MAILBOX MONEY

Solving the Affordable Housing Crisis

A Transformative Solution

The affordable housing crisis is one of the largest challenges of our generation, and solving the biggest problems generates the most value. Addressing this crisis doesn't mean compromising on quality—it can be modern, beautiful, and sustainable. NO Section 8 housing and NO federal grants or USDA loans required

Welcome to Modern Workforce Housing:
Small, boutique buildings designed to seamlessly integrate into suburban neighborhoods near urban cores, where opportunity, entertainment, and essentials are within reach—all without relying on Section 8 housing, federal grants, or USDA loans.

Wellness-Designed Living:

- Scandinavian-inspired interiors with abundant natural light.
- Quiet, efficient layouts that foster mental well-being.
- Homes that don't just fit into communities but elevate them, replacing stigma with pride.

Financially Sustainable, Smart Approach:

- Eliminates unnecessary features like elevators, long hallways, underground parking, and garages, reducing costs without sacrificing quality.
- ADA-compliant ground floors ensure inclusivity.
- Strong, scalable returns for investors make expansion simple and effective.

Streamlined and Adaptable Design Philosophy:

- A copy-and-paste model for thoughtful, efficient designs.
- High-density sites feature clustered buildings; low-density sites allow for more spacing.
- Quick planning and approval process with Economic Development Chambers and municipalities.

A Movement, Not Just Housing:
Modern Workforce Housing is more than a solution to the affordable housing crisis—it's a reimagining of low- to middle-income living. Combining beautiful architecture, functional design, and sustainability, these developments create thriving communities that work for everyone.

Meet the Team

Dusten Hendrickson

As Founder and Visionary, Dusten oversees:

Architectural Appeal

- Maximizing natural light and creating striking first impressions with floor-to-ceiling glass.
- Pairing Class A exterior design with Scandinavian-inspired interiors to deliver a clean, minimalist, and inviting aesthetic.

Operational Efficiency

- Developing efficient unit layouts and minimized amenities without compromising quality to operate at a 28-35% expense ratio.
- Streamlining construction processes to achieve optimal cost and time efficiency.

Site Selection

- Identify the optimal niche locations in the most desirable areas of the cities that have demographics with high incomes and high education.

Caleb Veldhouse

As Developer and Construction Operations Manager, Caleb oversees:

Legal Expertise

- Handling land deals and ensuring comprehensive due diligence.
- Guaranteeing and negotiating construction debt.
- Keeping books up-to-date and handling cost segregation studies.

Efficient Construction

- Applying value engineering and energy code optimizations to secure tax credits.

Hands-On Oversight

- Working to ensure smooth project execution.
- Managing personal relationships with subcontractors and vendors to enable effective negotiations and collaboration.

Omar Khan, CFA

As Asset Manager and Operations Lead, Omar oversees:

Personalized, High-Touch Support

- Building personal relationships with investors.
- Providing monthly video updates and information.
- Prioritizing client interests and trust.

Expert Risk Management

- Focusing on growth without unnecessary risk.
- Managing risks in financing and operations.
- Protecting investor capital and ensuring success.

Conservative, High-Value Investments

- Focusing on overlooked opportunities instead of chasing "hot" markets.
- Identifying multifamily housing in strong, growing economies with manageable costs.
- Demographics prioritize education and income. (What's the action here?)

Our Focus

Target Demographic

- Young professionals who value social media-worthy design features and wellness-oriented living environments.

Affordability

- This is not Section 8 or government-subsidized housing, yet our projects qualify for tax credits, TIFs, and incentives that further enhance investment feasibility.

Financials

- Construction Costs: $130k-$140k per unit
- Rental Rates: $1.50-$2 per sq ft or $900-$1,500 per month (aligns with profitability goals and market demand)

Efficient Development

- A phased approach delivers the first units within nine months, ensuring quicker returns and adaptability to market feedback.
- Copy-and-paste architecture minimizes cost overruns.

