

BUILT TO LIVE COMMUNITIES

The Arbors

at Conroe, Texas



A 200-Unit Build-to-Rent Community | Investor Presentation | May 2026

\$73.3M

Total Project Cost

200

Units

22.93%

Levered IRR

2.49x

Equity Multiple



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Meet the Project Team



Steven Anderson

Development Analyst | Land Planning



Logan Brossette

Financial Analyst | Underwriting



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Financial Analyst | Finance



Sam Hadad

Development Planner I | Site Planning



Tyler Jennings

Market Analyst | Marketing



Adam Tate

Development Planner II | Urban Planning

Executive Summary

The Opportunity

Built to Live Communities introduces a differentiated build-to-rent product at The Arbors. New generations seek independence yet struggle to find single-family comfort within flexible rental budgets — The Arbors delivers both.

Strategic Location

Conroe, TX anchors one of the Greater Houston metro's fastest-growing corridors. Proximity to Fortune 500 employers, abundant land supply, and expanding retail infrastructure make it the ideal setting.

Competitive Advantage

Best-in-class BTR design elevates comfort through natural landscaping buffers and delivers financial and lifestyle flexibility — positioned at the premium end of the market while staying below The Woodlands and Cypress pricing.

PROJECT SNAPSHOT

LOCATION	Conroe, TX
SITE SIZE	60.64 acres
NET DEV. AREA	40.4 acres
TOTAL UNITS	200 homes
UNIT SIZES	1,350 – 1,750 SF
AVG RENT	\$3,367.50 / mo
HOLD PERIOD	5 Years
TARGET RENTER	\$60K–\$100K HH Income



Site Overview & Location



Location

60.64-acre site in Conroe, TX — NW of CBD, under 1 hour from downtown Houston via I-45.



Access

Two access points: W Fork Blvd (signalized at Hwy 105) and House Road — superior connectivity.



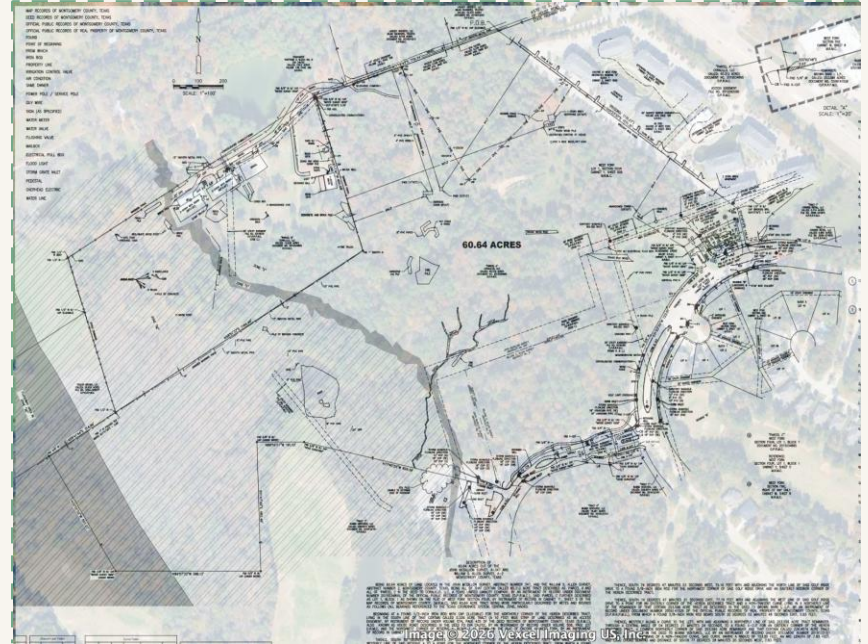
Physical

Largely forested, flat, workable topography. ~40.4 net developable acres after floodplain exclusion.



Surroundings

Multifamily NE, single-family S, golf course W — strong established residential context.



Physical Characteristics & Development Constraints



Physical Characteristics

The tract is largely forested, generally flat, and only lightly disturbed by past minor development and oil and gas activity — an undeveloped site with workable topography well-suited for residential planning.



Development Constraints

A significant portion of the west side is impacted by floodway, 100-year floodplain, and 500-year floodplain conditions, leaving approximately 20.5 acres unsuitable for development. The site is also affected by utility easements, road easements, and pipeline rights-of-way.



Environmental Issues

Existing site concerns include debris, old structures, trash and tire piles, and contaminated soil in limited areas. Documented past oil and gas exploration activity was identified during environmental review.



ESA Findings, Feasibility & Market Opportunity



Phase I & II ESA Findings

Phase I findings led to a Phase II investigation, which confirmed that groundwater is not contaminated and that no Phase III ESA appears necessary. However, affected soils near borings SB-1 and SB-3 will need to be removed or managed during development.



