



Excellent Note Investment
and Home Presale Opportunity!



Trailblazer Village

1429-1445 Westmont Ave, Campbell

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Table of Contents

Executive Summary Pg.04

Property Overview Pg.05

Construction Timeline Pg.06-07

Location Pg.08

The Market Pg.09-10

Financial Analysis Pg.11-12

Site Plan / Elevations / Interior Design Pg.13-21

Sale Comparables Pg.22

Media & Updates Pg.23-24

Track Record Pg.25



Executive Summary

AlphaX RE Capital (“Sponsor”) is seeking investment partners for 2nd lien debt and home presale for the development of Trailblazer Village project, a six single-family home community which features modern American craftsman style and offers spacious floor plans and high-end finishes in an intimate boutique community where residents can easily access numerous nearby lifestyle amenities and employment hubs.

Trailblazer Village is ideally positioned in the Town of Campbell, a highly desirable area recognized for numerous parks, natural surroundings, and energetic neighborhood, boosting a high quality of life and one of the highest demographics profiles in the Bay Area (\$125,000+ median household income).

Investment Highlights

- Six fully entitled and permit-ready single-family homes
- Modern American architecture style and high-end finishes
- Experienced developer with strong track record
- Desirable demographics
- 5 miles to downtown of Campbell and 9 miles to downtown San Jose

Note Offering Terms

- \$6.5mm 2nd lien (subordinating to \$5mm construction loan)
- 10% per annum
- Interest paid quarterly
- Target funding schedule:
 - \$2.5mm by **Sep 2023**
 - \$2mm by **Dec 2023**
 - \$2mm by **Apr 2024**
- 76.7% CLTC
- 58.1% CLTARV
- Option to convert lien position to lot/home purchase

Home Presale Terms

- \$2.9-\$4mm range
- 6 lots available
- One stop Construction Management
- In-house design team
- Home customization without hassles
- Favorable financing available

Property Overview

PROPERTY ADDRESS

1445 Westmont Ave, CAMPBELL, CA 95008

CONSTRUCTION COMPLETE

JUN 2024

NUMBER OF UNITS

6 SFR Community

TOTAL SQUARE FOOTAGE

21,187 SF

UNIT SQUARE FOOTAGE

2,447 - 3,994 SF

SITE AREA

42,954 SF

UNIT SITE AREA

6,526 - 9,906 SF



Location

City, State, Zip Campbell, California, CA 95008
County Santa Clara County

Construction Information

Foundation Crawlspace/Slab
Exterior Construction Stucco/Siding
Roof Composite shingles
Heating/Air Conditioning Central Air and heat

