



AlphaX RE Capital

20860
MCCLELLAN RD
CUPERTINO, CA 95014

Excellent Debt and
Equity Investment
Opportunity!





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/ EXECUTIVE SUMMARY

AlphaX RE Capital ("Sponsor") is currently seeking \$12 million of esteemed debt and equity investment partners to partake in the development of 20860 McClellan Rd—a meticulously crafted enclave of six luxurious single-family homes. This exceptional community exemplifies contemporary design and boasts an array of upscale finishes, set within the confines of one of the most coveted neighborhoods in the Bay Area—a locale that has witnessed a scarcity of new housing options for several years.

Nestled within the esteemed city of Cupertino, the beating heart of Silicon Valley, this project offers an unrivaled location. Residents will revel in the convenience of being within walking distance of renowned establishments such as 99 Ranch, Trader Joe's, Whole Foods, and a delightful array of restaurants and shops. Furthermore, this esteemed neighborhood is home to top-tier educational institutions, including the esteemed Abraham Lincoln Elementary School, Sam H. Lawson Middle School, and Monta Vista High School, ensuring an unparalleled educational experience for residents.

Through this exceptional real estate endeavor, AlphaX RE Capital is committed to creating an exquisite living environment that harmonizes luxury, modernity, and unrivaled access to the amenities that define the Bay Area's renowned lifestyle.

Investment Highlights

- Six fully entitled and permit-ready single-family homes
- Modern American architecture style and luxurious finishes
- Experienced developer with strong track record
- An unparalleled location with numerous amenities and prestigious schools
- Home to Apple headquarter



Debt Offering Terms

- Seeking to raise \$5 million - \$10 million 2nd lien(subordinating to construction loan)
- 10% per annum
- Interest paid quarterly
- 61.6% CLTC
- 41.5% CLTARV
- 12-24 months term

Equity Offering Terms

- Seeking to raise \$5 million - \$10 million equity
- 39.6% Cash-On-Cash
- 24-30 months investment period
- Investor receives full capital contribution before sponsor gets paid
- Investment Scenario : Invest 100,000 redeem 139,635 at project exit.
- Investment Scenario : Invest 500,000 redeem 698,174at project exit.



/ PROPERTY OVERVIEW

Property Address

20860 McClellan Rd, Cupertino, CA 95014

Home Sales Start

JAN 2025

Number of Units

6 SFR Community

Total Square Footage

25,124 SF

Unit Living Square Footage

3,370 - 4,170 SF (Including ADU)