Overall Site Feasibility

While the site requires remediation, floodplain planning, and easement coordination, the issues appear manageable and do not eliminate the site's long-term development viability. The net developable area of ~40.4 acres supports the full 200-unit program.

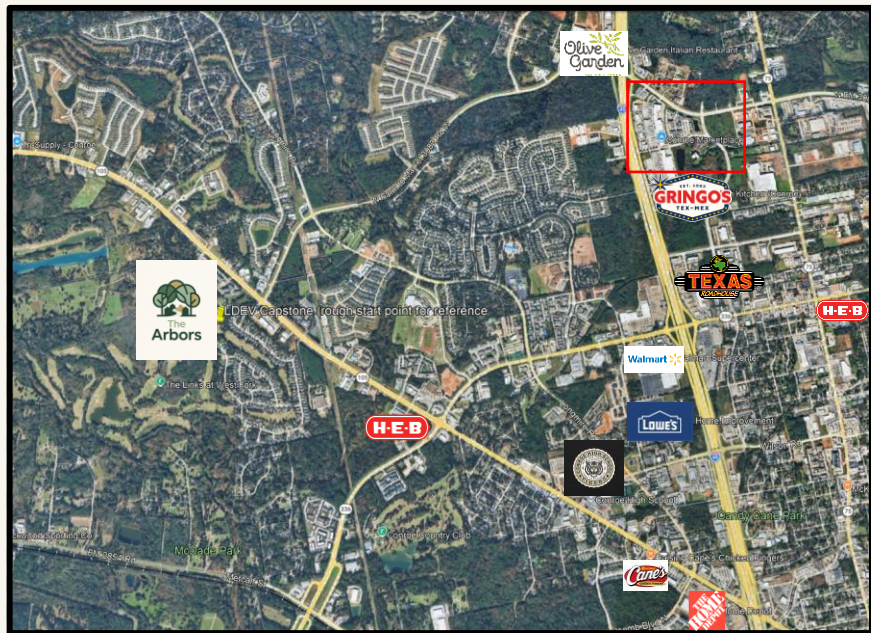


Market Opportunity

Conroe's steady population growth, proximity to major employment centers, and strong demand for single-family rentals support the case for a build-to-rent community on this site. Comparable rents exceed \$2,500/mo and 5-year average SFR occupancy holds at 96%, confirming persistent undersupply.



Market Position & Regional Context



96%

SFR Occupancy Rate
(5-Year Avg)

15 min

To Woodlands
Employment Corridor

2.3M

Metro Jobs via
I-45 Corridor




Employment Access & Amenities

Employment Access

- The Woodlands — 15 min
- ExxonMobil campus — 20 min
- IAH Airport — 30 min
- Downtown Houston — 47 min

Retail, Schools & Amenities

 H-E-B grocery — conveniently close by

Conroe Marketplace

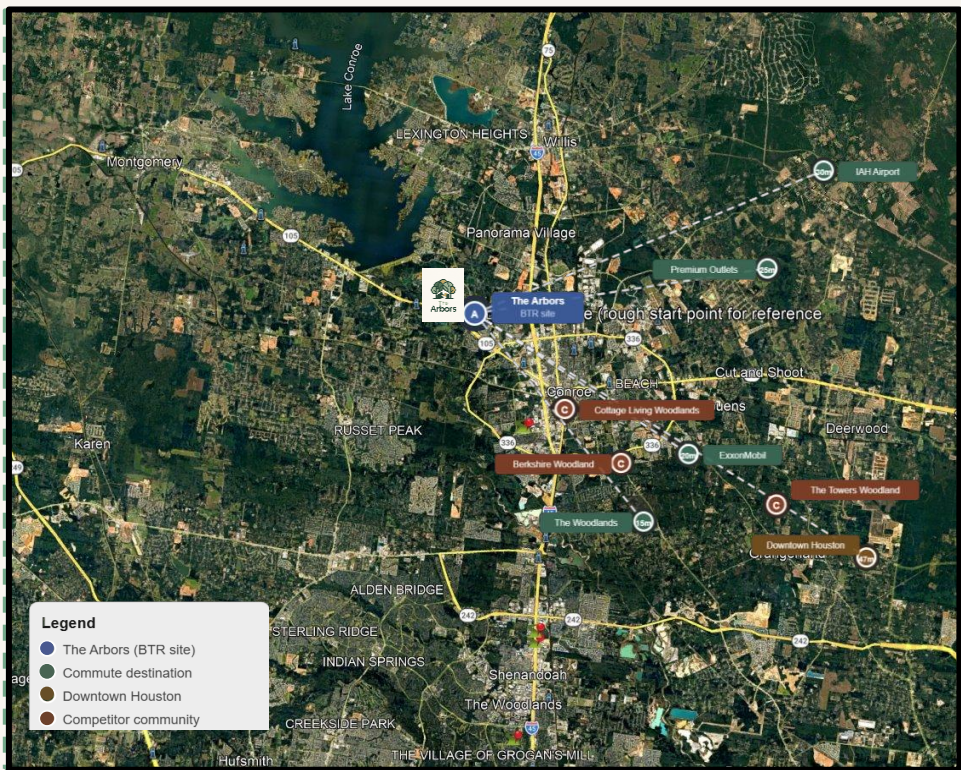
*Bath & Body Works · AT&T · Mattress Firm · Men's Wearhouse
Ulta Beauty · Allure Nails & Spa · PetSmart · and more*

