325.00	\$ 325.00
E. Other Fees	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 500.00	\$ 500.00
Subtotal	\$ 1,820.96	\$ 1,887.80	\$ 1,869.80	\$ 1,890.92	\$ 1,988.34	\$ 2,008.26
II. Site Work Costs						
F. Survey/Stake Out	\$ 331.25	\$ 331.25	\$ 331.25	\$ 331.25	\$ 331.25	\$ 331.25
G. Excavation	\$ 1,431.00	\$ 1,431.00	\$ 1,431.00	\$ 1,431.00	\$ 1,431.00	\$ 1,431.00
H. Underground Utilities	\$ 2,035.00	\$ 2,035.00	\$ 2,035.00	\$ 2,035.00	\$ 2,035.00	\$ 2,035.00
I. Grading	\$ 230.00	\$ 230.00	\$ 230.00	\$ 230.00	\$ 230.00	\$ 230.00
J. Silt Control	\$ 875.00	\$ 875.00	\$ 875.00	\$ 875.00	\$ 875.00	\$ 875.00
K. Backfill	\$ 806.25	\$ 806.25	\$ 806.25	\$ 806.25	\$ 806.25	\$ 806.25
L. Waterproofing	\$ 223.72	\$ 413.10	\$ 362.10	\$ 421.94	\$ 414.63	\$ 471.07
M. Aggregate Infill	\$ 579.04	\$ 1,069.20	\$ 937.20	\$ 1,092.08	\$ 1,073.16	\$ 1,524.05
N. Foundation	\$ 3,079.44	\$ 5,686.20	\$ 4,984.20	\$ 5,807.88	\$ 5,707.26	\$ 6,484.14
O. Basement (Opt.)	\$ -	\$ -	\$ -	\$ -	\$ 1,970.48	\$ 2,463.10
Subtotal	\$ 9,590.70	\$ 12,877.00	\$ 11,992.00	\$ 13,030.40	\$ 14,874.03	\$ 16,650.86
III. Framing Costs						
P. Exterior Walls	\$ 5,224.52	\$ 9,647.10	\$ 8,456.10	\$ 9,853.54	\$ 9,682.83	\$ 11,000.87
Q. Interior Walls	\$ 3,448.18	\$ 7,958.86	\$ 6,976.28	\$ 8,129.17	\$ 6,390.67	\$ 7,260.57
R. Sheathing	\$ 1,974.00	\$ 3,645.00	\$ 3,195.00	\$ 3,723.00	\$ 3,658.50	\$ 4,156.50
S. Roof Truss	\$ 4,469.65	\$ 4,469.65	\$ 4,469.65	\$ 4,469.65	\$ 4,469.65	\$ 4,469.65
T. Delivery Costs	\$ 13,958.93	\$ 13,958.93	\$ 13,958.93	\$ 13,958.93	\$ 13,958.93	\$ 13,958.93
Subtotal	\$ 29,075.28	\$ 39,679.54	\$ 37,055.96	\$ 40,134.29	\$ 38,160.58	\$ 40,846.52

	Alder	Sycamore	Elm	Evergreen	Willow	Chesapeake
Livable Sq. Footage	1316	2430	2130	2482	2439	2771
Cost Per Sq. Footage	\$ 79.89	\$ 54.74	\$ 61.91	\$ 57.89	\$ 55.47	\$ 52.95
IV. Exterior Costs						
U. Garage Door	\$ 1,885.00	\$ 1,885.00	\$ 1,885.00	\$ 1,885.00	\$ 1,885.00	\$ 1,885.00
V. Brick Veneer	\$ 2,641.51	\$ 2,641.51	\$ 2,641.51	\$ 2,641.51	\$ 2,641.51	\$ 1,320.76
W. Siding	\$ 3,421.60	\$ 6,318.00	\$ 5,538.00	\$ 6,453.20	\$ 6,341.40	\$ 7,204.60
X. Exterior Paint	\$ 750.12	\$ 1,385.10	\$ 1,214.10	\$ 1,414.74	\$ 1,599.90	\$ 1,999.88
Y. Shingles	\$ 2,407.45	\$ 2,407.45	\$ 2,407.45	\$ 2,407.45	\$ 2,786.65	\$ 2,786.65
Z. Deck	\$ 3,545.00	\$ -	\$ 5,317.50	\$ 5,317.50	\$ -	\$ -
AA. Deck Railing	\$ -	\$ -	\$ 1,894.50	\$ 1,894.50	\$ -	\$ -
AB. Delivery Costs	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
Subtotal	\$ 24,650.68	\$ 24,637.06	\$ 30,898.06	\$ 32,013.90	\$ 25,254.46	\$ 25,196.88
V. Interior Costs						
AC. Rough-In Plumbing	\$ 3,921.68	\$ 7,241.40	\$ 6,347.40	\$ 7,396.36	\$ 7,268.22	\$ 8,342.54
AD. Rough-In Electrical	\$ 1,947.68	\$ 3,596.40	\$ 3,152.40	\$ 3,673.36	\$ 3,609.72	\$ 4,152.18
AE. Rough-In HVAC	\$ 3,592.68	\$ 6,633.90	\$ 5,814.90	\$ 6,775.86	\$ 6,658.47	\$ 7,651.02
AF. Insulation	\$ 1,381.80	\$ 2,551.50	\$ 2,236.50	\$ 2,606.10	\$ 2,560.95	\$ 2,909.55
AG. Stairs	\$ -	\$ -	\$ 1,750.97	\$ 3,501.94	\$ 1,750.97	\$ 1,750.97
AH. Trims	\$ 780.00	\$ 1,380.00	\$ 1,080.00	\$ 1,080.00	\$ 936.00	\$ 1,200.00
AI. Doors	\$ 3,942.00	\$ 5,256.00	\$ 4,599.00	\$ 4,927.50	\$ 4,599.00	\$ 6,241.50
AJ. Windows	\$ 6,600.00	\$ 4,400.00	\$ 3,549.83	\$ 3,549.83	\$ 3,999.83	\$ 4,549.83
AK. Paint Finish	\$ 1,631.84	\$ 3,013.20	\$ 2,641.20	\$ 3,077.68	\$ 3,024.36	\$ 3,466.00
AL. Shelving, Cabinets, Countertops	\$ 3,756.48	\$ 3,756.48	\$ 3,756.48	\$ 3,756.48	\$ 3,756.48	\$ 3,756.48
AM. Kitchen Appliances	\$ 1,466.32	\$ 1,466.32	\$ 1,466.32	\$ 1,466.32	\$ 1,466.32	\$ 1,466.32
AN. Vinyl Flooring	\$ 2,684.64	\$ 4,957.20	\$ 4,345.20	\$ 5,063.28	\$ 4,975.56	\$ 5,698.49
AO. Delivery Costs	\$ 6,487.88	\$ 11,979.90	\$ 10,500.90	\$ 12,236.26	\$ 12,024.27	\$ 13,661.03
Subtotal	\$ 31,705.12	\$ 44,252.40	\$ 40,740.20	\$ 46,874.71	\$ 44,605.88	\$ 51,184.88
VI. Finish Costs						
AP. Drywall Finish	\$ 2,803.08	\$ 5,175.90	\$ 4,536.90	\$ 5,286.66	\$ 5,195.07	\$ 5,902.23
AQ. Bathroom Accessories	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,600.00
AR. Carpet Install	\$ 1,855.56	\$ 3,426.30	\$ 3,003.30	\$ 3,499.62	\$ 3,438.99	\$ 3,907.11
AS. MEP Finishes	\$ 6,948.48	\$ 12,830.40	\$ 11,246.40	\$ 13,104.96	\$ 12,877.92	\$ 14,786.38
AT. Landscaping	\$ 2,267.00	\$ 2,267.00	\$ 2,267.00	\$ 2,267.00	\$ 2,267.00	\$ 2,267.00
AU. Hardscaping	\$ 2,879.93	\$ 2,879.93	\$ 2,879.93	\$ 2,879.93	\$ 3,599.91	\$ 3,599.91
AV. Punch-out Items	\$ 1,645.00	\$ 3,037.50	\$ 2,662.50	\$ 3,102.50	\$ 3,048.75	\$ 3,463.75
AW. Final Clean	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
Subtotal	\$ 8,291.93	\$ 9,684.43	\$ 9,309.43	\$ 9,749.43	\$ 10,415.66	\$ 10,830.66
Total Construction Cost	\$ 105,134.67	\$ 133,018.23	\$ 131,865.45	\$ 143,693.65	\$ 135,298.95	\$ 146,718.07

