

PLANT PRODUCTION, PROFIT, AND VALUATION ANALYSIS

Assumptions

- Production rate: 3 houses per week per plant
- Operating period: 50 weeks per year
- Annual production: 150 houses per plant
- Building size: 6,500 sq ft per house
- Sale price: \$110 per sq ft
- Revenue per house: \$715,000
- Direct build cost per house: \$325,000
- Overhead: 5% of revenue

Per-Plant Annual Revenue

150 houses × \$715,000 = \$107,250,000

Per-Plant Annual Direct Build Cost

150 houses × \$325,000 = \$48,750,000

Per-Plant Gross Profit (Before Overhead)

\$107,250,000 - \$48,750,000 = \$58,500,000

Per-Plant Overhead (5% of Revenue)

5% × \$107,250,000 = \$5,362,500

Estimated Per-Plant Operating Profit

\$58,500,000 - \$5,362,500 = \$53,137,500 per year

Whole-Company Manufacturing Profit Formula

Estimated company operating profit = \$53,137,500 × Number of Plants (P)

Example Profit Levels

- 1 plant: \$53,137,500
- 2 plants: \$106,275,000
- 3 plants: \$159,412,500

Estimated Manufacturing Company Value

(Using operating profit as EBITDA proxy)

Per-Plant Valuation Range

- 4x multiple: \$212,550,000
- 6x multiple: \$318,825,000
- 8x multiple: \$425,100,000

Whole-Company Valuation Formula

- Low case (4x): \$212,550,000 × P
- Mid case (6x): \$318,825,000 × P
- High case (8x): \$425,100,000 × P

Summary

At the stated assumptions, each plant is estimated to produce approximately \$53.14M in annual operating profit. Depending on valuation multiple and number of plants, manufacturing enterprise value scales from approximately \$212.55M per plant (4x) to \$425.10M per plant (8x).

Strategic Production Conclusion

Under this production analysis, the facility is positioned to be considered the largest regional manufacturing facility for leaseable product. The company's stated objective is to become the number-one platform of this type in the United States within the first year. The broader strategy is to scale plant deployment across the lower southeastern United States through three to four structural expansion options that preserve market stability and product availability at a level not currently seen in the market.

Lower Southern U.S. Plant Expansion Map (1,000 Units Per Plant / Year)

Added target geographies:

- Eastern / Northeast Arkansas plant (regional Arkansas coverage)
- Atlanta, Georgia plant (major Southeast demand corridor)
- Carolinas plant cluster: South Carolina and North Carolina coverage
- Tennessee plant (Mid-South and Appalachian distribution support)
- Florida plant (high-growth Sunbelt and coastal demand support)

Planning note:

Each plant is modeled for approximately 1,000 units annually. Multi-plant deployment in these geographies is intended to create resilient supply coverage, reduced transport friction, and stronger delivery reliability across southeastern markets.

Enterprise Valuation at Expanded Plant Count (11 Plants)

Using the same operating model assumptions:

- Estimated operating profit per plant: \$53,137,500 per year
- Total plants modeled: 11
- Estimated total operating profit: $\$53,137,500 \times 11 = \$584,512,500$ per year

Estimated enterprise valuation range at 11 plants:

- 4x multiple: \$2,338,050,000
- 6x multiple: \$3,507,075,000
- 8x multiple: \$4,676,100,000

Summary at 11-Plant Platform Scale

At 11 plants operating under the current profitability model, the company is projected to generate approximately \$584.51M in annual operating profit, implying an estimated enterprise value range of approximately \$2.34B to \$4.68B depending on multiple and market conditions.

11-Plant Location Coverage Set

- Texarkana, Texas
- Batesville, Arkansas
- Northwest Arkansas (Bentonville)
- Dallas, Texas
- McAllen, Texas
- Nashville, Tennessee
- Birmingham, Alabama
- Atlanta, Georgia
- Greenville, South Carolina
- Raleigh, North Carolina

- Orlando, Florida

Network Coverage and Distance Note

These 11 locations are intended to form a lower-southern U.S. manufacturing network with overlapping regional service radii and multi-market distribution resilience. Inter-plant distance analysis is tracked in the network map document and should be reviewed alongside profitability metrics for logistics efficiency and deployment planning.