 Houston Premium Outlets — 20 min

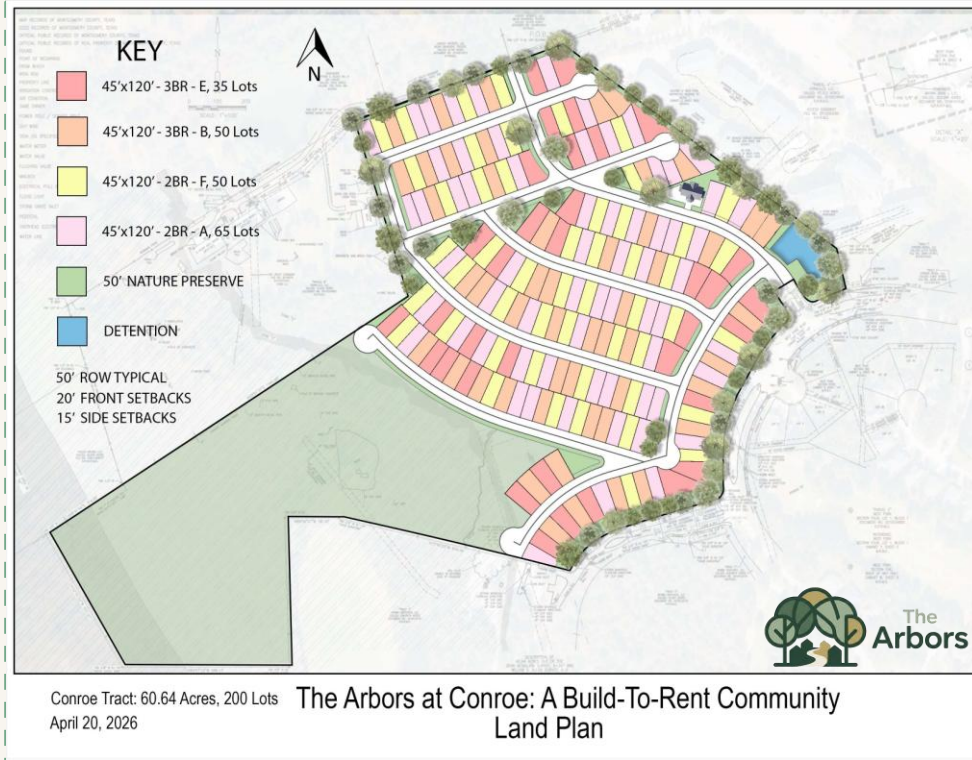
Conroe High School

GreatSchools: 10 / 10 · txschools.gov: 75 / 100

 Future mixed-use development adjacent



Community Design & Land Plan



Forest Buffer

Tree preserve along roadways — consistent with Conroe character



Lot Variety

Lot differentiation creates visual rhythm and curb appeal



Connectivity

High-connectivity ROWs branch all residential clusters



Drainage

Corner detention area reflects thoughtful grading planning



Phasing Option

1 1-Phase · Current Plan

RECOMMENDED

- All 200 units delivered in a single phase

Single capital raise and construction mobilization

- Lease-up begins Month 12 of construction

10-unit/month absorption assumption throughout

- Property stabilization achieved Month 31

Simple execution — one draw schedule, one timeline

- No phasing risk or sequencing uncertainty

Underwritten investor returns based on this structure

2 2-Phase · Optional Plan

OPTIONAL / CONTINGENCY

- Phase 1 establishes leasing momentum & demand

Proof-of-concept before committing full capital

- Phase 2 timing flexible based on market conditions

Accelerate or delay based on absorption velocity

- Ability to de-risk capital exposure by staging

Allows lender syndication across two tranches

- Phased delivery may optimize construction pricing

Reduces contractor capacity risk in active market



Unit Mix & Stabilized Rents



2BR-A

65 Units

1,350 SF

\$3,100/mo

\$2.30/SF



2BR-F

50 Units

1,500 SF

\$3,350/mo

\$2.23/SF



3BR-B

50 Units

1,600 SF

\$3,500/mo

\$2.19/SF



3BR-E

35 Units

1,750 SF

\$3,700/mo

\$2.11/SF

200 Total Units

Avg Size: 1,520 SF

Avg Rent: \$3,367.50/mo

Avg Rate: \$2.22/SF

Other Income: \$108K/yr



Financial Summary

Project Summary		
Unit Count	200	
Avg Unit SF	1,520 SF	
Avg Unit Rental Rate PSF	\$2.22	
Gross Square Footage	305,000	
Net Rentable Square Footage	304,000	
Building Efficiency	99.67%	

Cost Breakdown		
	Total	PGSF
Land Costs	\$3,300,000	\$10.82
Hard / Direct Costs	\$56,000,000	\$183.61
Dev Fee & Overhead	\$2,479,473	\$8.13