Site Area

49,076 SF

Lot Size

7,526 - 9,615 SF

Location

City, State, Zip

Cupertino, California, CA 95014

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

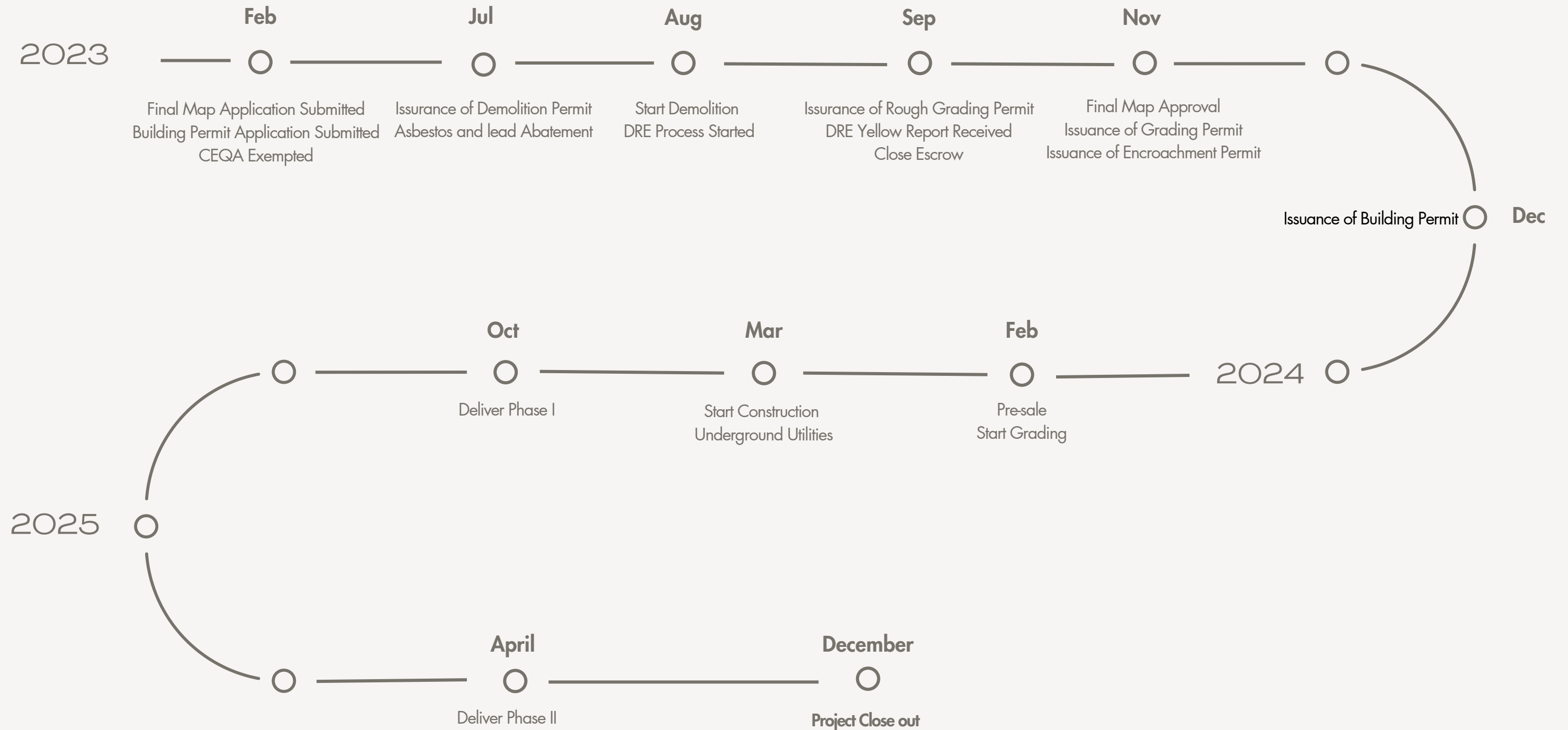
Sanitary

West Valley Sanitary District

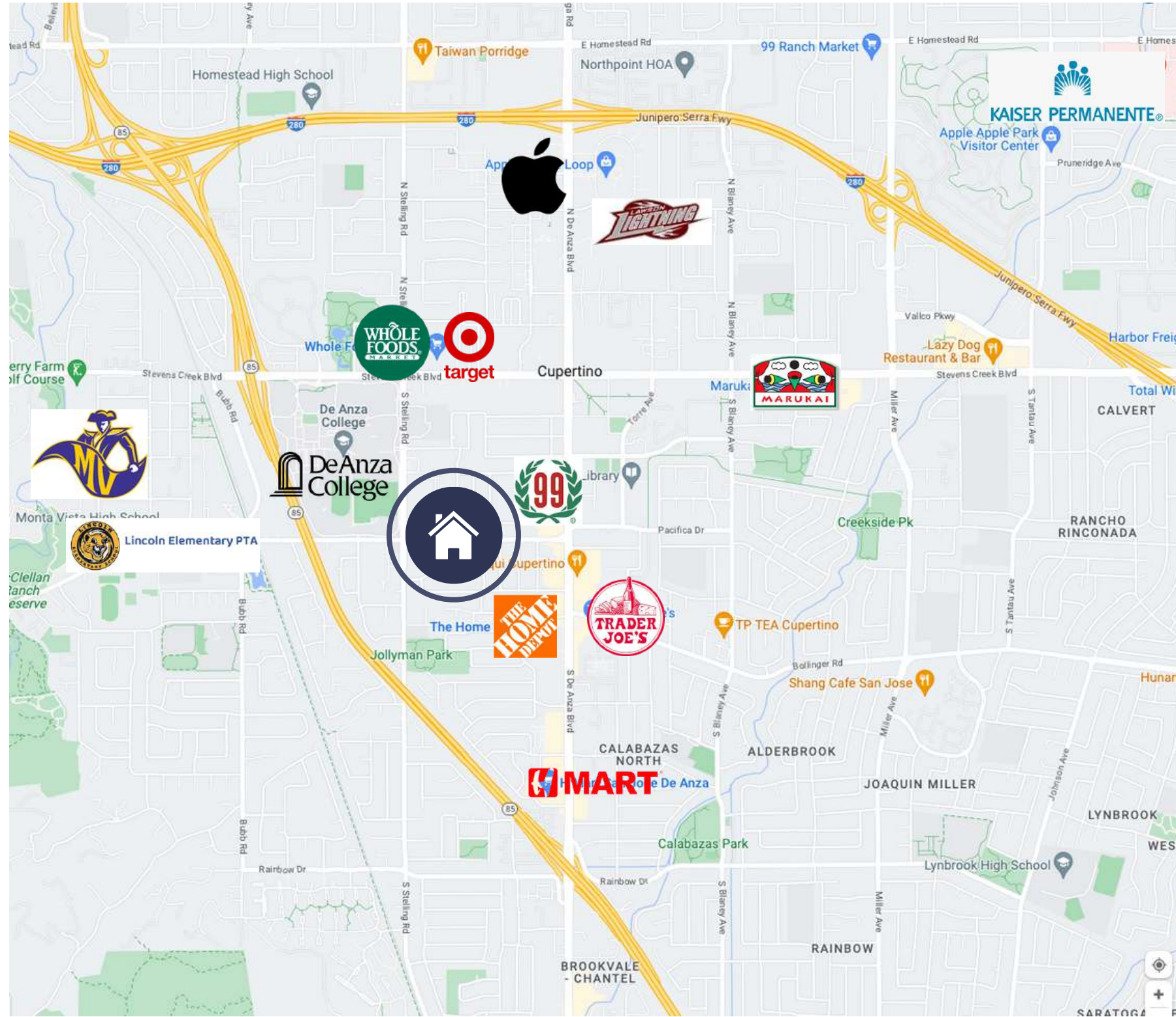




/ CONSTRUCTION TIMELINE



/ LOCATION



Amenities

- 99 Ranch Market
- Trader Joe's
- Whole Foods Market
- H-Mart
- Marukai Market
- The Home Depot
- Target
- The Marketplace

Schools

- Abraham Lincoln Elementary School
- Sam H. Lawson Middle School
- Monta Vista High School
- DeAnza College

Healthcare

- Kaiser Permanente

Tech Companies

- Apple



/ ECONOMY OF CUPERTINO, CALIFORNIA



Cupertino is a city in Santa Clara County, California, in the San Francisco Bay Area. As of the 2020 U.S. Census, Cupertino's population is 60,381.

The city's renown as a center of innovation in Silicon Valley far surpasses its moderate size of approximately 60,000 residents. Around the world, Cupertino is famous as the home of high-tech giant Apple Inc.

Income

\$85,938

Per capita income

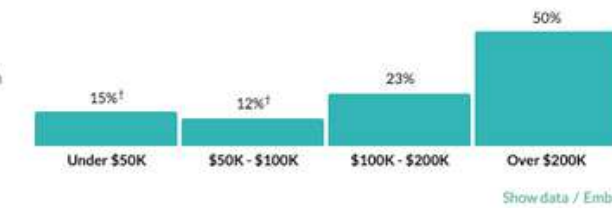
about 1.3 times the amount in the San Jose-Sunnyvale-Santa Clara, CA Metro Area: \$64,169