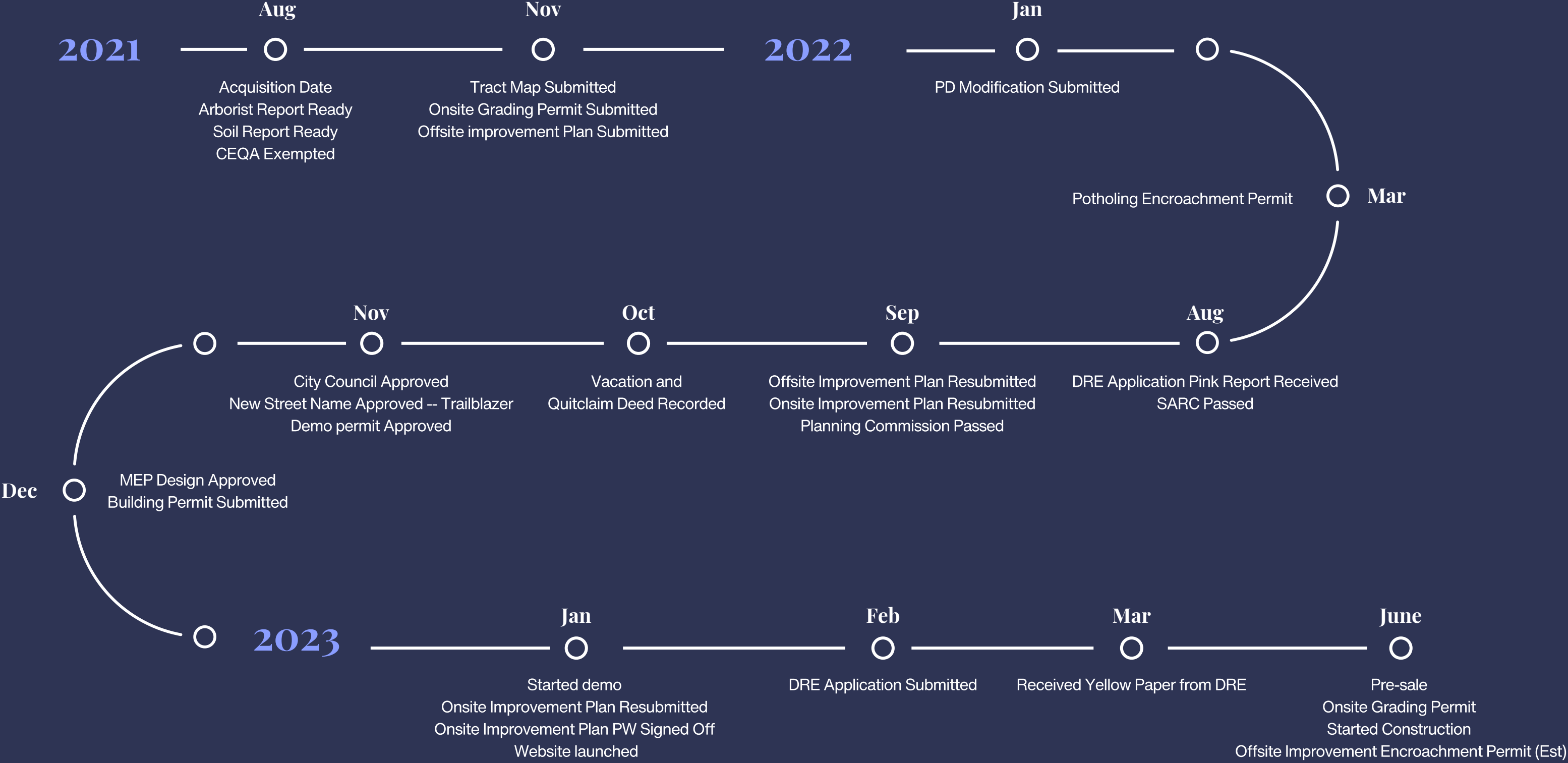
Service Provider

Utilities PG&E
Water San Jose Water
Sanitary West Valley Sanitary District

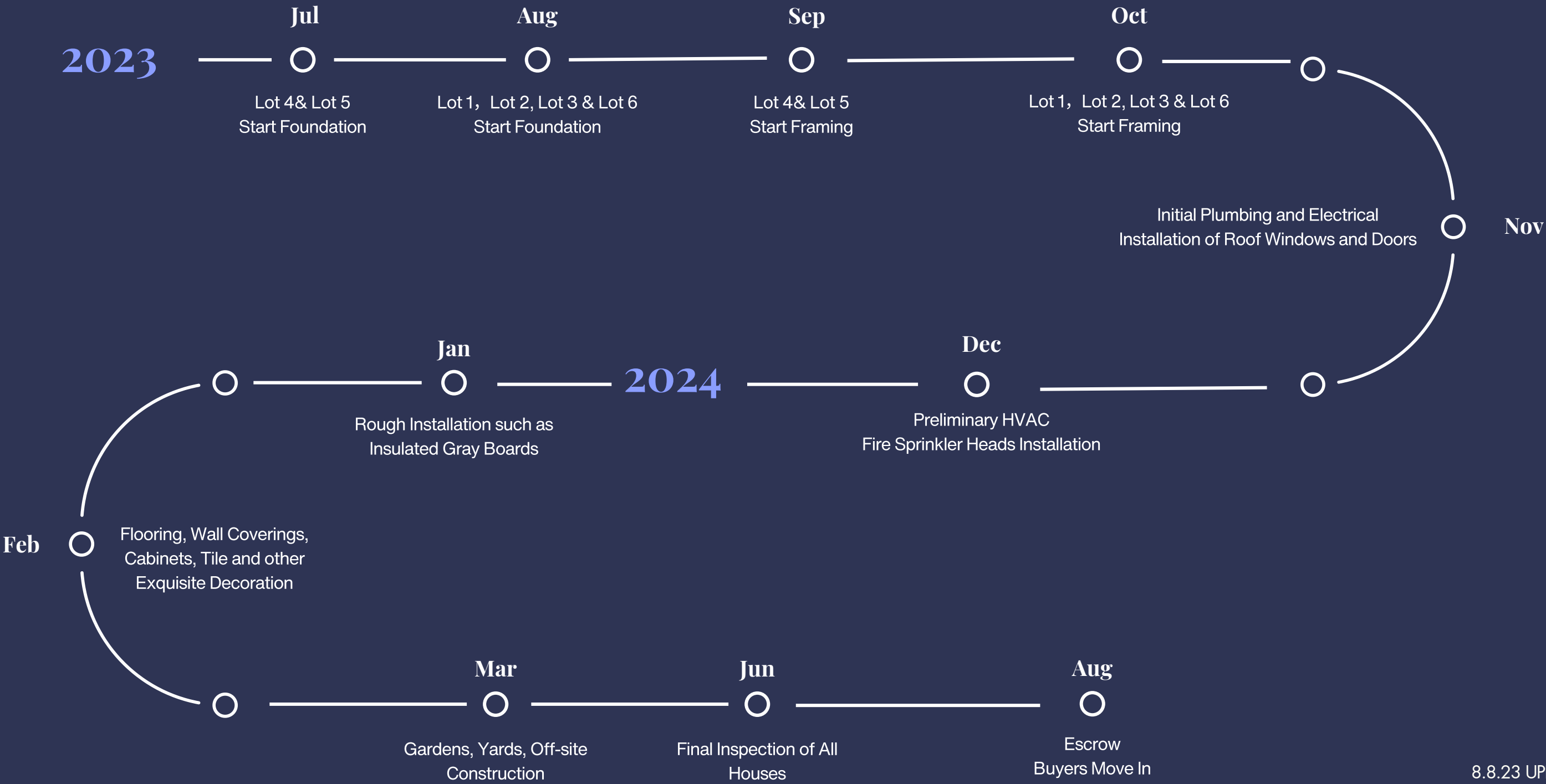
Visit Our Website

<https://www.trailblazerpl.com/>

Construction Timeline



Construction Timeline





Location

Amenities

- The Plaza Shopping Center
- The Home Depot
- Whole Foods Market
- Westfield Valley Fair
- The Pruneyard

Healthcare

- Good Samaritan Hospital
- Santa Clara Valley Medical Center
- Kaiser Permanente
- O'Connor Hospital

Schools

- Forest Hill Elementary School
- Westmont High School
- Rolling Hills Middle School
- West Valley College