Soft Costs / FF&E	\$3,037,548	\$9.96
Contingency	\$6,140,095	\$20.13
Closing & Brokerage	\$33,000	\$0.11
Lender Credited Costs	\$71,430,045	\$234.20
Interest Capitalized	\$1,891,499	\$6.20
Total Project Cost	\$73,321,544	\$240.40

Loan Breakdown	
Construction Loan Interest	7.20%
IO Period	60 Months
Untrended Stabilized Debt Yield	8.75%
Month until DSCR 1.0 Achieved	19 Months
Permanent Loan Interest	N/A
Refinance Date	N/A
Monthly Debt Service	\$263,958

Capital Stack		
	% of Cap Stack	Total
Senior Loan	60%	\$43,992,926
Mezzanine	0%	\$0
Common Equity	40%	\$29,328,618
GP (25%)	10.0%	\$7,332,154
LP (75%)	30.0%	\$21,996,463
Total Capital Requirements		\$73,321,544

Returns	
Exit Year	5
Avg Unit Whole Rent (Untrended)	\$3,138
Terminal Cap Rate	5.25%

Project Level	
Unlevered IRR	17.35%
Levered IRR	22.93%
Unlevered Equity Multiple	1.81x
Levered Equity Multiple	2.49x

Yield-to-Cost		
	Base Case	Sensitivity (+3%)
Stabilized (Untrended)	7.48%	7.71%
Exit Year (Trended)	7.97%	8.45%

Stabilized Pro Forma — Year 5		
	Base	Sensitivity
Potential Gross Income	\$8,615,939	\$9,219,054
Economic Vacancy	(\$430,797)	(\$460,953)
Effective Gross Income	\$8,185,142	\$8,758,102
Total Expenses	(\$2,436,427)	(\$2,558,248)
Net Operating Income	\$5,748,715	\$6,199,853
Expenses as % of EGI	29.8%	29.2%

Project Timeline	
Design Phase Start	4/1/25
Construction Start	1/1/26
Construction Timeline	20 Months
Stabilization	7/31/28
Project Sale Date	1/31/31
Total Project Timeline	68 Months

Property Exit — Reversion Year 5	
Net Sale Proceeds (+)	\$111,582,097
Total Levered Cashflow (+)	\$7,581,516
Equity Repayment (-)	(\$29,328,618)
Loan Repayment (-)	(\$43,992,926)
Project Profit	\$45,842,069



Stabilized Operating Expenses

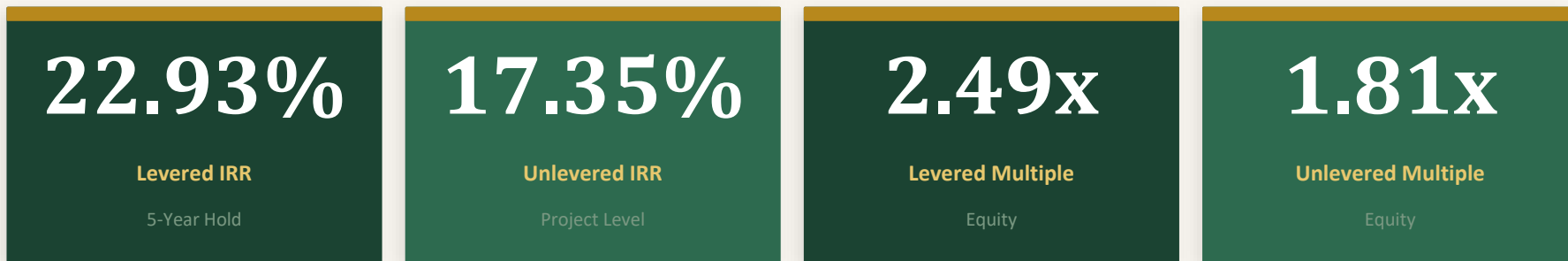
Expense Category	Per Unit / Year	Total Annual
Payroll	\$2,000	\$400,000
General & Admin	\$1,000	\$200,000
Marketing	\$700	\$140,000
Repairs & Maintenance	\$1,200	\$240,000
Turnover	\$600	\$120,000
Contract Services	\$300	\$60,000
Utilities (Net)	\$1,460	\$292,000
Insurance	\$1,200	\$240,000
TOTAL	\$8,460	\$1,692,000

