

Land Residual Analysis



LAUNCH[®]

DEVELOPMENT FINANCE ADVISORS

Prepared for The Land To Lots[®] Podcast

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Before Scenario

Initial Land Residual Analysis		
<u>Revenues</u>	Per Unit	Total
Home Sales Revenue (Net)	\$ 425,000	\$ 382,500,000
Total Revenues	\$ 425,000	\$ 382,500,000
<u>Costs</u>	Per Unit	Total
Site Acquisition	\$ -	\$ -
Development Costs - Other	99,000	89,100,000
Home Construction Costs	199,500	179,550,000
Development Impact Fees	11,849	10,664,476
Financing Costs (8%)	24,828	22,345,158
Developer Profit (12%)	51,000	45,900,000
Total Costs	\$ 386,177	\$ 347,559,634
Residual Value	\$ 38,823	\$ 34,940,366

Note: Figures are Conceptual and Used for Illustrative Purposes Only

After Scenario

Revised Land Residual Analysis		
<u>Revenues</u>	<u>Per Unit</u>	<u>Total</u>
Home Sales Revenue (Net)	\$ 425,000	\$ 382,500,000
SA Bond Proceeds (1)	\$ 9,653	\$ 8,687,250
GO Bond Proceeds (2)	\$ 11,453	\$ 10,307,513
Infrastructure Reimbursements (3)	\$ 20,334	\$ 18,300,976
Total Revenues	\$ 466,440	\$ 419,795,739
<u>Costs</u>	<u>Per Unit</u>	<u>Total</u>
Site Acquisition	\$ -	\$ -
Development Costs	49,500	44,550,000
Development Costs - CFD Eligible	49,500	44,550,000
Home Construction Costs	199,500	179,550,000
Development Impact Fees	11,849	10,664,476
Development Impact Fees - Credits (4)	(3,389)	(3,049,853)
Financing Costs (8%)	24,828	22,345,158
Developer Profit (12%)	51,000	45,900,000
Total Costs	\$ 382,789	\$ 344,509,781
Residual Value	\$ 83,651	\$ 75,285,958

Footnotes

- (1) Assumes an assessment lien of \$12,375 per lot.
- (2) Assumes a Target Ad Valorem Tax Rate of \$3.00 per \$100 of assessed valuation.
- (3) Assumes jurisdiction establishes a Reimbursement District to require other benefiting landowners are funding their pro-rata share of public improvement costs.
- (4) DIF credits related to developer funding DIF eligible public improvements.

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Comparison Scenario

Comparison of Land Residual Values

<u>Revenues</u>	<u>Initial Land Residual Analysis</u>		<u>Revised Land Residual Analysis</u>	
	<u>Per Unit</u>	<u>Total</u>	<u>Per Unit</u>	<u>Total</u>
Home Sales Revenue (Net)	\$ 425,000	\$ 382,500,000	\$ 425,000	\$ 382,500,000
SA Bond Proceeds (1)	-	-	9,653	8,687,250
GO Bond Proceeds (2)	-	-	11,453	10,307,513
Infrastructure Reimbursements (3)	-	-	20,334	18,300,976
Total Revenues	\$ 425,000	\$ 382,500,000	\$ 466,440	\$ 419,795,739
<u>Costs</u>	<u>Per Unit</u>		<u>Per Unit</u>	
	<u>Per Unit</u>	<u>Total</u>	<u>Per Unit</u>	<u>Total</u>
Site Acquisition	\$ -	\$ -	\$ -	\$ -
Development Costs	99,000	89,100,000	49,500	44,550,000
Development Costs - CFD Eligible	-	-	49,500	44,550,000
Home Construction Costs	199,500	179,550,000	199,500	179,550,000
Development Impact Fees	11,849	10,664,476	11,849	10,664,476
Development Impact Fees - Credits (4)	-	-	(3,389)	(3,049,853)
Financing Costs (8%)	24,828	22,345,158	24,828	22,345,158
Developer Profit (12%)	51,000	45,900,000	51,000	45,900,000
Total Costs	\$ 386,177	\$ 347,559,634	\$ 382,789	\$ 344,509,781
Residual Value	\$ 38,823	\$ 34,940,366	\$ 83,651	\$ 75,285,958

Percentage Change

115.5%

Footnotes

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- (3) Assumes jurisdiction establishes a Reimbursement District to require other benefiting landowners are funding their pro-rata share of public improvement costs.
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Who We Are

At Launch Development Finance Advisors, **our mission is to help clients finance infrastructure, reduce costs, and mitigate development risk**—all with the goal of increasing project profitability and investment returns.

Our focus is exclusively on supporting the private sector, ensuring zero conflicts of interest and 100% alignment with our clients' objectives.



