PRODIGY COMMUNITIES

Scalable Residential Development to meet Southern California's Housing Needs

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Founder & Developer

1. Who is Prodigy?

👥 **Experienced, Proven Real Estate Development Team**

Led by professionals with deep field experience—from entitlement to delivery. We don't outsource strategy—we own it, design it, execute it.

📆 **20+ Years in Residential Land Planning & Entitlement**

Specialized expertise navigating Southern California's complex municipal systems. Our relationships and foresight translate into faster approvals and lower risk.

💰 **$1.1B+ in Developed Projects**

Delivered high-value residential projects across OC, IE, LA, and San Diego. Proven ability to scale from small infill to multi-phase master plans.

🔄 **Fully Integrated Project Lifecycle**

We are able to manage the full stack:

- 📍 Land Acquisition
- 🔍 Due Diligence
- 🧾 Entitlement
- 🚜 Horizontal Development
- 🔁 Builder Sale or Build-to-Sell, with future Built to Rent aspirations (Apartments)

This integration reduces handoffs, increases control, and protects investor capital throughout the lifecycle.

We are builders of both homes and value, operating with precision, speed, and local expertise across Southern California's dynamic markets.

2. Our Vision

From Dirt to Dollars
We transform underutilized land into high-performance residential communities across Southern California.

We specialize in residential development sites between 1 and 40 acres, supporting projects of 4 to 150 units, whether single-family or multifamily.

🧠 **Smart Entitlements:** Navigate zoning codes, policy overlays, and public processes to unlock land value through approvals.
Turn raw land into shovel-ready assets—fast, clean, and builder-friendly.

📐 **Precision Planning:** Every community is master-planned for optimal yield, aesthetics, and buyer demand.
We balance density, livability, and municipal compliance with investor ROI.

Our end-to-end control—from acquisition to entitlement and planning—maximizes value, compresses timelines, and de-risks capital.

3. The Opportunity

Structural shortage, public policy shifts, and builder hesitancy have created an ideal window for our model.

🏘️ **California's Housing Shortage = Our Growth Engine:** A severe and prolonged lack of new housing supply drives long-term demand.

🏗️ **Historic Underproduction of Housing Stock:** Since the 2008 downturn, new housing starts haven't kept pace with population growth or job creation.

🏙️ **Municipalities Are Incentivizing Infill & Upzoning:** Cities and counties now fast-track entitlements, allow greater density, and reduce CEQA barriers for residential projects.

🤲 **Builders Are Land-Hungry but Risk-Averse:** National and regional builders want projects—but avoid raw land and early entitlement stages due to capital risk.

📈 **Strong Absorption in Infill & Growth Submarkets:** Buyers are still active in desirable markets with proximity to jobs, schools, and infrastructure—especially for new, efficient homes.

🛠️ **Zoning Reform & Builder Incentives Create Timely Openings:** New legislation (SB 9, SB 10, builder impact fee waivers, etc.) gives savvy operators a window to entitle and exit or build.

🗺️ **Attractive Land Still Exists for Agile Operators:** Despite headlines, strong deals remain—if you move quickly, analyze deeply, and know how to structure capital creatively.

In short: the combination of structural demand, public support, and industry reluctance creates the exact conditions Prodigy Communities was built for.

4. Our Model

🔁 **Our Investment Model: Value Creation Through Smart Land Strategy**

🧭 **Source Undervalued Land:** Identify parcels in areas with zoning upside potential or pending growth plans (General Plan updates, housing overlays, TOD zones, etc.)

🤝 **Control the Property:** Secure site through LOI, option, or escrow, with optional seller carry to minimize capital outlay and hold strategic control.

💼 **Deploy Investor Capital for Due Diligence + Entitlement:** Conduct deep-dive feasibility, surveys, engineering, and planning to unlock entitlement value and reduce risk for future phases.

🔁 **Structured Seller Participation:** Negotiate land carrybacks or profit-sharing in lieu of full cash close—aligning seller upside with project performance, reducing investor capital needs, and increasing IRR.

🚪 **Exit Path, Based on Site Viability:**

📝 **Entitlement-Only Sale**: Exit via paper lots to homebuilders post-approval—fast turnaround, low risk.

