

# NORTHSIDE VILLAGE INVESTMENT MEMORANDUM

## 2-Pack Single-Family Development

### INVESTMENT SUMMARY

Houstonian Capital Investments, LLC (HCI) is proud to present the opportunity to acquire land, subdivide the land and develop single family homes for sale per the Project Information Table.

### BUSINESS PLAN

The goal is to couple the expanding demand for new, single-family homes in the Northside Village with a targeted land acquisition that will be subdivided into two (2) plats and developed into two (2) homes to sell in the \$400,000 to \$450,000 sales market.

Northside Village attracts investors capitalizing on this form of development (i.e., subdividing land to build and sell multiple single-family homes). Over the most recent two years (May 2019 to May 2021) the average construction footprint has been 2,000 square feet for resale sizes of 1,750 square feet of livable space. Within the same timeframe the investment community has diversified developments with smaller projects (1,200 to 1,550 livable square feet) in an attempt to provide new, single family homes at a lower sales price. This has resulted in a stronger submarket that provides greater risk mitigation protections to investors: larger sales market, lower construction costs, shorter hold times and higher sales revenue per square foot.

The business plan of the project is to leverage this market of new homes and develop two (2) homes with a construction footprint of 1,690 square feet per for a resale size of approximately 1,550 square feet of livable space.

The project will be developed and constructed by CRV Homes, LLC (CRV Homes), HCI's in-house construction company. CRV Homes is a full-service design-build firm, combining professional design with the development, home building and project management services. The combined team offers the unparalleled benefit of having experts in their specialized fields streamlined under one firm. CRV Homes has the experience and expertise to execute HCI's business plan.

### PROPERTY & DEVELOPMENT

The target property is in the Northside Village neighborhood roughly bordered by Interstate 10 (south), Interstate 45 (west), 610 Loop (north) and Elysian St (east). The Northside Village is conveniently located within the Inner Loop with north/south and east/west freeway access and minutes away from Downtown, Midtown, Montrose, Galleria and Medical Center. Residents have easy access to local entertainment and dining options within Northside Village and in adjacent Heights and Rice Military neighborhoods.

The development is comprised of single-family homes that features an open floor concept with a modern, traditional exterior. Large windows throughout the home allowing for plenty of natural lighting. The home includes a large patio overlooking a spacious yard that is fully fenced. These homes will be loaded with upgraded features, energy efficiency designs and smart home technology.

### FUNDING REQUIREMENTS

The investor's contributions are outlined in the Funding Requirements Table. Costs of investment financing is not included in the Project Summary.



### PROJECT INFORMATION

Project Area	Northside Village
Project Type	Build to Sell
Product Description	Single-Family
Land Size	9,000 Square Feet
Number of Units	2 Homes
Construction Size per Unit	1,690 Square Feet

### PROJECT EXPENSES

Land Acquisition Cost	(\$ 255,888)
Land Acquisition Closing Cost	(\$ 2,559)
Development & Construction	(\$ 408,700)
Professional Design	Included Service
Architectural & Engineering Plans	Included Service
Municipal Permitting	Included Service
On-Site Project Management	Included Service
Overhead & Organizational Costs	Included Service
Other Administrative Costs	Included Service
<b>TOTAL EXPENSES</b>	<b>(\$ 667,147)</b>

### PROJECT REVENUES

Average Sales Price per Unit	\$ 426,250
Sales Revenue	\$ 852,500
Closing Costs	(\$ 68,200)
Prorated Property Taxes	(\$ 17,050)
<b>TOTAL NET REVENUES</b>	<b>\$ 767,250</b>

### PROJECT SUMMARY

Targeted Total ROI (%)	15.0%
Targeted Total ROI (\$)	\$ 100,103

### FUNDING REQUIREMENTS

Min. Subscription Amount	(\$ 15,000)
Min. Equity Investment	(\$ 133,429)
Est. Total Investment	(\$ 667,147)