Our Services

- ▶ All Special District Financings Across USA
- ▶ Custom Pro-Forma Financial Modeling
- ▶ LRS (Launch Reimbursement System)
- ▶ The Launch Bond[®]
- ▶ District Administration
- ▶ Development Impact Fee
- ▶ Development Agreement Negotiations
- ▶ Fiscal and Economic Impact Analysis
- ▶ Litigation Support
- ▶ Legislative Changes



Our Value Differentiator

- ▲ **Private-Sector Focused:** We represent developers—never public agencies—eliminating conflicts and ensuring alignment with your goals.
- ▲ **Proven Track Record:** \$17B+ in infrastructure financed across 1,000+ projects and 575+ special taxing districts.
- ▲ **Proprietary Processes:** Tools like The Launch Bond®, The RED Analysis™, and The Project Vision™ simplify complex strategies into actionable solutions.
- ▲ **End-to-End Guidance:** From formation to reimbursement, we drive your financing process every step of the way.

The Result?

Faster access to capital, reduced development costs, and increased project profitability.

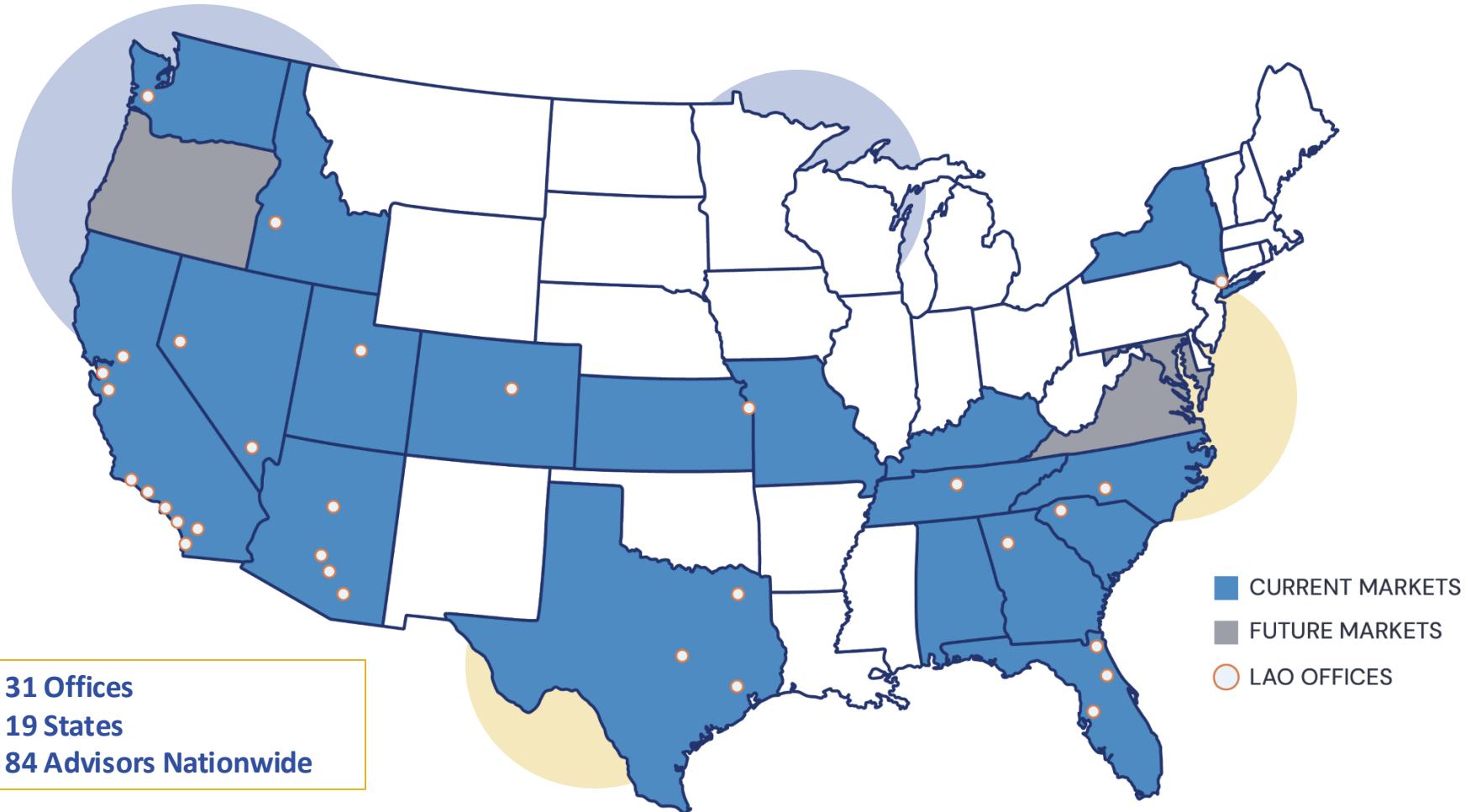
Regional
Expertise.