5. Flexible Deal Scenario + Seller Carry Advantage

Flexible path to profit, backed by capital-efficient structuring.

1. Entitle + Flip: Secure zoning and approvals, then sell shovel-ready land to a builder.

⚡ Fast exit, minimal infrastructure spend.

2. Optional Seller Carry Enables:

💸 **Low Upfront Capital Deployment** – Less equity needed at close

🕒 **Reduced Capital at Closing** – Deferred payment reduces strain on cash

📈 **High IRR via Structured Exits** – Better leverage improves investor returns

🤝 **Aligned Seller Incentives** – Sellers benefit from project success, not just sale

6. Phase 1

Phase 1 Investment Round

7. Current Opportunity

📍 **Current Opportunity: High-Potential Site Identified**
A compelling development candidate, now entering validation phase.

✅ **Proper Zoning:** Aligned with residential use—reducing entitlement complexity and timeline risk.

📈 **Strong Market Fundamentals:** Surrounded by housing demand drivers, job centers, and favorable absorption trends.

🌄 **Positive Visual & Locational Indicators:** Great frontage, views, topography, and access to amenities—enhancing resale value and buyer appeal.

🔍 **Preliminary Review Outcome:** Zoning and access confirmed. Visual inspection is favorable. Now entering formal feasibility review to determine highest best use.



Capital Request

We are seeking investor capital to fund detailed **due diligence**—including title review, soils, surveys, engineering, and entitlement risk analysis.

The project looks excellent on paper. Before advancing, we're taking responsible steps to confirm feasibility and define the most profitable path forward.

Two-Phase Capital Structure

Phase 1 – Feasibility Round

- Target: $100,000
- Use: Due diligence, site analysis, entitlement strategy
- Structure: At-risk capital (no equity)
- Timeline: ~60–120 days
- Outcome: Go / No-Go decision

Phase 2 – Development Equity Raise

- Only if project proceeds
- Full pro forma and business plan presented
- Investors receive ownership interests + distributions

8. Phase 1 Capital - Use of Funds

Validating the Opportunity Before Capital Deployment

Investor capital in Phase 1 will be used to conduct formal due diligence to confirm the site's viability for residential development. This critical process ensures informed decision-making, reduces risk, and sets the foundation for value creation.

Key Activities Include:

- **Title & Legal Review** – Verify ownership, easements, and encumbrances
- **Soils & Geotechnical Study** – Assess ground stability and grading needs
- **Topographic & Boundary Surveys** – Define land contours and property lines
- **Preliminary Site & Yield Analysis** – Estimate lot count and development layout
- **Civil Engineering Consultation** – Plan infrastructure and utility logistics
- **Land Planning & Concept Design** – Create optimized site concepts
- **Entitlement Risk Assessment** – Identify regulatory hurdles and timeline

This process enables us to responsibly finalize the pro forma, secure entitlements, and de-risk investor capital before advancing to Phase 2.

12. Investment Terms - Phase 1

Low entry threshold, short time horizon, and structured investor protections.

💵 **Minimum Investment: $100,000**

Investor participation begins at $100K, giving access to early-stage upside without overexposure.
Designed for accredited investors seeking value-aligned real estate opportunities.

🛠️ **Use of Funds: Due Diligence & Predevelopment**

Capital will fund title review, surveys, soil reports, civil engineering, site planning, and entitlement analysis.
These steps de-risk the deal and define the highest and best use before larger capital deployment.

🧾 **Structure: LLC or LP Interest**

Investors hold equity membership or partnership units in a project-specific entity.
Governance rights, reporting, and distributions are governed by the operating agreement.

⏳ **Time Horizon: 6–9 Months**

Expected project lifecycle from investment to exit or transition into Phase 2.
Liquidity event expected at exit or repositioning for vertical development.

📈 **Preferred Return: 10% Annualized**

Investors receive a **10% annualized return on deployed capital,** accrued during the term.
Preferred return is **paid before any sponsor participation** in project profit.

➕ **Follow-On Rights: Phase 2 Priority Access**

Investors in Phase 1 get **right of first refusal** to scale their investment into Phase 2.
Priority access to construction-phase equity positions, with refined IRR profiles and full capital stack visibility.