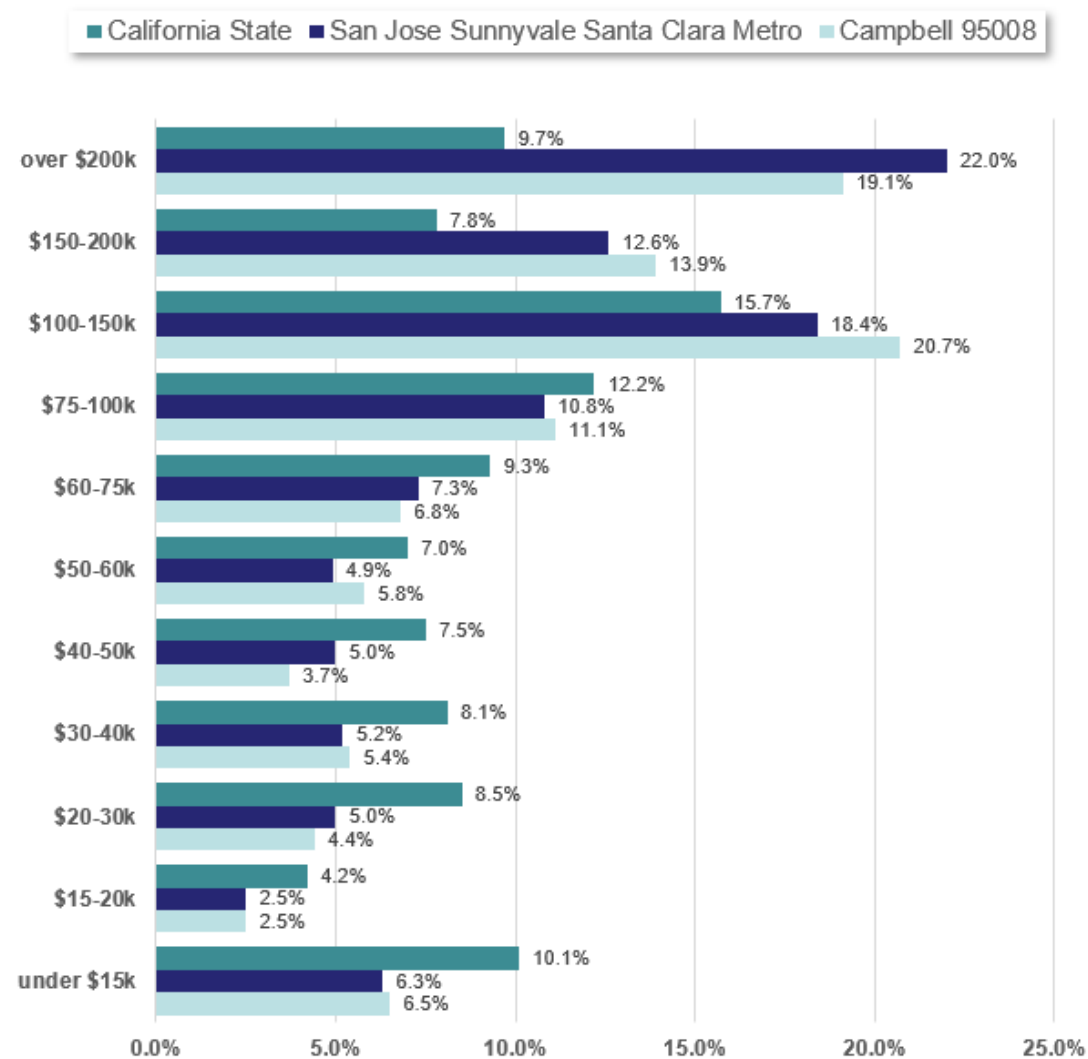
Tech Companies

- Apple
- Netflix



Economy of Campbell, California

Campbell is a city in Santa Clara County, California, in the San Francisco Bay Area. As of the 2020 U.S. Census, Campbell's population is 43,959. Campbell is home to the Pruneyard Shopping Center, a sprawling open-air retail complex. [8x8](#), [Barracuda Networks](#), [List Biological Laboratories](#), [Move](#), [ChargePoint](#), [Hightail](#) and [ZURB](#) are among the companies based in Campbell.



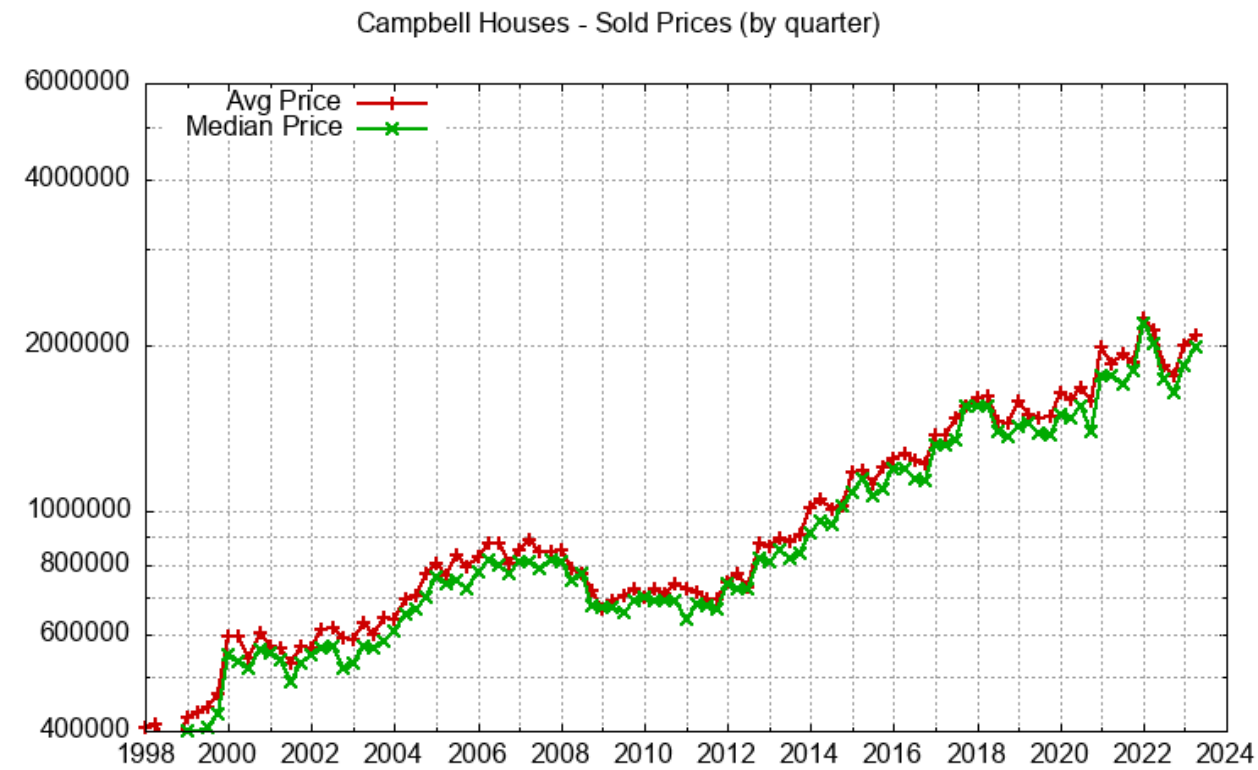
- Campbell has an unemployment rate of **4.8%**. The US average is **6.0%**.
- Campbell has seen the job market increase by **2.5%** over the last year. Future job growth over the next ten years is predicted to be **38.7%**, which is higher than the US average of **33.5%**.

