

WESTLAKE · TEXAS

PRIVATE INVESTMENT MEMORANDUM

STARR CONSTRUCTION

Villagio

An 8,500-square-foot mountain-modern residence, built to sell, and engineered to return. One acre among the oaks, glass and Texas limestone, priced into a market that wants exactly this.

THE DEAL IN ONE BREATH

Build a house the market is already asking for. *Sell it for what the market already pays.*

Villagio is a single spec-build in Westlake, Texas, the wealthiest city in the state, where luxury inventory is tight and prices are climbing. The plan is disciplined: an 8,500 SF modern home on a one-acre wooded lot, delivered to a documented cost basis and sold into a proven \$8-million-plus tier.

The capital structure is conventional and conservative. An 85% construction loan carries the build; the investor's equity covers the 15% down payment and carrying costs, roughly \$1.17 to \$1.22 million depending on which build cost the market delivers. Everything past that is upside, split 60% to the investor and 40% to the sponsor after every dollar of capital is returned.

The returns are shown here as an honest range across both build-cost bases and four sale prices, not a single flattering number. At the conservative corner the investor clears roughly 11%. At the low-cost, strong-sale corner, roughly 68%. The house is real, the comparables are real, and the math ties to the model on every page that follows.

INVESTOR RETURN · RANGE

11%–68%

ROI on invested equity, across both build-cost bases and all four sale categories. Consistent method, 6% fees on sale.

EQUITY IN

\$1.17–1.22M

Down payment plus \$375,000 carry. Returned in full before any profit split.

TARGET SALE

\$7.57–8.29M

Four sale scenarios, \$890 to \$975 per SF on 8,500 SF.

PROFIT SPLIT

60/40

Investor / sponsor, after full return of capital.



THE HOUSE · I

A place first. *An asset second.*

The argument for Villagio starts with the house, because the return depends on someone wanting to live in it. This one is easy to want. It sits low and long among mature live oaks, a cantilevered board-formed concrete roof floating over coursed Texas limestone, walls of black-framed glass dissolving the line between the rooms and the trees.

At dusk the house does what the best modern houses do: it turns into a lantern. Warm interior light spills through the glass, the stone holds the last of the day, and the whole composition reads as calm, expensive, and permanent. This is the feeling a buyer pays \$8 million for.



THE HOUSE · II

The great room is the whole thesis in one space.

Double height, a full stack of Texas limestone rising to a board-formed concrete ceiling, and a two-storey wall of steel-framed glass opening onto the oak canopy. The stone that clads the exterior comes inside and keeps going. It is the single material gesture that makes the house feel of one piece rather than decorated.

Furnishings stay quiet on purpose: a long linen sectional, cognac leather, a live-edge table. The architecture is the event. Every surface a buyer touches here is a surface that justifies the price per foot.

THE MATERIAL STORY

STRUCTURE

Board-formed concrete soffits, exposed

STONE

Coursed Texas limestone, exterior and interior: one continuous language

GLASS

Floor-to-ceiling black-steel window wall

FLOOR & CEILING

Wide-plank white oak; wood-slat and concrete above

LIGHT

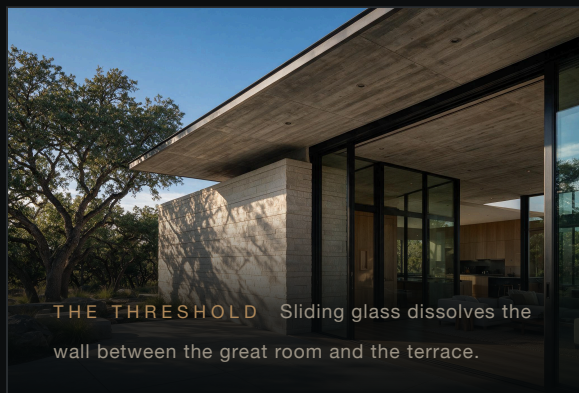
Recessed and cove; the oaks do the rest

THE HOUSE · III

Two islands, *one clear intention.*

The kitchen answers the question every buyer at this level asks first: is it built for how I actually live and entertain. Two full stone islands, one to prep and one to gather, sit under linear bronze pendants, wrapped in rift white oak, with a ribbon of clerestory glass carrying the tree canopy along the whole run.

It is a working room that photographs like a gallery. That combination is what separates an \$8-million house from a \$5-million one.