6.2 Chesapeake: Single-Family Home Schedule Example



6.3 Schedule Breakdown by Model

Each home will vary in total duration of days to complete construction.

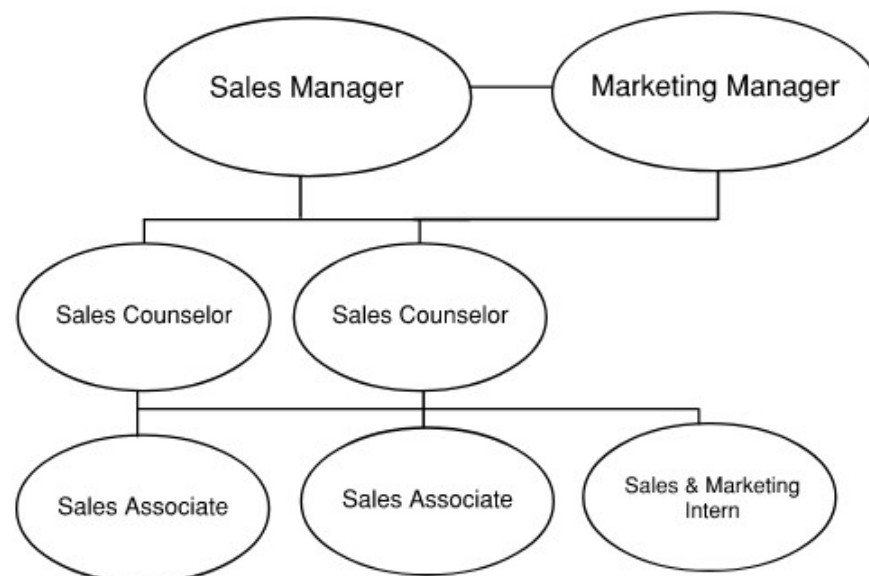
The smaller model homes such as the Alder and the Elm will be built more quickly than the larger models such as the Chesapeake and the Evergreen.

Home Construction Schedule Summary by Model						
Milestones	Alder	Sycamore	Elm	Evergreen	Willow	Chesapeake
Foundation Work	24	27	25	26	25	28
Framing	12	13	16	22	16	19
Exterior	12	12	13	13	13	12
Interior & Specialty	10	10	11	11	10	13
Finishes	35	35	36	38	38	40
Closeout	6	6	6	6	6	6
Total Duration (Days)	99	103	107	116	108	118

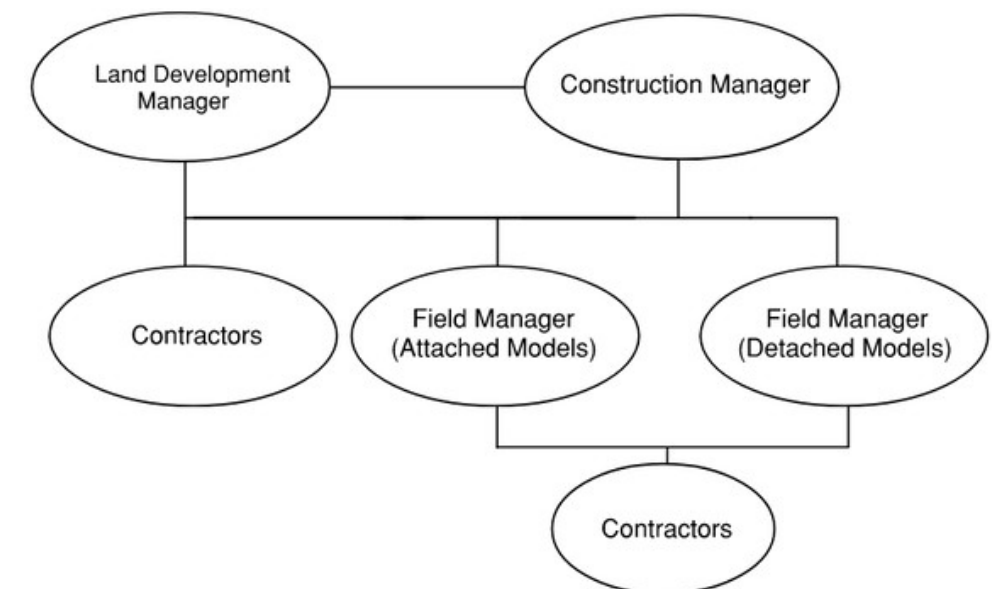
6.4 Project Team Structure

Development of the Pinebrook community will be led by two teams: the construction team and the sales & marketing team. The construction manager will oversee the entire development of the Pinebrook community. There will be two field managers to ensure the construction is completed on time per the schedule. Each field manager will be assigned to oversee either the attached model homes or the detached model homes. The field managers will communicate daily with the contractors in the field to maintain strong relationships. Marketing will oversee strategies to brand our community and encourage homebuyers to invest in this new development. The sales team will oversee the sales goals and work with customers regarding home purchasing procedures. The sales team will assist with the marketing of our development to encourage potential homebuyers to select products within Pinebrook as their new home.

Sales and Marketing Team:



Project Management Team:



6.5 Site Management Strategies

Purchase Agreements

Considering the current economic climate, and the increasing amount of material and labor shortages, it is important to be proactive by entering into purchase agreements far in advance of when a particular material or scope of work is needed. Anticipating delays and shortages for the foreseeable future, our team has reserved contingencies within our estimate and schedule. This will drastically reduce the amount of unexpected delays. In addition, it is an advantage for our construction and purchasing staff to benefit from ongoing communication with contractors and vendors regarding existing contracts while, at the same time, allowing for the arrangement of alternatives should shortages occur.