This is a smart early-stage position with limited downside, built-in return, and the option to ride the deal deeper once risk has been mitigated.

Preserving Investor Relationships

While Phase 1 capital is at risk and non-refundable, we implement optional goodwill tools for aligned investors:

🔁 Rollover Credit

- Up to 100% credit toward next project
- Valid for 12–24 months
- Based on Sponsor discretion and deal structure

🥇 Early-Bird Access

- Priority invitation for next investment round
- Reduced minimum investment
- Bonus equity (e.g., 1–2% kicker or extra shares)

Why this matters

Most developers require large commitments after project risk is already baked in.
We bring investors in at the ground floor.

✅ Transparent deal flow

✅ Optional incentives if this project doesn’t proceed

✅ First look at future opportunities

10. Phase 2 – Post-Due Diligence Capital Stack

Advancing from validation to execution

If the site proves viable, we will:

✅ **Finalize the Pro Forma** – Incorporate due diligence findings and cost inputs

💰 **Structure the Capital Stack** – Align equity, debt, and optional seller carry

🏗️ **Lock in Build Costs & Timeline** – Engage vendors to firm up pricing and phasing

🔁 **Present Exit Path Options** – IRR scenarios for entitlement, development, or full build

📈 **Scale Your Investment** – Phase 1 investors have right of first refusal to increase participation

This phase transitions us from analysis to action—positioning the project for maximum value creation.

9. Example Pipeline (Confidential)

- Inland Empire infill (12 acres)
- Inland Empire new development with utilities/road adjacent
- Orange County rezoning potential (under review)
- We expect to identify & control our next site by 9/29/2025

11. Exit Path

We tailor our strategy to optimize returns based on site conditions, market timing, and investor objectives.

 **1. Entitlement Only:** Secure zoning, approvals, and maps.
Exit via sale of paper lots to builders seeking entitled land.
Low risk, fast turnaround.

SAMPLE OUTCOME FLOW

Start → Raise Phase 1 → Conduct Diligence → Feasible?

→ YES → Raise Phase 2 + Equity
→ NO → Rollover Credit + Early-Bird Access

13. Target Return Scenarios (Post Phase 1)

Strategy	**IRR Target**	**ROI / Equity Multiple**	**Time Horizon**
Entitlement Only	18-22%	1.5x - 2.0x	18-30 months

Capital Efficiency Approach

We aim to **minimize capital deployment** by:

- Phasing land takedowns only when needed
- Negotiating **seller carry structures** that defer full payment
- Offering **profit participation** to landowners instead of interest-heavy debt
- Leveraging build standards that reduce horizontal & vertical construction costs

These strategies optimize IRR and protect downside risk.

14. Why Prodigy Communities?

A high-performance team built for today's housing challenges and tomorrow's returns.

🧱 **Proven Operator with 20+ Years of Experience**
$1.1B+ in Southern California residential entitlement, development, construction, and exit.

👷 **Principal Involvement at Every Phase**
Founder-led decision-making—no layers, no delays. Strategic choices made by someone who's lived every phase of the deal.

🌇 **Deep Local Expertise in SoCal Growth Markets**
We know which cities are growing, which ones are changing policy—and how to capitalize on both.

💡 **Flexible Capital Strategies That De-Risk Projects**
Seller carry, phased takedowns, creative joint ventures—our structures preserve investor capital and amplify returns.
We match capital to project timing with precision.

📈 **Market Insight + Timing + Execution = Alpha**
We don't chase deals—we anticipate demand. Success isn't just the plan, it's *when* and *how* it's executed.

🤝 **Long-Term Capital Partners, Not One-Offs**
We're looking to grow with investors over multiple deals. Integrity, transparency, and performance are how we earn that trust.

🧮 **No Fluff. Data-Driven, Execution-Focused, Investor-Aligned.**
No hype. No distractions. Just disciplined underwriting, efficient operations, and aligned incentives.

We are not speculators—we are planners, builders, and stewards of capital. If that resonates, let's build something great together.

15. Contact

Let's build something great, together.

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