more than double the amount in California: \$41,276

\$199,778

Median household income

about 1.4 times the amount in the San Jose-Sunnyvale-Santa Clara, CA Metro Area: \$138,370
more than double the amount in California: \$84,097

Household income



Poverty

5.1%

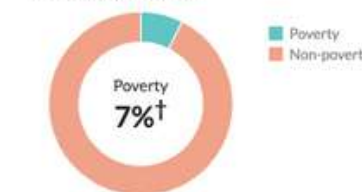
Persons below poverty line

about three-quarters of the rate in the San Jose-Sunnyvale-Santa Clara, CA Metro Area: 6.7%
about two-fifths of the rate in California; 12.3%

Children (Under 18)



Seniors (65 and over)



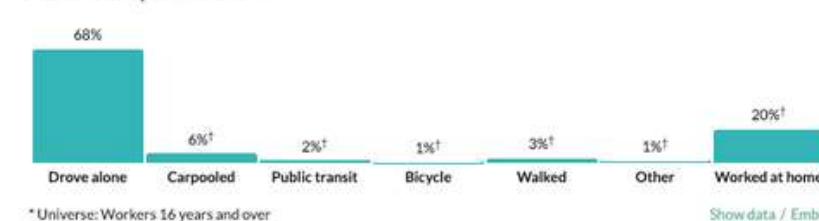
Transportation to work

27.6 minutes

Mean travel time to work

a little less than the figure in the San Jose-Sunnyvale-Santa Clara, CA Metro Area: 28.8
about 90 percent of the figure in California: 29.6

Means of transportation to work



* Universe: Workers 16 years and over

- Cupertino has an unemployment rate of 4.8%. The US average is 6.0%.
- Cupertino 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 Cupertino

- The average income of a Cupertino resident is \$53,767 a year. The US average is \$31,177 a year.
- The Median household income of a Cupertino resident is \$124,962 a year. The US average is \$70,850 a year.