Strategy, Conviction, Structure

Strategy

Mailbox Money is committed to solving the affordable housing crisis by developing accessible, sustainable, and wellness-designed communities that provide long-term value to residents and investors. Key elements of this strategy include:

Affordable Housing Development

Innovative Financing Models

Wellness-Integrated Design

Scalable Solutions

Tenant-Centric Approach

Timeline to Profitability:

- 9-12 Months: Deliver the first occupied building, with each additional building coming online in 1-2 month increments.
- 12-24 Months: Achieve cash flow and initiate dividend distributions.
- 24-48 Months: Complete the first refinance event.
- 48-120 Months: Execute the sale of property with opportunities to 1031 exchange into another project and defer taxes.

Conviction

Mailbox Money operates on the belief that housing is a fundamental human right and that solving the affordable housing crisis represents both a moral imperative and a business opportunity.

Impact-Driven Development

Holistic Value: Affordable housing goes beyond cost efficiency—it's about dignity, health, and opportunity. Resident Stability: Each project provides stability, safety, and pride for its residents.

Breaking Barriers

Innovation Meets Inclusion: Challenge traditional real estate models by blending innovation with an unwavering commitment to inclusion.

Sustainable Affordability

Long-Term Stability: Projects are designed with energy-efficient systems, durable materials, and low-maintenance features to reduce living costs for residents.

Improved Security

Economic Opportunity: Safe, affordable housing fosters upward mobility and mitigates the risks of unsafe living conditions caused by affordability challenges.

Structure

Mailbox Money's approach is anchored in a collaborative and vertically integrated model, ensuring accountability and efficiency at every stage of development.

Dedicated Leadership

Strategic Vision: Dusten directs land selection, design, and partnerships with community stakeholders.
Development Leadership: Caleb oversees real estate development, construction operations, and legal counsel.
Operational Expertise: Omar ensures portfolio management through financial sustainability and operational excellence.

Strategic Partnerships

Collaborative Efforts: Work with local governments, housing authorities, and nonprofits to access incentives such as tax credits, grants, and subsidies.

Investor Alignment

Social Impact Investors: Attract investors who value social returns alongside financial gains to sustain affordable housing developments.

Data-Driven Decision Making

Tailored Solutions: Use market research and community input to identify areas of greatest need and design solutions to meet local demand.

Unit Mix

Unit Type	Sq. Ft.	Effective Rent
Studio	525	$900
1 Bed / 1 Bath	590	$1,100
2 Bed / 2 Bath	870	$1,200
3 Bed / 2 Bath	1091	$1,450