Site Management and Logistics

Seven Hills Homes will have designated areas around Pinebrook to store materials and equipment during construction. Seven Hills Homes will work with contractors and partnerships to mitigate material pricing and labor shortages by purchasing larger amounts of materials to use for construction further along into the development. The construction team plans to overlap during phases to keep field personnel busy and maintain the labor needed to complete the project. Safety will be enforced by the field managers and crew leaders throughout the duration of construction to ensure high productivity and the protection of field workers. Temporary facilities and bathrooms will be located throughout the development within a reasonable distance accessible for workers. There will be dust control and other protective protocols in place to prevent widespread of environmental disturbances. These protocols are to ensure lean practices are being upheld and that Seven Hills Homes is minimizing waste while maximizing value. Further along the completion of the development, Seven Hills Homes plan to keep the roads and completed phases clean for an enjoyable and comforting experience for residents in their homes. Noise control and traffic is an issue that is important to be proactive with to maintain satisfaction and relationships with clients, and current residents in the community.

SWPPP

Key within both land development and home construction is the installation upkeep of site erosion and SWPPP (stormwater pollution prevention plan) devices. Field managers will be responsible for monitoring protected areas, as well as repair or replacement project BMPs (best management practices). Erosion control and SWPPP devices are accounted for within land development and home construction costs. Additionally, the cost of site sweeping, cleaning of construction entrances, and exits have been included within site estimates.

Quality Assurance

To ensure that customers are provided with the best products and services, Seven Hills Homes plan to have scheduled walks and meetings with clients during construction. A pre-construction meeting will be held between the field manager, sales team, and homebuyer to discuss the initial terms, and agreements of the home purchase. A pre-drywall meeting will be held with the homeowner to show them the internal layout of the home before interior enclosure and to discuss where appliances, and services will be located. A final customer walk-through will be scheduled before closure. This will involve turning over the home to the client for last punch-out items, showcasing operation of appliances and equipment, and discussion of warranties. Seven Hills Homes will conduct pre-inspections during each home phase before final inspections to maintain high expectations. Effective communication between the project team, contractors, and sales team will be crucial for the overall completion of this development and the increase in homebuyers.

Vendor and Trade Partner Relationships

Enduring relationships with local contractors and vendors is crucial to assuring product quality and the ability to adhere to a construction schedule. Maintaining open lines of communication between field managers and sub-contractor professionals is essential.

Seven Hills Homes intends to hire local contractors and vendors which will result in more attentive relationships and reduced project delays. These chosen contractors will deliver a higher quality product in comparison to contracting firms with no connection to La Plata and whose attention may not be focused on our company's priorities.

Finally, Seven Hills Homes will be building out Pinebrook for several years. Ongoing investment in the community of La Plata by employing local contractors makes additional sense in terms of investing in the community, creating goodwill, and establishing political capital.

7.1 Pricing Strategy

Pinebrook provides La Plata residents with a connected, affordable, and beautiful place to call home. Our homes begin at a base price of \$235,990 and will increase to include homes starting at \$475,990. The price increase is dependent upon upgrade packages available for each home and a variety of floor plan options. Starting prices are determined by the design of the home, lot location, amenities, and surrounding market conditions.

7.2 Sales Strategy

Our sales team will consist of one marketing manager, one sales manager, two sales counselors, two sales associates, and one intern. In Phase 01 our sales office will be located in a sales trailer positioned near the main central entrance of our site. Following the completion of Phase 02's commercial district, our sales office will move to one of the commercial units available. The sales office will be open Monday – Friday from 8:00 am to 4:00 pm and 11:00 am to 3:00 pm on weekends. Open houses will be hosted every Saturday at 11 am.

Our sales team is responsible for on-site tours, legal sales proceedings, managing advertising efforts, and facilitating HOA management. The sales team will work with the construction management team to provide prospective buyers with comprehensive home and site tours to ensure a comfortable home-buying experience. Homes and product offerings will be listed on the Pinebrook website, as well as other real estate webpages such as Realtor.com, Zillow, Trulia, and Redfin. All full-time sales team members will receive a 3.5% commission for each home sold.

Partnerships with a local new-home construction lender and third-party realtors will expand access and awareness of Pinebrook. By partnering with a local mortgage lender such as the Navy Federal Credit Union as a preferred lender, our customers can enjoy closing cost assistance and potential design upgrades, and Seven Hills Homes will be able to sell homes quicker as the customers have immediate financing options. Offering an external sales commission of 3.5% to third-party realtors will also encourage additional sales in Pinebrook.

7.3 Buyer Incentives

Our incentives strategy has been developed to help motivate all stakeholders in creating a full and engaged community. Within our sales budget, we have developed a buyer incentive that represents an allowance of 10% of forecasted revenue to be dedicated towards the offering of price reductions and HOA first year fee waivers.

Exclusive to our construction and contracting partners we will be offering additional buyer incentives to members of our construction team. These incentives will create superior care and quality of work throughout the construction process, and if any team members choose to live in Pinebrook, it will add residents who carry additional pride in where they live.

In addition to our in-house sales team's salaries, home sales will result in a commission of 3.5% for the sales employee responsible.

7.4 Model Homes and Commercial Units

There will be six model homes on site, one representing each floor plan, by the beginning of Phase 02. Each of the model homes will require a total investment of \$120,000 including furnishings and management, until its eventual sale as the last of its floor plan available.

There are eight commercial units available along the commercial district. Five out of eight of the units will be sold as live-work housing options, while the other three will be rental units managed by the sales team. The tenant improvement costs for each commercial unit will be \$200,000. The three rental units represent our ideal tenant mix to anchor the district. Our leasing strategy includes: (1) a locally operated food market, (2) fast casual dining and bar, and (3) ice cream parlor.

7.5 Neighborhood Signage

There will be two large signs, one at each entrance, stating the starting price, amenities offered, our website URL, and contact information for our sales teams.

7.6 Website

Seven Hills Homes will commission the La Plata-based website development firm, Scrawl Design, to design the Pinebrook website. Offering an easily navigable mobile and computer interface, the website will feature available lots, floor plans, home upgrade packages, financing resources, HOA webpages, community chat forums, live construction/phasing progress, and more.

7.7 Social Media

Social Media is the main source of click-through in digital marketing. By targeting two social media platforms, Facebook and Instagram, we can maximize our social media presence and efficiency. Each social media platform serves a different purpose in the marketing strategy. The Pinebrook Facebook page will serve as a sales catalog, the first point of contact for prospective home buyers, provide RSVP-links for community events, and feature community highlights. The Pinebrook Instagram, however, serves more as a community engagement platform, featuring community events, neighbor introductions, and occasionally home lots for sale. The majority of the budget for paid social media promotion will be spent on the sales listing posts on both Facebook and Instagram.