/ REAL ESTATE MARKET IN CUPERTINO, CALIFORNIA

Units & Occupancy

22,175

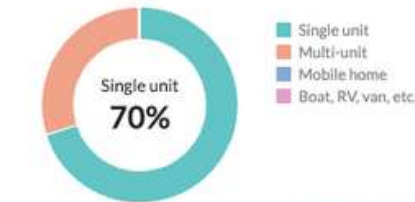
Number of housing units

the San Jose-Sunnyvale-Santa Clara, CA Metro Area: 703,471

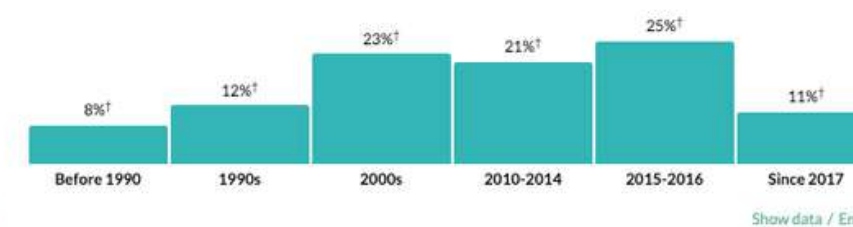
California: 14,328,539



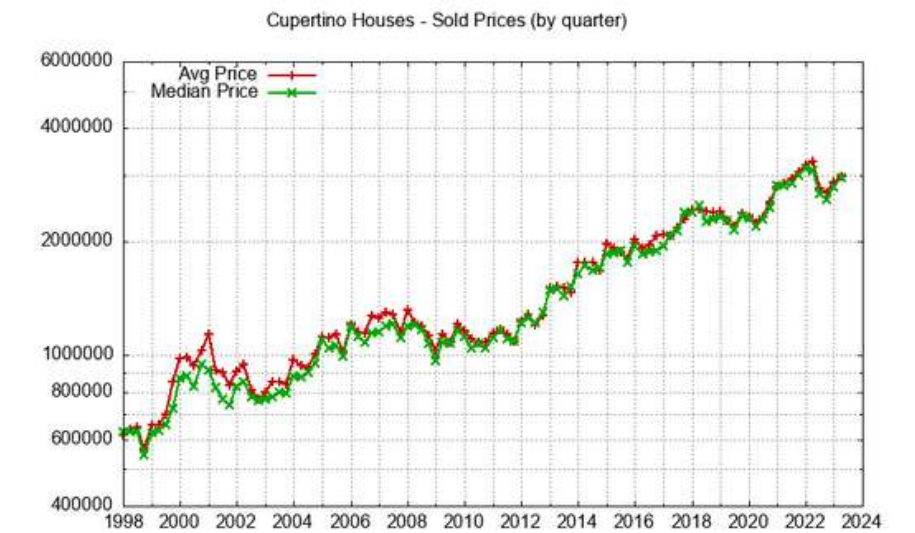
Types of structure



Year moved in, by percentage of population



Quarterly Average and Median Cupertino House Prices



Value

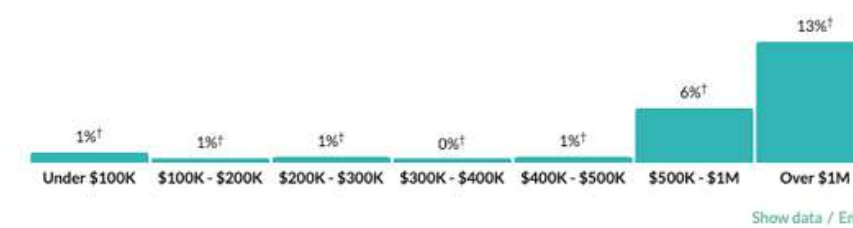
\$2,000,001

Median value of owner-occupied housing units

nearly double the amount in the San Jose-Sunnyvale-Santa Clara, CA Metro Area: \$1,113,700