NOI SNAPSHOT

Gross Potential Rent	\$8,615,939
Other Income	\$108,000
Vacancy & Loss	(\$430,797)
Effective Gross Income	\$8,185,142
Total OpEx	(\$1,692,000)
Net Operating Income	\$5,748,715



Projected Returns & Cash Flow



LEVERED CASH FLOW SUMMARY

Year	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5 (Exit)
Unlevered CF	(\$3.3M)	(\$55.1M)	(\$10.9M)	\$5.5M	\$5.8M	\$115.2M
Levered CF	(\$3.8M)	(\$25.6M)	\$41.7K	\$2.3M	\$2.7M	\$68.0M



Key Model Assumptions

Soft Costs Schedule		
Item	Total	Per Unit
Capitalized RE Taxes	\$96,250	\$481
Capitalized Insurance	\$220,000	\$1,100
Capitalized Marketing	\$129,928	\$650
Civil Engineering	\$70,500	\$353
Architects	\$18,500	\$93
Land Planning	\$20,000	\$100
Minerals & Entitlement	\$4,000	\$20
Mortgage Bank	\$21,500	\$108
Other	\$20,800	\$104
JB Real Estate Consulting	\$20,000	\$100
Core Soft Costs	\$2,300,000	\$11,500
Developer Fee	\$2,479,473	\$12,397
Subtotal	\$5,400,951	\$27,005

Property Tax Growth Rates			
	Year 1	Year 2	Year 3-5
Property Taxes	50.0%	25.0%	3.0%
Fixed Charge Assessments	10.0%	5.0%	3.0%

Loss Factors			
	Year 1	Year 2	Year 3-5
Physical Vacancy	40.0%	5.0%	5.0%
Bad Debt	0.25%	0.25%	0.25%
Concessions	10.0%	5.0%	0.0%
Other Loss	0.0%	0.0%	0.0%

Growth Rates			
	Year 1	Year 2	Year 3-5
Market Rent Growth	3.0%	1.0%	1.0%
Other Income Growth	3.0%	1.0%	1.0%

Annual Cash Flow Summary		
Year	Unlevered CF	Levered CF
Year 0	(\$3.3M)	(\$3.8M)
Year 1	(\$55.1M)	(\$25.6M)
Year 2	(\$10.9M)	\$41.7K
Year 3	\$5.5M	\$2.3M
Year 4	\$5.8M	\$2.7M
Year 5 (Exit)	\$115.2M	\$68.0M

Hold Period Assumptions	
Exit Year	5
Avg Rent (Untrended)	\$3,367.50 / mo
Terminal Cap Rate	5.25%
Lease-Up Rate	10 Units / Month
Debt-to-Equity	60 / 40
Annual Expense Growth	3.0%
Cap Ex Reserve / Unit	\$250 / year
Prop. Mgmt Fee (% of EGR)	3.0%



Equity Waterfall Distribution

BEFORE PROMOTE		
	GP	LP
Return Split <i>(Before Promote)</i>	22%	55%
IRR	21.55%	16.16%
Profit	\$8,739,971	\$18,183,850
EM	2.19x	1.83x

PROMOTE
IMPACT

AFTER PROMOTE SPLIT		
	GP	LP
	35%	65%
	31.38%	23.32%
	\$14,620,908	\$29,105,590
	2.99x	2.32x

* Promote terms subject to final LP/GP agreement.



BUILT TO LIVE COMMUNITIES

Investment Summary

The Arbors at Conroe, TX

The Arbors represents a strategic opportunity to deliver a differentiated BTR community in one of Houston's fastest-growing residential markets. Strong employment access, proven rental demand, and a compelling financial profile make The Arbors the ideal investment for today's market.

22.93%

Levered IRR

2.49x

Equity Multiple

\$73.3M

Total Project Cost

200

BTR Homes