Income and Salaries for Campbell

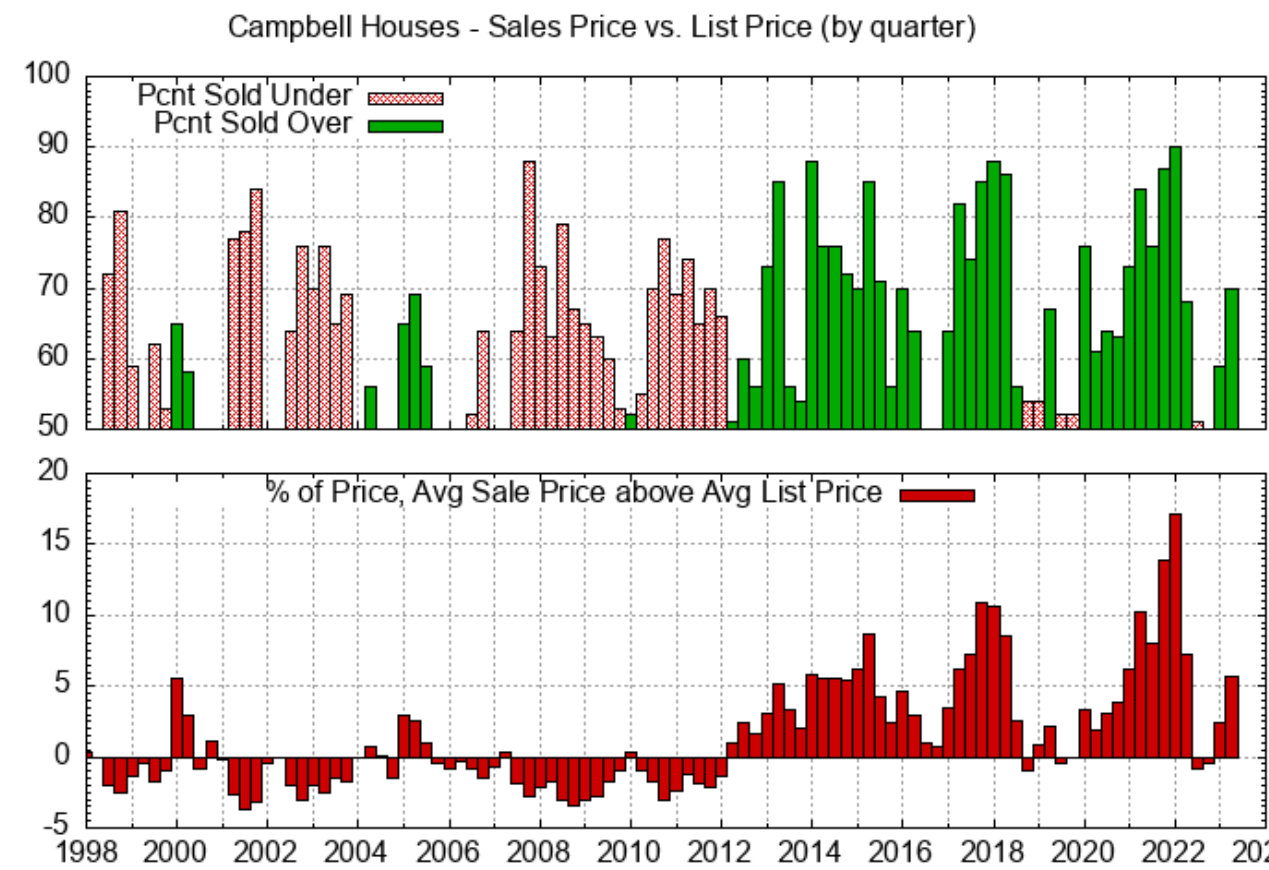
The average income of a Campbell resident is **\$53,767** a year. The US average is **\$31,177** a year.

The Median household income of a Campbell resident is **\$124,962** a year. The US average is **\$70,850** a year.

Real Estate Market in Campbell, California



Quarterly Average and Median Campbell House Prices



Quarterly Average House Sales Price vs. List Price

Financial Analysis

Total Development Costs			
Land Costs		\$ 6,688,800	41.0%
Predevelopment Costs		2,691,200	16.5%
Total Hard and Soft Costs		5,646,520	34.6%
Property Tax		159,609	1.0%
Financing Costs		1,133,383	6.9%
	Total Costs	<u>\$ 16,319,512</u>	100.0%

Sensitivity Analysis			
Avg Home Sale Price		Total Sale Price	Levered IRR
-10%	✓ \$	17,812,440	20.25%
-5%	✓ \$	18,802,020	44.56%
0%	\$	19,791,600	68.87%
5%	✓ \$	20,781,180	93.19%
10%	✓ \$	21,770,760	117.50%

Project Financial Analysis		Total Amount
Gross Sales Revenue		\$ 19,098,894
Levered IRR		67.59%
Unlevered IRR		29.50%
Free Cash Flow		(74,317)
Development Costs		(16,319,512)
Net Profit		<u>\$ 2,705,066</u>
Profit Margin		<u>14.16%</u>
Cash on Cash		68.87%