more than double the amount in California: \$573,200

Value of owner-occupied housing units



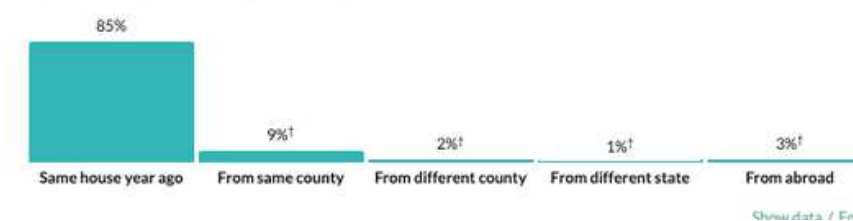
Geographical mobility

15.2%

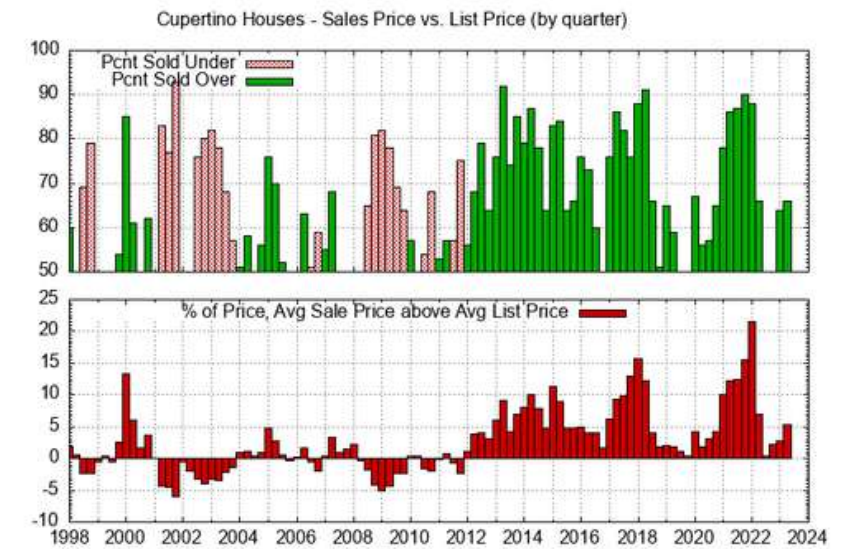
Moved since previous year

a little higher than the rate in the San Jose-Sunnyvale-Santa Clara, CA Metro Area: 14.3%
about 25 percent higher than the rate in California: 12%

Population migration since previous year



Quarterly Average House Sales Price vs. List Price





/ EQUITY INVESTMENT OPPORTUNITY / Risk adjust return with great upside

Total Development Costs		Total Amount	
Land Costs		\$ 9,300,000	42.1%
Predevelopment Costs		139,500	0.6%
Hard Costs		8,540,109	38.7%
Soft Costs		1,722,392	7.8%
Property Tax		465,624	2.1%
Financing Costs		1,911,945	8.7%
	Total Costs	\$ 22,079,570	100.0%

Capital Stack			
Construction Loan		\$ 12,054,725	54.6%
Equity Investment		10,024,845	45.4%
	Total Sources	\$ 22,079,570	100.0%

Project Financial Analysis		Total Amount	
Net Sales Revenue	A	\$ 28,033,250	
Levered IRR			25%
Unlevered IRR			20%
Free Cash Flow			(277,496)
Development Costs			(22,079,570)
Net Profit	B	\$ 5,676,184	
Profit Margin	B/A		20%
Cash on Cash			57%

Investor Return Analysis			
Price per share		\$	143,212
Min. Investment		\$	300,000
# of Shares			2.09%
Net Profit		\$	118,904
Cash on Cash			40%
Levered IRR			18%

45.4%
Equity

54.6%
Debt



/ DEBT INVESTMENT OPPORTUNITY / Fixed return with max protection

Loan Term	
Loan Type	2nd lien for Construction
Purchase Price	\$9,300,000
Soft Cost	\$1,700,000
Hard Cost	\$8,500,000
Total Cost	\$19,600,000
<small>(excluding financing fee & property tax)</small>	
Construction Loan	\$2,800,000
2nd Lien Amount	\$9,300,000
Total Loan Amount	\$12,100,000
Interest Rate	10%/P.A
Payout Frequency	Quarterly
Funding Schedule	TBD
Exit Strategy	Home sale or refinance

Loan Metric	
Combined Loan to Cost	61.6%
After Repair Value (Estimated)	\$29,050,000
Combined Loan to ARV	41.5%