National
Platform.

Launch operates as a national platform with deep regional expertise.

From **California** to **North Carolina**, and across the U.S., we deliver tailored financing strategies backed by local market intelligence and execution.

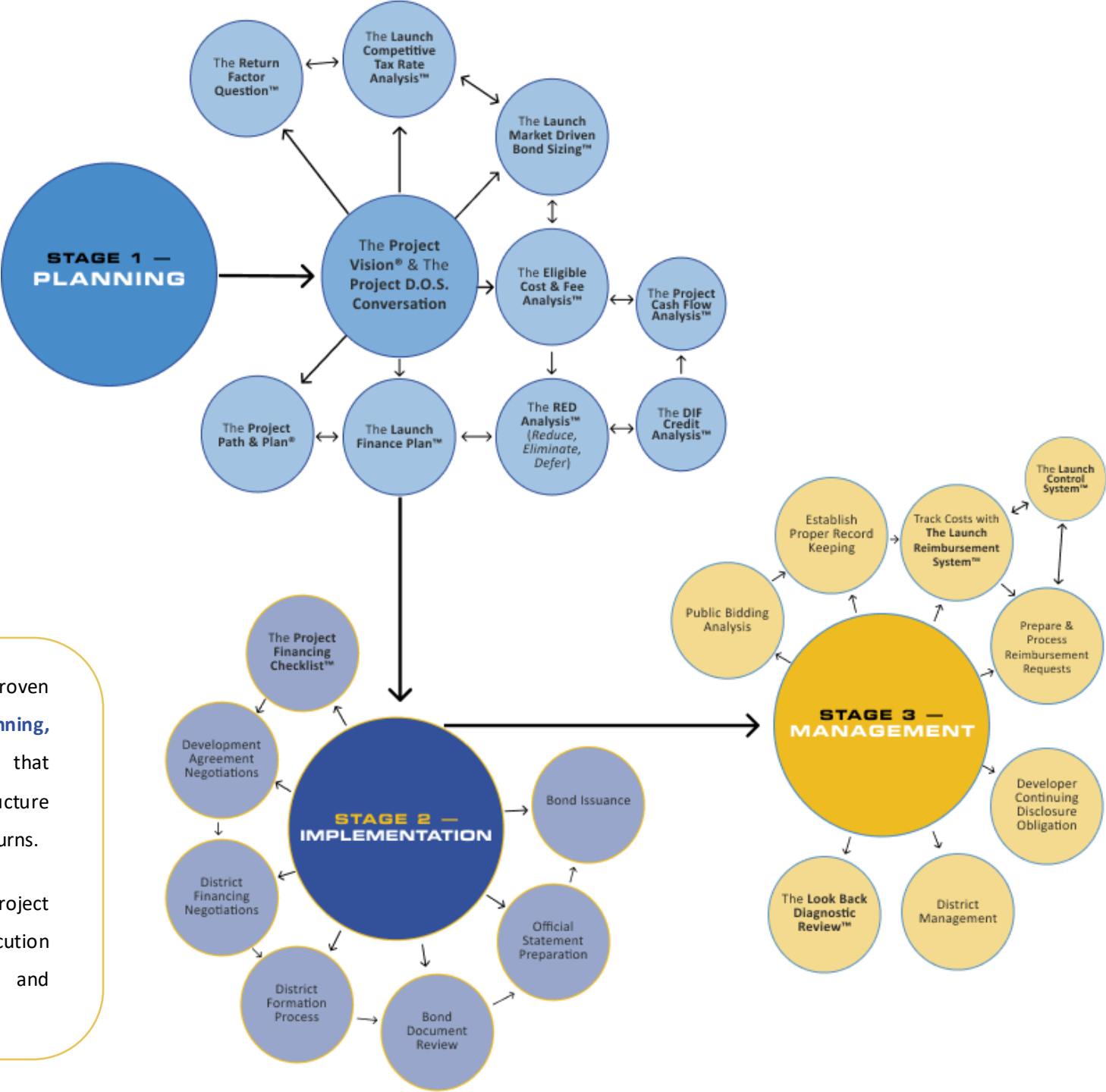
As the infrastructure financing affiliate of **Land Advisors Organization** (LAO), Launch extends a shared mission to guide clients through complex land and development transactions with clarity, precision, and results.



The Launch Sequence®

The Launch Sequence® is Launch's proven three-phase framework — **Planning, Implementation, Management** — that simplifies special-district infrastructure financing and maximizes project returns.

Each phase is designed to move a project from early feasibility through execution and reimbursement with clarity and control.



Contact Information



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