39.8%
2nd lien

33.8%
Construction loan

26.4%
Equity

Note Investment Opportunity / Fixed return with max protection

Loan Term

Loan Type 2nd lien for Construction

Purchase Price \$6,700,000
Predevelopment \$2,700,000
Hard & Soft Cost \$5,600,000
Total Cost \$15,000,000

(excluding financing fee & property tax)

Construction Loan \$5,000,000
2nd Lien Amount \$6,500,000
Toal Loan Amount \$11,500,000

Interest Rate 10%/P.A

Payout Frequency Quarterly

Funding Schedule \$2.5mm by Sep 2023, \$2mm by Dec 2023 and \$2mm by Apr 2024

Exit Strategy Home sale or refinance

Loan Metric

Combined Loan to Cost 76.7%

After Repair Value (Estimated) \$19,800,000

Combined Loan to ARV 58.1%

- The note investor is prioritized for payment before the developer, making it a safer option compared to an equity investor.
- The note investor will NOT experience a loss on the principal unless the home price drops by 33% or more, providing a firewall against the housing market fluctuations.
- In the event of a default on interest payment by the Sponsor, the note investor has the right to seek a legal process to recover principal.

Seeking \$6.5M
2nd lien

Terms
3-18 month

Investor Return
Fixed 10%/p.a.
Quarterly Payout

Home Presale Opportunity

Payment Option

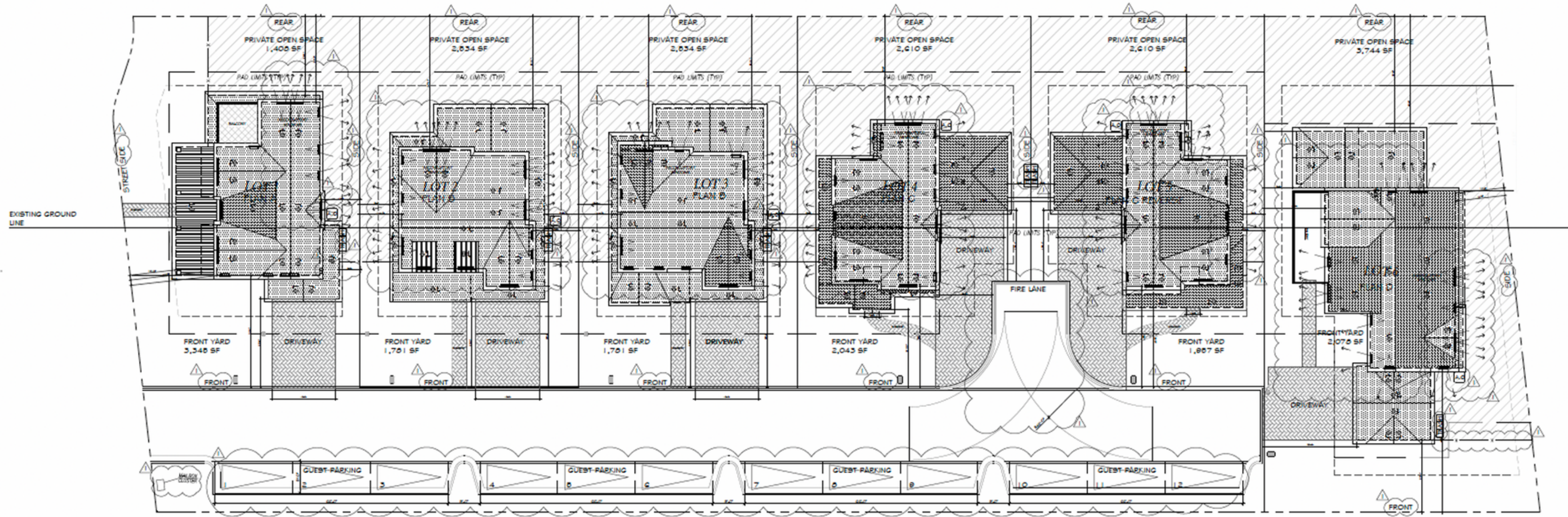
- 01. All cash for lot purchase
- 02. For each 20% put down as downpayment, receive a 1% discount on Home Price, maximum 5% discount