- 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 \$5-10M 2nd lien

Terms 12-24 months

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

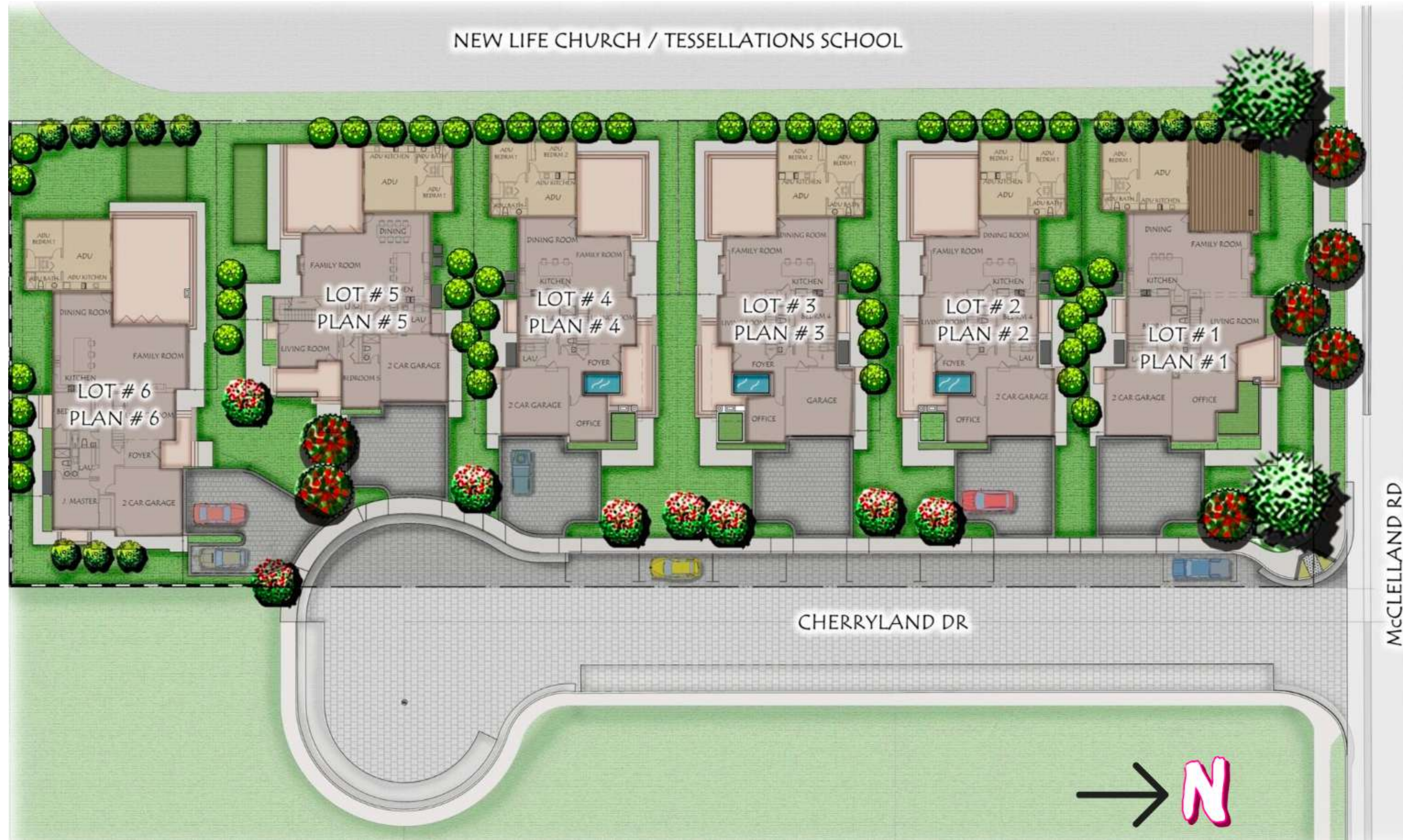


/ HOME PRESALE OPPORTUNITY

Home	Mainhouse	ADU	Lot Area	Garage Size	Lot Price	Home Price
Home 1	3,304 Sq.ft	563 Sq.ft	8,581 Sq.ft	415 Sq.ft	\$ 2,600,000	\$ 4,800,000
Home 2	2,970 Sq.ft	600 Sq.ft	7,535 Sq.ft	415 Sq.ft	\$ 2,750,000	\$ 5,000,000
Home 3	2,970 Sq.ft	600 Sq.ft	7,532 Sq.ft	415 Sq.ft	\$ 2,800,000	\$ 5,080,000
Home 4	2,970 Sq.ft	600 Sq.ft	7,526 Sq.ft	415 Sq.ft	\$ 2,800,000	\$ 5,100,000
Home 5	3,330 Sq.ft	557 Sq.ft	8,469 Sq.ft	415 Sq.ft	\$ 2,900,000	\$ 5,200,000
Home 6	3,610 Sq.ft	560 Sq.ft	9,615 Sq.ft	415 Sq.ft	\$ 3,000,000	\$ 5,350,000