7.8 Traditional Marketing

Implementing a variety of traditional marketing channels will prove beneficial in our marketing strategy. Print media such as local and regional newspapers, newsletters, and local magazines reach an audience representing a majority of Pinebrook's target market. Billboards will be rented along major corridors with the highest volume of commuter traffic, reaching people looking to shorten their work commutes or find less expensive options outside of the DC-Metro area.

7.9 Experiential Marketing

The marketing team will participate in community events through local sponsorships for teams and charities, along with tabling efforts. Our investment in VR technology at the start of the project provides a direct engagement with Pinebrook through a very immersive and memorable touchpoint.

7.10 VR

Seven Hills Homes will commission XR Labs, a virtual reality simulation developer, to create a digital rendering of the Pinebrook neighborhood. This VR experience will be used at tabling events in the local market allowing prospective residents to virtually fly above a finished version of the Pinebrook neighborhood. This special and fun experience will be sure to leave a lasting impression on potential homebuyers.

7.11 Presale Strategy

A successful presale strategy plays an important role in the success of any new development. By offering 10% off the selected home's base price, an "Early Bird Discount" will be applied to the first 20 home lots. These upfront cash-flows and immediate acceptance/presence into the local market can mitigate lots of risks new community developments face in their first phases.

7.12 HOA

To create an engaged and active community, Pinebrook will incorporate an HOA and require an annual fee of \$450. Pinebrook's HOA will be responsible for the maintenance and landscaping of common areas, enforcing restrictions and covenants, and working with the in-house sales team to facilitate community programming initiatives.

Some of these community programs include block parties, basketball and tennis recreation leagues and lessons, holiday parties, farmer's markets, and a 4th of July festival.

Seven Hills Homes believes a healthy community is a connected community. Investment in the happiness and activity of Pinebrook residents is an investment in Seven Hills Homes and the sustained value of the neighborhood.

7.13 Comprehensive Plan Leveraging and Budget

Comprehensive Plan Leveraging

Pinebrook is geographically positioned in the northeastern corner of DR Horton's comprehensive plan for their respective master planned community. The parcels purchased by Seven Hills Homes provide a unique opportunity to leverage the amenities, resources, and marketing of the surrounding development to create a more attractive neighborhood and investment opportunity in Pinebrook. The marketing team will coordinate with surrounding neighborhoods to organize key community events which support our resident's lifestyles. Additionally, the parcels are located on the exterior of the master plan along Rosewick Road allowing Pinebrook to be more easily accessible. This optimal location creates a unique opportunity for Pinebrook as it is better positioned to develop its individual brand identity separate from DR Horton's other neighborhoods.

Budget

Below is the marketing budget for Pinebrook. This budget represents estimated costs for marketing and sales endeavors over the course of the 12-year project.

Marketing Budget (11 Year Strategy)

Category	2023	2024	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Marketing Department Salaries														
Marketing Manager	\$60,000	\$60,600	\$61,206	\$61,818	\$62,436	\$63,061	\$63,691	\$64,328	\$64,971	\$65,621	\$66,277	\$66,940	\$67,610	\$828,560
Sales Manager	\$60,000	\$60,600	\$61,206	\$61,818	\$62,436	\$63,061	\$63,691	\$64,328	\$64,971	\$65,621	\$66,277	\$66,940	\$67,610	\$828,560
Sales Counselor	\$50,000	\$50,500	\$51,005	\$51,515	\$52,030	\$52,551	\$53,076	\$53,607	\$54,143	\$54,684	\$55,231	\$55,783	\$56,341	\$690,466
Sales Counselor	\$50,000	\$50,500	\$51,005	\$51,515	\$52,030	\$52,551	\$53,076	\$53,607	\$54,143	\$54,684	\$55,231	\$55,783	\$56,341	\$690,466
Sales Associate	\$45,000	\$45,450	\$45,905	\$46,364	\$46,827	\$47,295	\$47,768	\$48,246	\$48,729	\$49,216	\$49,708	\$50,205	\$50,707	\$621,420
Sales Associate	\$45,000	\$45,450	\$45,905	\$46,364	\$46,827	\$47,295	\$47,768	\$48,246	\$48,729	\$49,216	\$49,708	\$50,205	\$50,707	\$621,420
Intern	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,001	\$15,002	\$15,003	\$15,004	\$15,005	\$15,006	\$15,007	\$195,028
Total Sales and Marketing Salaries	\$325,000	\$328,100	\$331,231	\$334,393	\$337,587	\$340,813	\$344,072	\$347,364	\$350,689	\$354,046	\$357,438	\$360,863	\$364,323	\$4,475,920
Digital Media														
Website	\$10,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$22,000
Photography/Videography	\$5,000	\$0	\$0	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,000
Social Media	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$39,000
SEO	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$39,000
PPC/Google Advertisements	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$13,000
Virtual Reality	\$15,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$27,000
Total Digital Media Expenses	\$37,000	\$9,000	\$9,000	\$14,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$150,000
Marketing Materials and Incentives														
Local Newspaper/Magazine	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$39,000
Billboard	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$156,000
Events/Festivals	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$65,000
Sponsorships	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$26,000
Total Material and Incentive Expenses	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$286,000
Model Homes & Commercial Units														
Staging	\$120,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$120,000
Yard Signage	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$26,000
Cleaning & Maintenance	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$65,000
Directional Signage	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$26,000
Open House	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$65,000
Commercial Unit Build Out	\$600,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$600,000
Commercial Unit Management	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$65,000
Total Model & Commercial Expenses	\$739,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$967,000
In House Promotional Material														
Office Supplies	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$65,000
Business Cards	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$6,500
Total In-House Promotional Expenses	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$71,500
Total Marketing Expenses	\$1,128,500	\$383,600	\$386,731	\$394,893	\$393,087	\$396,313	\$399,572	\$402,864	\$406,189	\$409,546	\$412,938	\$416,363	\$419,823	\$5,950,420

FINANCIAL AND RISK ANALYSIS

8.1 Land Acquisition

Our purchase price for the 200-acre parcel is \$6,000,000 or \$30,000 per acre. This price was determined by averaging the cost per acre of neighboring parcels sold within the past 12 months in a sales comparison approach. Assuming all data stays consistent, we can purchase the property for \$6 million and expect a 27.79% unlevered internal rate of return on 563 homes sites.

8.2 Financial Assumptions

The baseline scenario assumes average sales pace of 3.5 home closings per month, at an average base sales price of \$386,000 at \$171 per square foot. A \$13,000 impact fee per home sale has been designated by the local municipality and is represented within the land development estimate.

No debt is assumed within the development of Pinebrook. Seven Hills Homes, as an established national home builder, has raised enough funds to support a peak equity investment of \$11.94MM accumulated by August 2023.