3D Plans Floor Plans

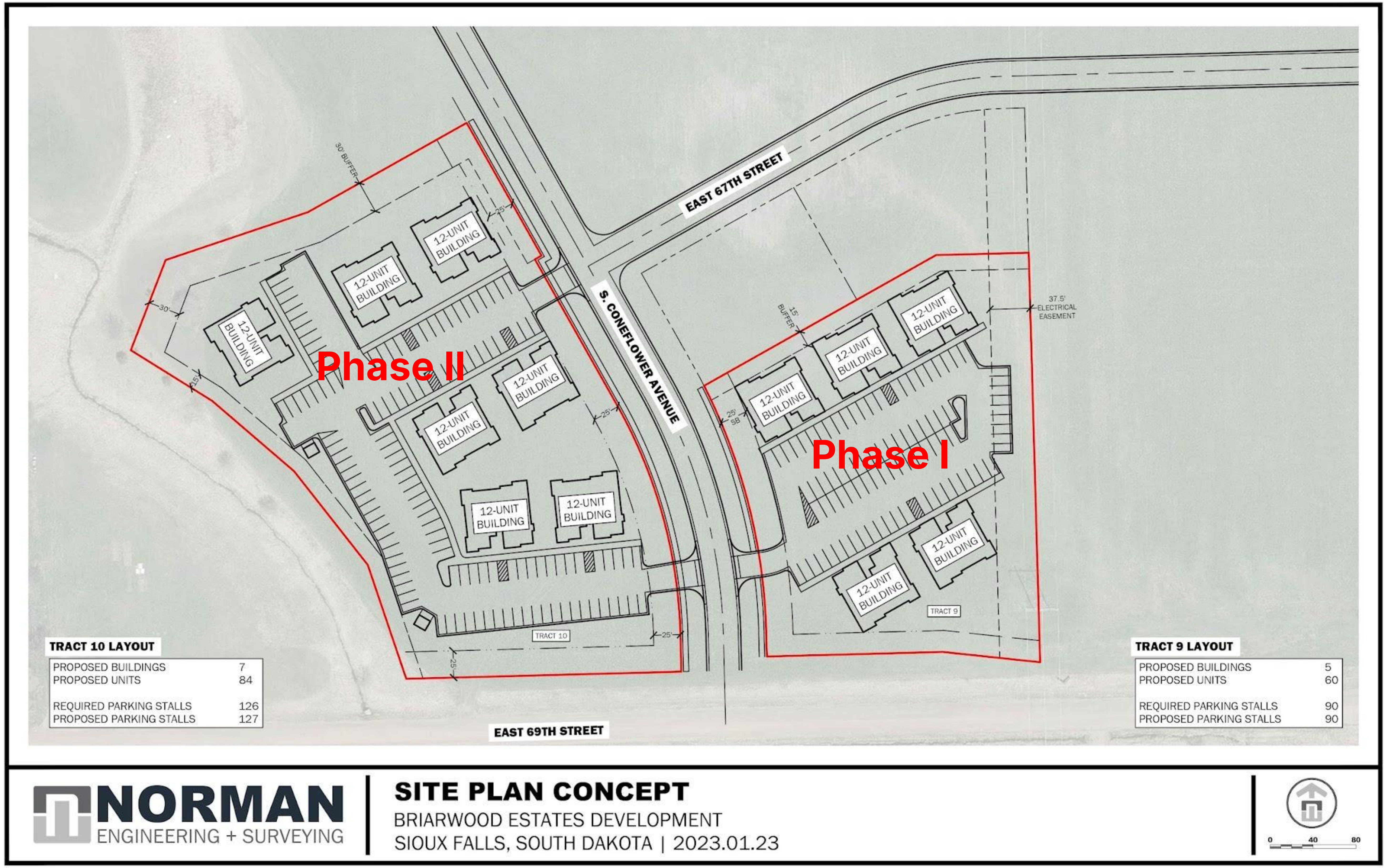
Studio

2 Bed/2 Bath

1 Bed/1 Bath

3 Bed/2 Bath

Site Plans



Site Plan Concept

Wellness Design

Wellness design focuses on creating environments that promote physical, mental, and emotional well-being. It's about more than just aesthetics—it's about crafting spaces that improve the quality of life for residents and foster a sense of community, comfort, and sustainability.

Key Elements of Wellness Design

Natural Light: Maximizing sunlight exposure to boost mood, energy, and productivity.