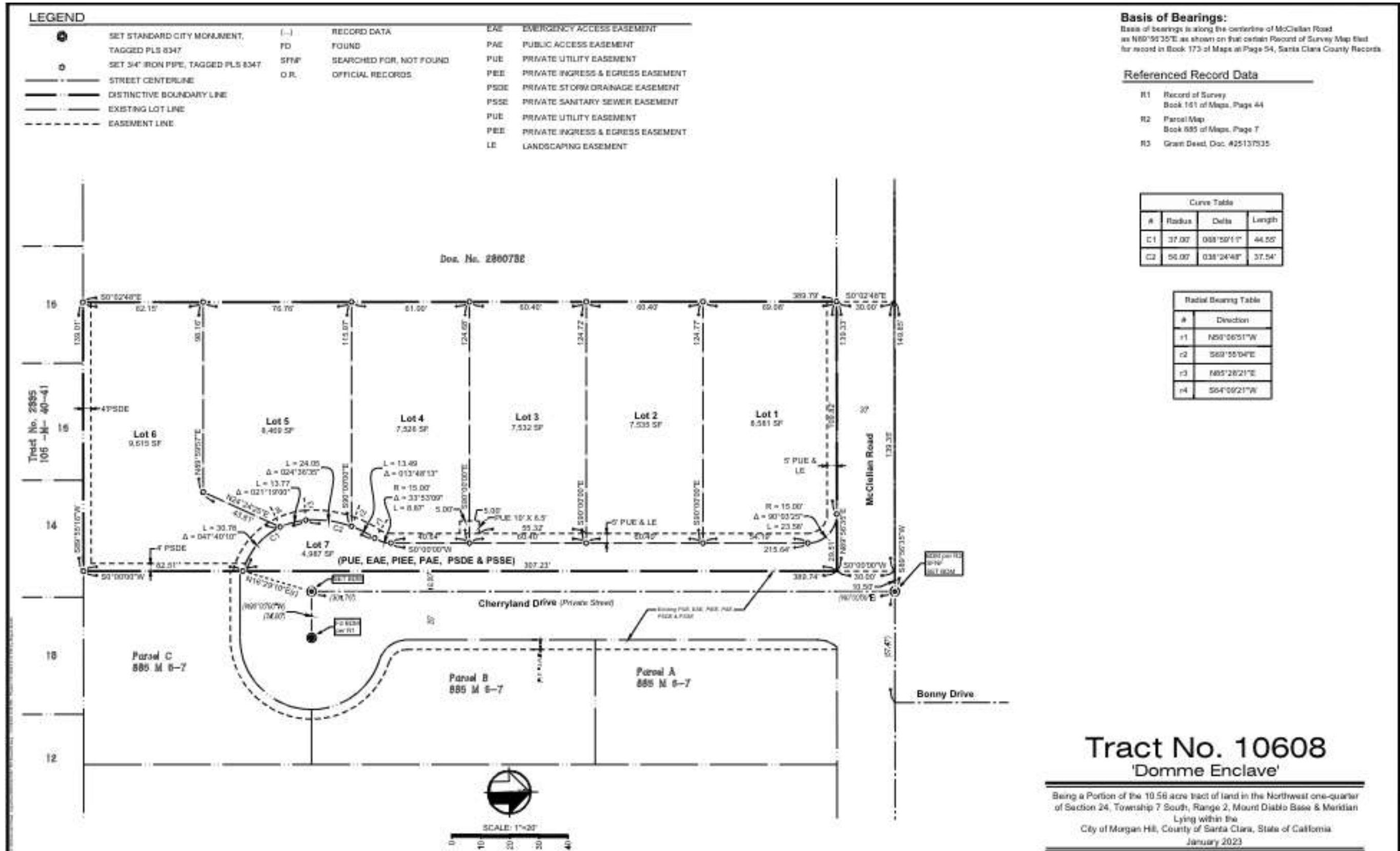


/ SITE PLAN





/ TRACT MAP





/ ELEVATION GALLERY | LOT 1

8,581 SF Lot/ 3,304 SF Total Living Area/ 563 SF ADU/ 415 SF Garage



DRAFT RENDERING



/ ELEVATION GALLERY | LOT 2

7,535 SF Lot/ 2,970 SF Total Living Area/ 600 SF ADU/ 415 SF Garage



DRAFT RENDERING



/ ELEVATION GALLERY | LOT 3

7,532 SF Lot/ 2,970 SF Total Living Area/ 600 SF ADU/ 415 SF Garage



DRAFT RENDERING



/ ELEVATION GALLERY | LOT 4

7,526 SF Lot/ 2,970 SF Total Living Area/ 600 SF ADU/ 415 SF Garage



DRAFT RENDERING



/ ELEVATION GALLERY | LOT 5

8,469 SF Lot/ 3,330 SF Total Living Area/ 557 SF ADU/ 415 SF Garage



DRAFT RENDERING