8.3 Key Performance Indicators and Baseline CF Scenario

Pinebrook can achieve an unlevered IRR of 27.79% with total sales revenue of \$227,113,222 and net profit of \$36,267,460 and project completion in 2036. The project will break-even in the 15th month of the project in Jun 2024. The baseline cash flow scenario is meant to provide a realistic but conservative forecast of market demands and performance.

Key Performance Indicators	
Gross Sales Revenue	\$ 227,113,222
Direct Sales Costs	\$ 38,061,026
Net Receipts	\$ 189,052,196
Land Purchase Price	\$ 6,000,000
Site Development	\$ 34,531,195
Common Areas	\$ 207,471
Direct Construction Costs	\$ 82,085,191
Marketing	\$ 5,943,691
Salaries	\$ 5,194,370
Overhead	\$ 7,900,000
Net Expenditures	\$ 146,784,736
Profit	\$ 36,267,460
IRR All Cash	27.79%

8.4 Sensitivity Analysis

A sensitivity analysis was performed adjusting for both a 5% positive and negative change in four key development factors: (1) direct construction costs, (2) site development costs, (3) base sales prices, and (4) land acquisition costs. Evident from the sensitivity applied to our baseline scenario, the primary market risks are changes in base sale prices and volatility in direct construction costs.

Sensitivity Anlaysis			
Baseline Scenario	-	27.79%	\$36,267,460
Factor	Change	IRR	Profit
Direct	5%	23.87%	\$33,405,316
Construction Cost	-5%	31.98%	\$41,600,408
Site Development	5%	26.10%	\$35,996,511
Cost	-5%	29.52%	\$39,009,115
Base Sales Price	5%	36.62%	\$46,874,189
	-5%	19.78%	\$28,131,611
Land Acquisition	5%	26.78%	\$37,202,813
Cost	-5%	28.78%	\$37,802,313

8.5 Alternative Absorption Scenarios

Alternative CF Scenarios – Absorption

The alternative cash flow scenarios provide a detailed look at the effects changes in absorption would have on the performance of Pinebrook.

Optimistic - Higher Absorption

The optimistic sales scenario assumes five home sales per month, resulting in unlevered IRR of 41.20% and an expedited completion date of December 2034.

Key Performance Indicators - Optimistic	
Gross Sales Revenue	\$ 223,849,305
Direct Sales Costs	\$ 37,525,149
Net Receipts	\$ 186,324,155
Land Purchase Price	\$ 6,000,000
Site Development	\$ 30,342,766
Common Areas	\$ 206,000
Direct Construction Costs	\$ 82,023,239
Marketing	\$ 4,010,004
Salaries	\$ 4,439,460
Overhead	\$ 6,900,000
Net Expenditures	\$ 137,686,213
Profit	\$ 42,637,942
IRR All Cash	41.20%

Conservative - Lower Absorption

The conservative sales scenario assumes three home sales per month, resulting in an unlevered IRR of 21.94% and a delayed completion date of August 2037.

Key Performance Indicators - Conservative	
Gross Sales Revenue	\$ 223,849,305
Direct Sales Costs	\$ 37,525,149
Net Receipts	\$ 186,324,155
Land Purchase Price	\$ 6,000,000
Site Development	\$ 30,342,766
Common Areas	\$ 206,000
Direct Construction Costs	\$ 82,023,239
Marketing	\$ 7,301,499
Salaries	\$ 7,842,297
Overhead	\$ 8,900,000
Net Expenditures	\$ 154,514,410
Profit	\$ 31,809,746
IRR All Cash	21.94%

8.6 FAA Baseline Analysis

		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	
	TOTAL	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025	Apr 2025	
SALES PROJECTIONS																											
Unit Sales	567	23	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	
Cumulative		23	26	29	32	35	38	41	44	47	50	53	56	59	62	65	68	71	74	77	80	83	86	89	92	95	
Construction Starts:																											
Model Units	6					6																					
Production Units	553		15	11	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	
Cumulative		0	15	26	29	38	41	44	47	50	53	56	59	62	65	68	71	74	77	80	83	86	89	92	95	98	
Completions:																											
Model Units	6									6																	
Production Units	557						15	11	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	
Cumulative						0	15	26	29	38	41	44	47	50	53	56	59	62	65	68	71	74	77	80	83	86	
Closings:																											
Model Units	0																										
Production Units	551						15	11	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	
Cumulative							15	26	29	32	35	38	41	44	47	50	53	56	59	62	65	68	71	74	77	80	
FINANCIALS																											
Receipts:																											
Sales Revenue	220,780,075						5,799,209	4,252,753	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	
Premiums Revenue	2,879,938						75,000	55,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	
Options Revenue	2,891,608						75,000	55,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	
Other Revenue	561,600						14,805	10,857	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	
Direct Sales Costs:																											
Commissions	7,944,571						208,740	153,076	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	
Closing Costs	3,993,000						105,000	77,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	
Buyer Incentive	22,711,322						596,401	437,361	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	
Other	3,412,132						89,640	65,736	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	
Net Receipts:	189,052,196						4,964,231	3,640,436	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	
Expenditures:																											
Land Acquisition	6,000,000																										
Site Development	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	
Common Areas	207,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	
Direct Construction	82,085,191		547,795	949,512	1,059,071	1,387,748	949,512	657,355	657,355	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	
Options Cost	2,261,478		15,000	26,000	29,000	38,000	26,000	18,000	18,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	
Model Upgrade	1,320,000									1,320,000																	
Property Tax Paid	420,000									70,000												70,000					
Marketing/Advertising	5,943,691	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	
Salaries	5,194,370	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	
Overhead	7,900,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	
Other cost of Sales	6,240,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	
Warranty Expense	681,340						17,892	13,121	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	
Net Expenditures	152,784,736	6,377,106	939,902	1,352,619	1,465,178	1,802,855	1,370,511	1,065,582	1,056,039	2,220,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	900,921	830,921	830,921	830,921	830,921	
CASH FLOW																											
Cash Flow Before Loans	36,267,460	-6,377,106	-939,902	-1,352,619	-1,465,178	-1,802,855	3,593,721	2,574,855	-63,193	-1,228,075	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	91,925	161,925	161,925	161,925	161,925	
Cumulative Cash Before Loans		-377,106	-1,317,008	-2,669,627	-4,134,805	-5,937,660	-2,343,939	230,916	167,723	-1,060,352	-898,427	-736,502	-574,577	-412,652	-250,727	-88,802	73,123	235,048	396,973	558,898	720,823	812,748	974,674	1,136,599	1,298,524	1,460,449	
I.R.R. All Cash	27.79%					11,937,660																					