Home	Mainhouse	ADU	Lot Area	Bedroom/Bathroom	Garage Size	Lot Price	Home Price
Home 1	2,682 Sq.ft	None	6,916 Sq.ft	4bd / 3ba	420 Sq.ft	\$ 1,540,000	\$ 3,030,000
Home 2(sold)	2,447 Sq.ft	401 Sq.ft, 1br 1ba	6,526 Sq.ft	4bd / 3ba	441 Sq.ft	\$ 1,740,000	\$ 3,130,000
Home 3(sold)	2,447 Sq.ft	401 Sq.ft, 1br 1ba	6,526 Sq.ft	4bd / 3ba	441 Sq.ft	\$ 1,780,000	\$ 3,140,800
Home 4(sold)	2,513 Sq.ft	600 Sq.ft, 2br 1ba	6,540 Sq.ft	4bd / 3ba	430 Sq.ft	\$ 1,800,000	\$ 3,300,000
Home 5	2,513 Sq.ft	600 Sq.ft, 2br 1ba	6,540 Sq.ft	4bd / 3ba	430 Sq.ft	\$ 1,800,000	\$ 3,410,800
Home 6	3,994 Sq.ft	None	9,906 Sq.ft	5bd / 3.5ba	441 Sq.ft	\$ 2,190,000	\$ 3,880,000

Site Plan



Site Development Plan



SITE DEVELOPMENT PLAN
SCALE: 1/16"=1'-0"