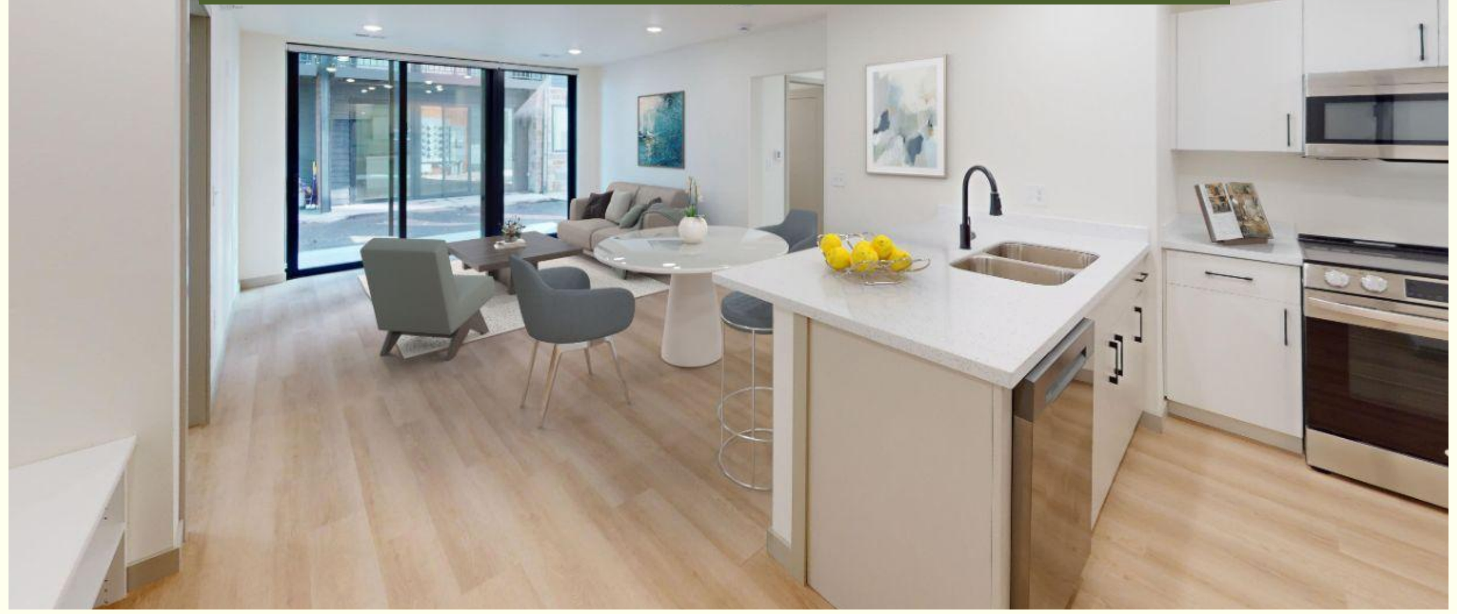
Air Quality: Using energy-efficient systems and materials to ensure clean, healthy indoor air.

Sustainable Materials: Incorporating eco-friendly materials to reduce environmental impact and create a healthier living environment.

Connection to Nature: Designing spaces with green areas, walkable paths, and outdoor amenities to enhance mental health and well-being.

Minimalist, Functional Layouts: Scandinavian-inspired interiors that balance simplicity, functionality, and comfort.

Quiet Living: Implementing soundproofing and acoustic design to create tranquil, noise-free environments that support relaxation and focus.



Why Mailbox Money Incorporates Wellness Design

Enhancing Resident Well-Being: Our focus on wellness ensures that tenants live in spaces that promote health, happiness, and productivity.

Creating Community: Thoughtfully designed spaces encourage social interaction, fostering stronger connections and a sense of belonging.

Increasing Market Appeal: Wellness-oriented features attract young professionals and families seeking modern, healthy, and sustainable living options.

Aligning with Our Mission: By combining wellness design with affordability, we provide high-quality housing that empowers residents to thrive.

Improving Profitability: Wellness-designed homes command higher rents, reduce tenant turnover, and enhance long-term asset value, making them a smart and lucrative investment.

Why Development

Innovation and Differentiation

Developing your own products allows you to tailor solutions to your specific needs, potentially leading to unique offerings that differentiate you in the market. Acquiring existing solutions might limit your ability to innovate, as you're working with a pre-established product or technology.

Optimized Layout and Space Utilization

Creating new leases generates more value than improving existing ones. Tenants prefer brand-new units, reducing vacancy risks and enhancing long-term returns.

Reduced Risk

When you develop new multi-family properties, you might benefit from increased tax depreciation deductions due to the higher cost basis. Acquiring older properties might limit the depreciation benefits, affecting your overall tax strategy.

Adaptable Market Strategy

Developing properties gives you the flexibility to adjust your strategy based on changing market conditions and tenant preferences. Acquiring properties might limit your ability to pivot your approach without significant modifications.

Customized Marketing and Branding

Developing properties gives you the opportunity to create a unique brand and marketing strategy for your multi-family community. This branding can resonate more effectively with your target audience and set your property apart from existing, acquired properties that might have a different history or reputation.