FINANCIAL AND RISK ANALYSIS

	26 May 2025	27 Jun 2025	28 Jul 2025	29 Aug 2025	30 Sep 2025	31 Oct 2025	32 Nov 2025	33 Dec 2025	34 Jan 2026	35 Feb 2026	36 Mar 2026	37 Apr 2026	38 May 2026	39 Jun 2026	40 Jul 2026	41 Aug 2026	42 Sep 2026	43 Oct 2026	44 Nov 2026	45 Dec 2026	46 Jan 2027	47 Feb 2027	48 Mar 2027	49 Apr 2027	50 May 2027	51 Jun 2027
SALES PROJECTIONS																										
Unit Sales	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Cumulative	98	101	104	107	110	113	116	119	122	125	128	131	134	137	140	143	146	149	152	155	158	161	164	167	170	173
Construction Starts:																										
Model Units																										
Production Units	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Cumulative	101	104	107	110	113	116	119	122	125	128	131	134	137	140	143	146	149	152	155	158	161	164	167	170	173	176
Completions:																										
Model Units																										
Production Units	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Cumulative	89	92	95	98	101	104	107	110	113	116	119	122	125	128	131	134	137	140	143	146	149	152	155	158	161	164
Closings:																										
Model Units																										
Production Units	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Cumulative	83	86	89	92	95	98	101	104	107	110	113	116	119	122	125	128	131	134	137	140	143	146	149	152	155	158
FINANCIALS																										
Receipts:																										
Sales Revenue	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842
Premiums Revenue	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Options Revenue	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Other Revenue	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961
Direct Sales Costs:																										
Commissions	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748
Closing Costs	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000
Buyer Incentive	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280
Other	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928
Net Receipts:	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846
Expenditures:																										
Land Acquisition																										
Site Development	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734
Common Areas	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471
Direct Construction	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236
Options Cost	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Model Upgrade																										
Property Tax Paid								70,000											70,000							
Marketing/Advertising	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731
Salaries	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170
Overhead	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Other cost of Sales	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Warranty Expense	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578
Net Expenditures	830,921	830,921	830,921	830,921	830,921	830,921	830,921	900,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	900,921	830,921	830,921	830,921	830,921	830,921	830,921
CASH FLOW																										
Cash Flow Before Loans	161,925	161,925	161,925	161,925	161,925	161,925	161,925	91,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	91,925	161,925	161,925	161,925	161,925	161,925	161,925
Cumulative Cash Before Loans	1,622,374	1,784,299	1,946,224	2,108,149	2,270,074	2,431,999	2,593,924	2,685,849	2,847,774	3,009,699	3,171,624	3,333,549	3,495,474	3,657,399	3,819,325	3,981,250	4,143,175	4,305,100	4,467,025	4,558,950	4,720,875	4,882,800	5,044,725	5,206,650	5,368,575	5,530,500
I.R.R. All Cash																										

FINANCIAL AND RISK ANALYSIS

	52 Jul 2027	53 Aug 2027	54 Sep 2027	55 Oct 2027	56 Nov 2027	57 Dec 2027	58 Jan 2028	59 Feb 2028	60 Mar 2028	61 Apr 2028	62 May 2028	63 Jun 2028	64 Jul 2028	65 Aug 2028	66 Sep 2028	67 Oct 2028	68 Nov 2028	69 Dec 2028	70 Jan 2029	71 Feb 2029	72 Mar 2029	73 Apr 2029	74 May 2029	75 Jun 2029	76 Jul 2029	77 Aug 2029
SALES PROJECTIONS																										
Unit Sales	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Cumulative	176	179	182	185	188	191	194	197	200	203	206	209	212	215	218	221	224	227	230	233	236	239	242	245	248	251
Construction Starts:																										
Model Units																										
Production Units	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Cumulative	179	182	185	188	191	194	197	200	203	206	209	212	215	218	221	224	227	230	233	236	239	242	245	248	251	254
Completions:																										
Model Units																										
Production Units	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Cumulative	167	170	173	176	179	182	185	188	191	194	197	200	203	206	209	212	215	218	221	224	227	230	233	236	239	242
Closings:																										
Model Units																										
Production Units	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Cumulative	161	164	167	170	173	176	179	182	185	188	191	194	197	200	203	206	209	212	215	218	221	224	227	230	233	236
FINANCIALS																										
Receipts:																										
Sales Revenue	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842
Premiums Revenue	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Options Revenue	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Other Revenue	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961
Direct Sales Costs:																										
Commissions	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748
Closing Costs	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000
Buyer Incentive	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280
Other	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928
Net Receipts:	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846
Expenditures:																										
Land Acquisition																										
Site Development	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734
Common Areas	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471
Direct Construction	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236
Options Cost	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Model Upgrade																										
Property Tax Paid						70,000												70,000								
Marketing/Advertising	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731
Salaries	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170
Overhead	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Other cost of Sales	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Warranty Expense	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578
Net Expenditures	830,921	830,921	830,921	830,921	830,921	900,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	900,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921
CASH FLOW																										
Cash Flow Before Loans	161,925	161,925	161,925	161,925	161,925	91,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	91,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925
Cumulative Cash Before Loans	5,692,425	5,854,350	6,016,275	6,178,200	6,340,125	6,432,051	6,593,976	6,755,901	6,917,826	7,079,751	7,241,676	7,403,601	7,565,526	7,727,451	7,889,376	8,051,301	8,213,226	8,305,151	8,467,076	8,629,001	8,790,926	8,952,851	9,114,777	9,276,702	9,438,627	9,600,552
I.R.R. All Cash																										

FINANCIAL AND RISK ANALYSIS

	78 Sep 2029	79 Oct 2029	80 Nov 2029	81 Dec 2029	82 Jan 2030	83 Feb 2030	84 Mar 2030	85 Apr 2030	86 May 2030	87 Jun 2030	88 Jul 2030	89 Aug 2030	90 Sep 2030	91 Oct 2030	92 Nov 2030	93 Dec 2030	94 Jan 2031	95 Feb 2031	96 Mar 2031	97 Apr 2031	98 May 2031	99 Jun 2031	100 Jul 2031	101 Aug 2031
SALES PROJECTIONS																								
Unit Sales	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Cumulative	254	257	260	263	266	269	272	275	278	281	284	287	290	293	296	299	302	305	308	311	314	317	320	323
Construction Starts:																								
Model Units																								
Production Units	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Cumulative	257	260	263	266	269	272	275	278	281	284	287	290	293	296	299	302	305	308	311	314	317	320	323	326
Completions:																								
Model Units																								
Production Units	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Cumulative	245	248	251	254	257	260	263	266	269	272	275	278	281	284	287	290	293	296	299	302	305	308	311	314
Closings:																								
Model Units																								
Production Units	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Cumulative	239	242	245	248	251	254	257	260	263	266	269	272	275	278	281	284	287	290	293	296	299	302	305	308
FINANCIALS																								
Receipts:																								
Sales Revenue	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842
Premiums Revenue	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Options Revenue	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Other Revenue	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961	2,961
Direct Sales Costs:																								
Commissions	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748	41,748
Closing Costs	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000
Buyer Incentive	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280	119,280
Other	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928	17,928
Net Receipts:	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846	992,846
Expenditures:																								
Land Acquisition																								
Site Development	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734
Common Areas	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471
Direct Construction	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236	438,236
Options Cost	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Model Upgrade																								
Property Tax Paid																								
Marketing/Advertising	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731
Salaries	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170
Overhead	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Other cost of Sales	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Warranty Expense	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578	3,578
Net Expenditures	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921	830,921
CASH FLOW																								
Cash Flow Before Loans	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925	161,925
Cumulative Cash Before Loans	9,762,477	9,924,402	10,086,327	10,248,252	10,410,177	10,572,102	10,734,027	10,895,952	11,057,877	11,219,802	11,381,727	11,543,652	11,705,577	11,867,502	12,029,428	12,191,353	12,353,278	12,515,203	12,677,128	12,839,053	13,000,978	13,162,903	13,324,828	13,486,753
I.R.R. All Cash																								