/ ELEVATION GALLERY | LOT 6

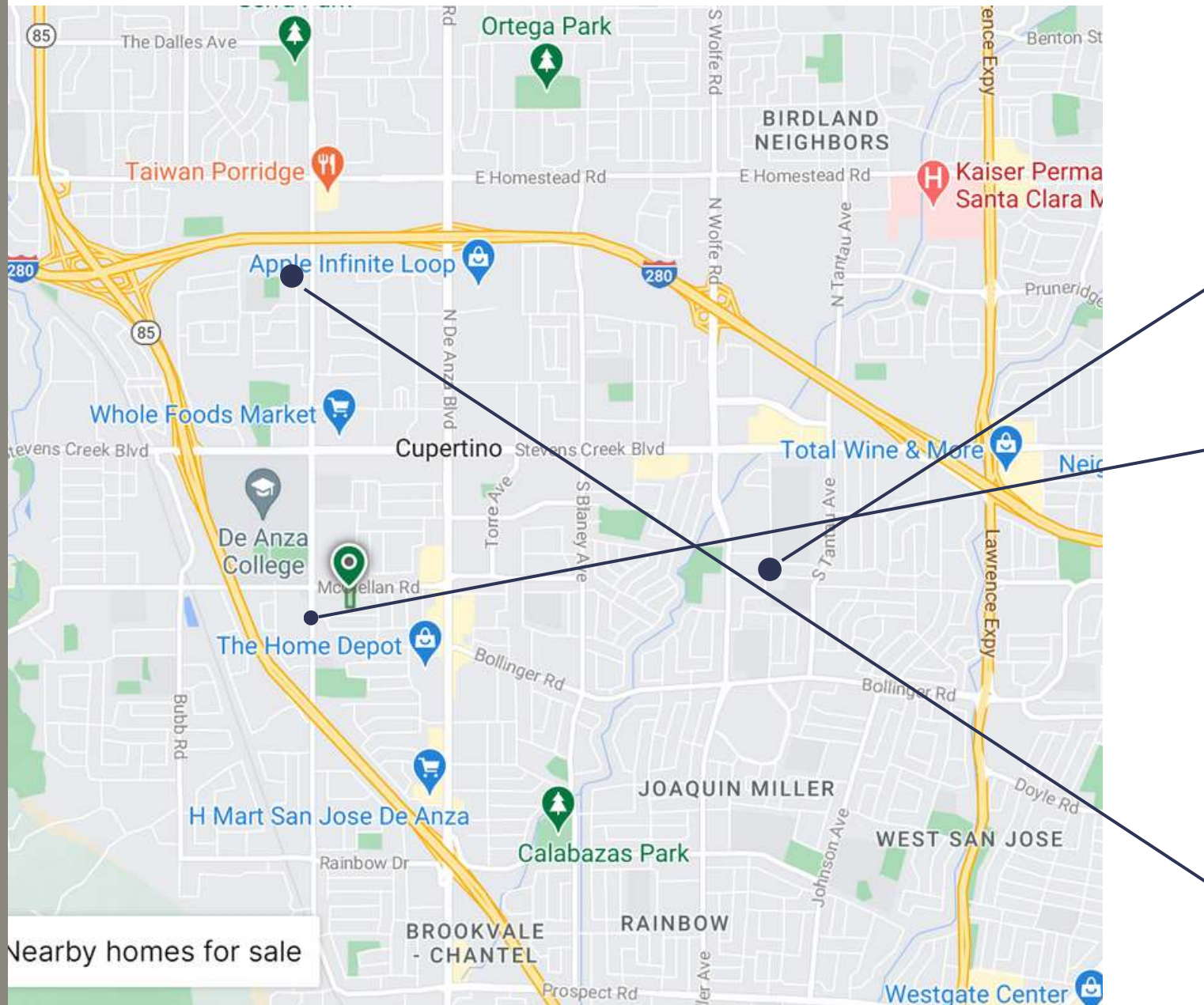
9,615 SF Lot/ 3,610 SF Total Living Area/ 560 SF ADU/ 415 SF Garage



DRAFT RENDERING



/ SALE COMPARABLES



10264 Judy Ave, Cupertino, CA 95014

5BD / 4.5BA

Lot Size 9,426 SF
 Buildable Area 3,727 SF
 Sold Date 11/29/2022
Sold Price \$4,900,000



20565 Kirwin Ln, Cupertino, CA 95014

5BD / 5BA

Lot Size 9,060 SF
 Buildable Area 3,630 SF
Pending \$5,198,000



10682 Flora Vista Ave, Cupertino, CA 95014

5BD / 5.5BA

Lot Size 9,681 SF
 Buildable Area 3,813 SF
Off Market \$5,395,000

/ MEDIA & UPDATES



/ 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



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