Easier Capital Planning

Developing properties provides the opportunity to plan capital expenses upfront, reducing the likelihood of surprise repair and renovation costs in the initial years. Acquiring properties might come with unpredictable maintenance needs that can strain your budget.

Why Our Model Works for You

Scalable Development Pipeline
We've created a streamlined process to identify, plan, and execute new projects efficiently. By leveraging repeatable designs, optimized construction practices, and strategic partnerships, we bring projects to life faster, more affordably, and with minimal risk.

Expand Your Investment Reach
Our pipeline ensures a steady flow of development opportunities across various communities. This allows investors to diversify their portfolios by participating in multiple projects, spreading risk, and maximizing potential returns.

Addressing a Nationwide Need
Affordable housing is in high demand across the country. By developing projects in multiple regions, we not only provide critical housing solutions but also ensure our developments are strategically placed for sustained growth and tenant demand.

Predictable and Reliable Returns
Our streamlined approach and operational efficiency allow for predictable timelines and cost management, delivering steady cash flow and dependable returns across all our projects.

Long-Term Impact and Growth
Investing in our pipeline means contributing to a mission of creating thriving communities while building a portfolio that benefits from long-term value appreciation and tax-efficient strategies.

The Power of a Pipeline

Consistent Investment Opportunities: A steady flow of development projects ensures continuous growth potential.

Scalable Impact: Our approach allows us to bring affordable housing to more communities, addressing a critical need.

Portfolio Diversification: Invest across multiple projects to spread risk and capitalize on a range of opportunities.

Our Vision

By building a robust development pipeline, we empower investors to not only grow their wealth but also make a lasting impact on communities nationwide. Together, we're shaping the future of affordable housing.

Returns and Benefits

Compelling Returns

Targeted Investor Returns

- Projected IRR: 15% - 20%
- Cash-on-Cash Return: 7% - 10% annually
- Equity Multiple: 2x+ over 5-7 years

Stability and Growth

- Strong demand for workforce housing minimizes vacancy risks.
- Scalable design and development model ensure consistent growth potential.

Return Structure

- Preferred Return: Investors receive a preferred return of 8% before sponsor participation.
- Profit Split: After the preferred return, profits are split 70/30 between investors and sponsors.
- Equity Upside: Investors retain full equity ownership throughout the lifecycle of the investment.

Tax Benefits

Bonus Depreciation

- Accelerated depreciation provides substantial tax advantages in the initial years.

Cost Segregation Studies

- Allocates higher depreciation deductions to investors by breaking down building components.

1031 Exchange Potential

- Preserve and defer tax obligations by reinvesting gains into new projects.

Long-Term Capital Gains

- Reduced tax rates for gains realized after the investment period.

Sold Deals

$720MM+

Transaction Volume

27

Development/ Acquisitions

3,648

Units

30.9%

IRR

2.0x

Equity Multiple

37.5%

AAR

Sold Deals

Name	State	Units	Purchase Price	Date Sold	Sale Price	Months Held	IRR	Equity Multiple
The Henry B	TX	198	$18.3M	May 2021	TX is a non-disclosure state	32	20.2%	1.6x
The Blair at Bitters	TX	190	$15.9M	May 2021	TX is a non-disclosure state	32	20.2%	1.6x
Legacy	GA	300	$28.0M	Jul 2021	$35.1M	21	25.4%	1.5x
Lakewood Oaks	FL	138	$12.1M	Oct 2021	$17.9M	32	24.6%	1.7x
Rise on McDowell	AZ	76	$6.9M	Nov 2021	$15.6M	27	62.0%	2.9x
Reserve at Walnut Creek	TX	284	$36.3M	Apr 2021	TX is a non-disclosure state	40	34.8%	2.5x
Equinox at Knight	GA	194	$23.9M	Dec 2021	$39.5M	48	41.0%	2.9x
Brighton Farms	GA	134	$16.2M	Mar 2021	$21.3M	37	18.8%	1.4x

"Together, we can solve the affordable housing crisis while making an impact and achieving financial returns."

MAILBOX MONEY

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