FINANCIAL AND RISK ANALYSIS

	102 Sep 2031	103 Oct 2031	104 Nov 2031	105 Dec 2031	106 Jan 2032	107 Feb 2032	108 Mar 2032	109 Apr 2032	110 May 2032	111 Jun 2032	112 Jul 2032	113 Aug 2032	114 Sep 2032	115 Oct 2032	116 Nov 2032	117 Dec 2032	118 Jan 2033	119 Feb 2033	120 Mar 2033	121 Apr 2033	122 May 2033	123 Jun 2033	124 Jul 2033	125 Aug 2033
SALES PROJECTIONS																								
Unit Sales	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Cumulative	327	331	335	339	343	347	351	355	359	363	367	371	375	379	383	387	391	395	399	403	407	411	415	419
Construction Starts:																								
Model Units																								
Production Units	3	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Cumulative	329	333	337	341	345	349	353	357	361	365	369	373	377	381	385	389	393	397	401	405	409	413	417	421
Completions:																								
Model Units																								
Production Units	3	3	3	3	3	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Cumulative	317	320	323	326	329	333	337	341	345	349	353	357	361	365	369	373	377	381	385	389	393	397	401	405
Closings:																								
Model Units																								
Production Units	3	3	3	3	3	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Cumulative	311	314	317	320	323	327	331	335	339	343	347	351	355	359	363	367	371	375	379	383	387	391	395	399
FINANCIALS																								
Receipts:																								
Sales Revenue	1,159,842	1,159,842	1,159,842	1,159,842	1,159,842	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456
Premiums Revenue	15,000	15,000	15,000	15,000	15,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Options Revenue	15,000	15,000	15,000	15,000	15,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Other Revenue	2,961	2,961	2,961	2,961	2,961	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948
Direct Sales Costs:																								
Commissions	41,748	41,748	41,748	41,748	41,748	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664
Closing Costs	21,000	21,000	21,000	21,000	21,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000
Buyer Incentive	119,280	119,280	119,280	119,280	119,280	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040
Other	17,928	17,928	17,928	17,928	17,928	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904
Net Receipts:	992,846	992,846	992,846	992,846	992,846	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795
Expenditures:																								
Land Acquisition																								
Site Development	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734
Common Areas	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471
Direct Construction	438,236	474,756	511,276	547,795	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315
Options Cost	12,000	13,000	14,000	15,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000
Model Upgrade																								
Property Tax Paid																								
Marketing/Advertising	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731
Salaries	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170
Overhead	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Other cost of Sales	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Warranty Expense	3,578	3,578	3,578	3,578	3,578	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771
Net Expenditures	830,921	868,441	905,961	943,480	981,000	982,193	982,193	982,193	982,193	982,193	982,193	982,193	982,193	982,193	982,193	982,193	982,193	982,193	982,193	982,193	982,193	982,193	982,193	982,193
CASH FLOW																								
Cash Flow Before Loans	161,925	124,405	86,886	49,366	11,846	341,602	341,602	341,602	341,602	341,602	341,602	341,602	341,602	341,602	341,602	341,602	341,602	341,602	341,602	341,602	341,602	341,602	341,602	341,602
Cumulative Cash Before Loans	13,648,678	13,773,083	13,859,969	13,909,335	13,921,181	14,262,784	14,604,386	14,945,988	15,287,590	15,629,193	15,970,795	16,312,397	16,653,999	16,995,601	17,337,204	17,678,806	18,020,408	18,362,010	18,703,613	19,045,215	19,386,817	19,728,419	20,070,022	20,411,624
I.R.R. All Cash																								

FINANCIAL AND RISK ANALYSIS

	126 Sep 2033	127 Oct 2033	128 Nov 2033	129 Dec 2033	130 Jan 2034	131 Feb 2034	132 Mar 2034	133 Apr 2034	134 May 2034	135 Jun 2034	136 Jul 2034	137 Aug 2034	138 Sep 2034	139 Oct 2034	140 Nov 2034	141 Dec 2034	142 Jan 2035	143 Feb 2035	144 Mar 2035	145 Apr 2035	146 May 2035	147 Jun 2035	148 Jul 2035
SALES PROJECTIONS																							
Unit Sales	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Cumulative	423	427	431	435	439	443	447	451	455	459	463	467	471	475	479	483	487	491	495	499	503	507	511
Construction Starts:																							
Model Units																							
Production Units	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Cumulative	425	429	433	437	441	445	449	453	457	461	465	469	473	477	481	485	489	493	497	501	505	509	513
Completions:																							
Model Units																							
Production Units	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Cumulative	409	413	417	421	425	429	433	437	441	445	449	453	457	461	465	469	473	477	481	485	489	493	497
Closings:																							
Model Units																							
Production Units	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Cumulative	403	407	411	415	419	423	427	431	435	439	443	447	451	455	459	463	467	471	475	479	483	487	491
FINANCIALS																							
Receipts:																							
Sales Revenue	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456
Premiums Revenue	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Options Revenue	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Other Revenue	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948
Direct Sales Costs:																							
Commissions	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664
Closing Costs	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000
Buyer Incentive	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040
Other	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904
Net Receipts:	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795
Expenditures:																							
Land Acquisition																							
Site Development	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	216,734	176,207	176,207	176,207	176,207	176,207	176,207	176,207	176,207	176,207
Common Areas	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471
Direct Construction	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315
Options Cost	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000
Model Upgrade																							
Property Tax Paid																							
Marketing/Advertising	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731
Salaries	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170
Overhead	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Other cost of Sales	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Warranty Expense	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771
Net Expenditures	982,193	982,193	982,193	982,193	982,193	982,193	982,193	982,193	982,193	982,193	982,193	982,193	982,193	982,193	941,665	941,665	940,194	940,194	940,194	940,194	940,194	940,194	940,194
CASH FLOW																							
Cash Flow Before Loans	341,602	341,602	341,602	341,602	341,602	341,602	341,602	341,602	341,602	341,602	341,602	341,602	341,602	341,602	382,130	382,130	383,601	383,601	383,601	383,601	383,601	383,601	383,601
Cumulative Cash Before Loans	20,753,226	21,094,828	21,436,431	21,778,033	22,119,635	22,461,237	22,802,839	23,144,442	23,486,044	23,827,646	24,169,248	24,510,851	24,852,453	25,194,055	25,576,185	25,958,315	26,341,916	26,725,517	27,109,118	27,492,719	27,876,320	28,259,922	28,643,523
I.R.R. All Cash																							