1445 Westmont Ave

\$3,030,000

4 Bedroom / 3 Bathroom
Garage Parking Spaces 2
Total Living Area 2,682 SF

Redfin

<https://www.redfin.com/CA/Campbell/1445-Westmont-Ave-95008/home/1799770>

Interior Design / Lot 1





103 Trailblazer Pl

\$3,130,000

4 Bedroom / 3 Bathroom
Garage Parking Spaces 2
Total Living Area 2,848 SF

Redfin

<https://www.redfin.com/CA/Campbell/103-Trailblazer-PL-95008/home/185575107>

Interior Design / Lot 2





105 Trailblazer Pl

\$ 3,140,800

4 Bedroom / 3 Bathroom
Garage Parking Spaces 2
Total Living Area 2,848 SF

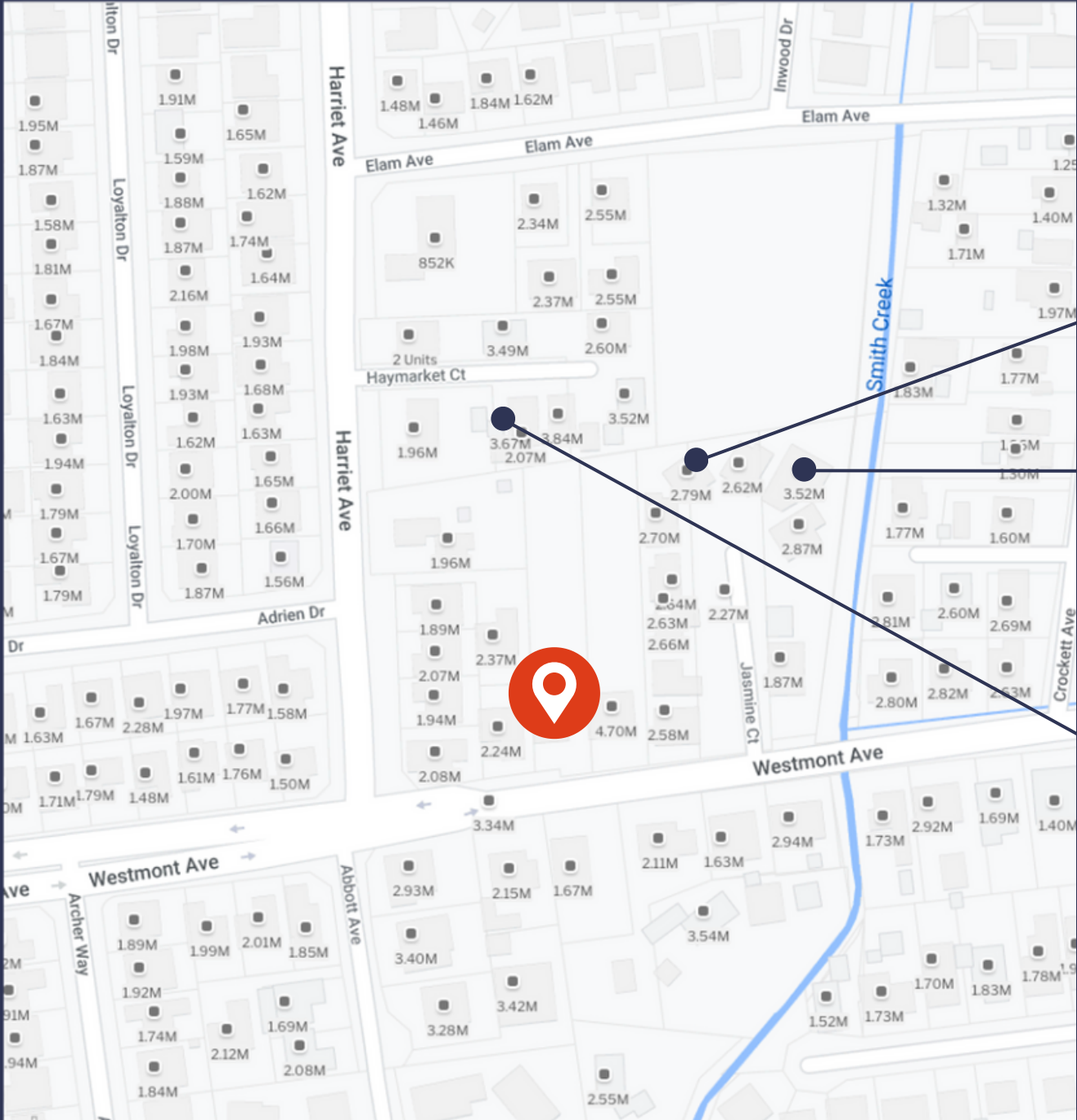
Redfin

<https://www.redfin.com/CA/Campbell/105-Trailblazer-PL-95008/home/185688537>

Interior Design / Lot 3



Sale Comparables



\$2,785,076 Redfin Estimate
 4 Beds 3.5 Baths 2,671 Sq. Ft.
 109 Jasmine Ct, Campbell, CA 95008



\$3,524,791 Redfin Estimate
 5 Beds 4 Baths 3,998 Sq. Ft.
 112 Jasmine Ct, Campbell, CA 95008



\$3,667,337 Redfin Estimate
 4 Beds 3.5 Baths 2,572 Sq. Ft.
 100 Haymarket Ct, Campbell, CA 95008

Media & Updates



TDDGUS
97 Boston Avenue
San Jose, CA 95128

Re: 1429 & 1445 Westmont Avenue, Campbell CA 95008

Dear Applicant:

Please be advised that at its meeting of November 15, 2022, the City Council adopted Resolution No. 12907 approving a Major Planned Development Permit Modification and Extension of Approval (PLN-2022-13) to allow for revisions to the architectural design and changes in floor area of a previously approved Planned Development Permit for a 6-lot single-family house subdivision and to extend the approval of the previously approved tentative map (including carrying over Public Works Conditions of Approval from prior entitlements, and a new Condition of Approval to supersede prior entitlements), and finding the project Categorically Exempt under Section 15332 of the California Environmental Quality Act.

