

# Apollo Meadows Underwriting Risk Mitigation Assumptions



## Conservative Cost and Revenue Assumptions

- ✓ The projected exit price of \$249,500 (\$499,000 per duplex) is modeled approximately 8% below the market sale comp average of \$272,000 to build in downside protection.
- ✓ Proforma monthly rent is underwritten conservatively at \$1,650, which sits below the local comparable average of \$1,688 across 27 active properties.
- ✓ Construction budgets mitigate overrun risks by incorporating fixed-price or GMP contracts, a 1% cash reserve buffer, and fully funded interest reserves at close.
- ✓ Vertical construction is sequenced across two phases with S-curve draw schedules to align capital deployment with progress and limit peak equity risk.

## Favorable Financing Terms

9.50% construction loan with a 1% fee and fully funded reserves. Debt is retired via sale proceeds, eliminating refinancing risk over the 14-month hold.

## Disposition Costs & Liquidity

A 6% allocation of gross proceeds is budgeted for title transfer and rate buydown costs. This ensures the fee-simple duplex product remains highly attractive to our established network of end-buyer retail investors, enhancing liquidity and accelerating the exit timeline.

Note: The projected timeline shown constitutes forward-looking information

CPI

CAPITAL

Real Estate Investment firm

[www.cpicapital.com](http://www.cpicapital.com)

August Biniiaz  
Chief Investment Officer

# Apollo Meadows Development Timeline And Risk Mitigation

Permitting and Construction	Lots	Months	Start	End
Analysis Start Date: Land Acquisition		1 Months	06.30.2026	06.30.2026
Permitting Timeline		0 Months	07.01.2026	06.30.2026
Horizontal Construction Timeline		0 Months	07.01.2026	06.30.2026
Vertical Construction				
Phase 1	19 Lots	6 Months	07.01.2026	12.31.2026
Phase 2	18 Lots	6 Months	01.01.2027	06.30.2027
<b>Total Construction Timeline</b>	<b>37 Lots</b>	<b>12 Months</b>	<b>06.30.2026</b>	<b>06.30.2027</b>

Home Sales (Duplexes)	Homes	Months	Start	End
Phase 1	19 Homes	2 Months	01.01.2027	02.28.2027
Phase 2	18 Homes	2 Months	07.01.2027	08.31.2027
<b>Total Home Sales</b>	<b>37 Homes</b>	<b>9 Months</b>	<b>01.01.2027</b>	<b>08.31.2027</b>

- ✓ **Zero Entitlement Risk:** Land is acquired as fully finished, construction-ready lots with all horizontal infrastructure already in place. This eliminates permitting delays and allows vertical construction to begin immediately at close.
- ✓ **Phased Capital Deployment:** Vertical construction is deliberately sequenced across two six-month phases. This structure materially reduces peak equity exposure and allows Phase 1 sale proceeds to partially fund Phase 2 development.
- ✓ **Efficient Exit Strategy:** Units are marketed to an established network of retail investors during construction, with closings occurring at the Certificate of Occupancy (CO) stage. This limits market exposure and accelerates the return of capital.



# Typical Development Process & Our Timeline Forecast

Total Forecasted Timeline of 15 Months



**CAPITAL**  
Real Estate Investment firm

[www.cpicapital.com](http://www.cpicapital.com)

August Biniiaz  
Chief Investment Officer