FINANCIAL AND RISK ANALYSIS

	149 Aug 2035	150 Sep 2035	151 Oct 2035	152 Nov 2035	153 Dec 2035	154 Jan 2036	155 Feb 2036	156 Mar 2036	157 Apr 2036	158 May 2036	159 Jun 2036	160 Jul 2036	161 Aug 2036	162 Sep 2036	163 Oct 2036	164 Nov 2036	165 Dec 2036	166 Jan
SALES PROJECTIONS																		
Unit Sales	4	4	4	4	4	4	4	4	4	4	4	4	4	4				
Cumulative	515	519	523	527	531	535	539	543	547	551	555	559	563	567	567	567	567	567
Construction Starts:																		
Model Units																		
Production Units	4	4	4	4	4	4	4	4	4	4	4	4	2	-2	-2			
Cumulative	517	521	525	529	533	537	541	545	549	553	557	561	563	561	559	559	559	559
Completions:																		
Model Units																		
Production Units	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	2	
Cumulative	501	505	509	513	517	521	525	529	533	537	541	545	549	553	557	561	563	561
Closings:																		
Model Units																		
Production Units	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4			
Cumulative	495	499	503	507	511	515	519	523	527	531	535	539	543	553	563	567 0	569	567
FINANCIALS																		
Receipts:																		
Sales Revenue	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	1,546,456	3,866,139	3,866,139	1,546,456	773,228	796,765
Premiums Revenue	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	50,000	50,000	20,000	10,000	34,938
Options Revenue	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	50,000	50,000	20,000	10,000	46,608
Other Revenue	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	3,948	9,870	9,870	3,948	1,974	0
Direct Sales Costs:																		
Commissions	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	55,664	139,160	139,160	55,664	27,832	26,349
Closing Costs	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	70,000	70,000	28,000	14,000	10,000
Buyer Incentive	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	159,040	397,601	397,601	159,040	79,520	87,831
Other	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	23,904	59,760	59,760	23,904	11,952	11,783
Net Receipts:	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	1,323,795	3,309,488	3,309,488	1,323,795	661,898	742,348
Expenditures:																		
Land Acquisition																		
Site Development	176,207	176,207	176,207	176,207	176,207	176,207	176,207	176,207	176,207	176,207	176,207	176,207	176,207	176,207	176,207	176,207		
Common Areas																		
Direct Construction	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	584,315	511,276	292,158	73,039	134,991		
Options Cost	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	14,000	8,000	2,000	17,478		
Model Upgrade																		
Property Tax Paid																		
Marketing/Advertising	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	36,731	30,000				
Salaries	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	15,000				
Overhead	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000						
Other cost of Sales	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000									
Warranty Expense	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	11,928	11,928	4,771	2,386	2,635
Net Expenditures	940,194	940,194	940,194	940,194	940,194	940,194	940,194	940,194	900,194	900,194	850,194	850,194	775,155	533,292	263,174	333,447	2,386	2,635
CASH FLOW																		
Cash Flow Before Loans	383,601	383,601	383,601	383,601	383,601	383,601	383,601	383,601	423,601	423,601	473,601	473,601	548,641	2,776,196	3,046,314	990,348	659,512	739,713
Cumulative Cash Before Loans	29,027,124	29,410,725	29,794,326	30,177,927	30,561,529	30,945,130	31,328,731	31,712,332	32,135,933	32,559,534	33,033,136	33,506,737	34,055,377	36,831,573	39,877,886	40,868,235	41,527,747	42,267,460
I.R.R. All Cash																		

8.7 Site Specific and Globalization Risks

This project has several site-specific and globalization risks that need to be considered.

- **Environmental Conservation** – The town of La Plata emphasizes the preservation of its natural resources. As a result, our team is required to preserve existing wetlands and streams onsite, reducing overall developable area. Additionally, harmful impacts to wetlands and streams due to grading and/or construction are to be eliminated. Our land development team has thoroughly designed and estimated the cost of erosion and sediment control.
- **Soil Conditions** – According to reports, much of the soil within the proposed site is identified as Udorthents. This soil is characterized by its excellent drainage features and predominately gravelly composition. The area was previously used as a strip mine for mineral extraction. For this reason, unknown subsurface conditions are a large concern of our land development team. Consequently, our land development team has added a ten percent contingency cost associated with these unforeseen conditions.
- **Weather Conditions** – With the proposed site located near the east coast, our team expects high rain volumes during peak hurricane seasons. The town of La Plata is also at risk for tornadoes and damaging winds. Therefore, slack has been factored into our land development schedule to allow for declines in production resulting from adverse weather conditions.
- **Supply Chain** – COVID-19 and current geopolitical conflicts have led to inefficiencies and disruptions throughout the supply chain. Constraints in the sourcing of raw materials, manufacturing delays, and finished materials deliveries put the development of Pinebrook at risk. These risks will be mitigated by leveraging Seven Hills Homes' existing vendor relations to secure fixed price materials contracts that adjust for volatility in material costs and by scheduling site and home construction with conservative delivery contingencies.

8.8 Labor Availability

Labor availability in La Plata, Maryland is of slight concern when we assess the risks in developing Pinebrook. With an unemployment rate slightly below national average, lack of existing development projects, and rising labor costs, labor in new construction has increasing levels of risks associated with it. However, current economic conditions, and the potential of a recession, are supporting decreases in labor costs as inflation slows and an increase in layoffs creates more labor availability. As part of the risk mitigation and sales strategies, Seven Hills Homes will offer members of our construction team and contractors additional buyer incentives to ensure consistent and high-quality labor.

8.9 Recessionary Impacts and Risks

Current economic conditions are hinting at the start of a global recession beginning in Q1 of 2023. This will have significant impacts on homebuyers with changes in affordability and absorption rates. As inflation slows and spending decreases, both the mortgage supply and demand will begin to decline. Households will demand lower home prices to adjust for stagnation of wages and will prefer to save their capital amidst market uncertainty. By applying these trends and the economic cycles to follow into our phasing plans, we have aligned more affordable, smaller, and higher-density products between 2023 – 2026. In the following years, production of larger and more expensive products will ramp up as the economy begins to recover.

8.10 Alternative Sales and Exit Strategies

While our current development strategy is for the sale of individual lots, there are three alternative sales strategies that could expand our market reach and provide a competitive return: (1) integrating a rent-to-own model, (2) sale of multi-family product lots to a multi-family asset manager/developer, (3) hire a third-party property manager to manage multi-family products on behalf of Seven Hills Homes.



Student
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NAHB Student Competition Four-Year Programs: Production Home Builder Honor Pledge

To the best of my knowledge and belief, the information used in my team's solution to the competition is in accordance with the rules and guidelines of the NAHB Student Competition. On my honor, I have neither given nor received unauthorized assistance in the completion of this project.

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This form is REQUIRED. Please upload (1) copy per team within your Solution submission.