Conditions of approval of this project may require fees(s), dedication(s), reservation(s) or other exaction(s). These copies of the approved Resolutions and/or Ordinances that set forth the conditions that describe these fee(s), dedication(s), reservation(s), and other exaction(s) have been attached for your reference. The 90-day period in which you may protest the approval of fee(s), dedication(s), reservation(s), or other exaction(s) has begun.

If you have any questions, do not hesitate to contact me at (408) 866-2117.

Sincerely,

Andrea Sanders

Andrea Sanders
Deputy City Clerk



Media & Updates

📍 1.15-1.22

- Lot1: Plumbing; HVAC
- Lot2: Plumbing
- Lot3: Plumbing; ELE
- Lot4: HVAC; ELE
- Lot5: HVAC; ELE
- Lot6: Fire Sprinkler Inspection Passed; ELE

✅ 1.01-1.14

- Lot1/4/5/6: MEP
- Lot1: Plumbing; ELE
- Lot2: Plumbing
- Lot3: Plumbing
- Lot4: Fire Sprinkler; Fire Sprinkler Inspection Passed
- Lot5: Fire Sprinkler; Fire Sprinkler Inspection Passed
- Lot6: Fire Sprinkler; HVAC; Plumbing; ELE

✅ 12.26-12.31

- Lot4/5/6: MEP
- Lot1: HVAC
- Lot4: Fire Sprinkler; HVAC; ELE; Stucco
- Lot5: HVAC; ELE; Stucco

✅ 12.18-12.25

- Lot1/2/3/4/5/6: MEP
- Lot1: Porch Waterproof
- Lot4: Stucco; Lath
- Lot5: Stucco; Lath
- Lot6: Porch Waterproof

Latest Site Photo (Last Shot on Jan. 18nd, 2024)



Track Record

01

AlphaX RE Portfolio I

Mixed Strategies for Single Family Residential, including Flip, Airbnb, Rental, etc.

Total Assets	\$100M
Units	117
IRR	32%

02

AlphaX RE Portfolio II

Single Family Residential Development: Focus on Entitlement.SB9, etc.

Total Assets	\$60M
Projects	19
Units	50
IRR	15-18%

New Construction



372 Farley St, Mountain View, CA 94043

Purchase Price	\$1,584,000
Sold Price	\$3,220,000
Period	15 months

New Construction



1467 Hervey Ln, San Jose, CA 95125

Purchase Price	\$840,000
Sold Price	\$2,502,000
Period	2 years

New Construction



969 Franquette Ave, San Jose, CA 95125

Purchase Price	\$1,420,000
Market Value	\$3,670,000
Period	2 Year



97 Boston Ave, San Jose, CA 95128

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