THE THRESHOLD Sliding glass dissolves the wall between the great room and the terrace.



THE HOUSE · IV

A corner given to the trees.

The primary suite sits at a corner where two glass walls meet, so the room reads as a platform in the oaks. Stone headboard wall, linen bed, a leather bench, travertine underfoot at the nightstand: the same restrained palette carried all the way to the most private room in the house.

AREA

8,500 SF

SITE

1 acre, wooded

REGISTER

Mountain modern

TARGET SALE

\$8M+



WESTLAKE, TEXAS · 76262

The most affluent address in Texas, *and it is short on new houses.*

A guard-gated enclave north of Fort Worth, home to Vaquero, Entrada, Quail Hollow, and Terra Bella, that Forbes once named the most affluent neighborhood in America. Inventory is falling while prices climb. A new 8,500 SF house at \$8 million enters near the middle of the field, not the top.

THE MARKET TODAY

\$3.65M

Median luxury listing price, Westlake, across 59 luxury homes currently for sale.

+15%

Year-over-year median listing price movement, with active listings down roughly 15%.

76

Median days on market for luxury homes. A market that transacts.

WHERE VILLAGIO SITS

\$890–975

Villagio's four sale scenarios, per SF. At or below the active new-construction comps.

\$8.0M+

Target sale, set between the \$3.65M median and a \$10–18.5M ceiling. A defensible mid-luxury position.

1 acre

Wooded lot among mature oaks, the setting buyers at this tier pay a premium to secure.

ACTIVE COMPARABLES

1609 Meandering Way Dr	\$9,975,000
5 bd · 8 ba · 10,466 SF · Westlake	≈ \$953 / SF

Meandering Meadows Estate	Under build
New construction · 12,000+ SF · earthy modern · glass	Compl. Aug 2026

1 Paigebrooke	\$18,500,000
6 bd · 15,603 SF · Westlake estate tier	≈ \$1,186 / SF

2632 Magnolia Circle	\$5,985,000
5 bd · 6 ba · 6,229 SF · Westlake	≈ \$961 / SF

Active Westlake listings, verified July 2026. Villagio's \$890–975/SF sits at or beneath the modern comps, priced to sell, not to test the ceiling.

THE PRO FORMA · I

What it costs to build. *Shown at both ends.*

Every number on this page and the four that follow is read directly from the deal model. The only variable that moves between the two columns is the build cost per square foot; everything else is held identical, so the two cases are directly comparable.

DEVELOPMENT COST · 8,500 SF BUILD @ \$375 / SF BUILD @ \$415 / SF

Lot		
One acre, wooded; held constant	\$1,900,000	\$1,900,000
Construction		
8,500 SF × \$/SF	\$3,187,500	\$3,527,500
Construction contingency		
5% of construction	\$159,375	\$176,375
Project manager fee		
1.5% of construction + contingency	\$50,203	\$55,558
Total development cost	\$5,297,078	\$5,659,433

READING THE TWO COLUMNS

The \$375 and \$415 per-square-foot figures bracket the realistic range for delivering this level of finish in this market. Rather than pick one, the pack carries both from cost through to return.

\$362,355

The entire difference between the two cost bases: the added construction, contingency, and fee at \$415 versus \$375. This single number is what separates the two return columns on every page that follows.

THE PRO FORMA · II

How the build is paid for, *and what the investor funds.*

A construction loan carries 85% of total development cost. The investor's equity covers the 15% down payment plus \$375,000 of carrying costs. That equity is the whole of what is at risk, and the whole of what comes back first at sale.

FINANCING & EQUITY	BUILD @ \$375 / SF	BUILD @ \$415 / SF
Construction loan 85% loan-to-cost	\$4,502,516	\$4,810,518
Down payment 15% of total development cost	\$794,562	\$848,915
Carrying costs Interest, taxes, insurance during build	\$375,000	\$375,000
Equity in Returned in full before any profit split	\$1,169,562	\$1,223,915

THE CAPITAL AT WORK

Leverage is deliberate and standard for spec construction. At 85% loan-to-cost the investor controls a roughly \$5.3–5.7 million project with just over \$1.1 million of equity.

\$1.17–1.22M

The equity requirement across both bases. It is the first money out and the first money home: at sale, capital is returned in full before the sponsor sees a dollar of profit.

THE PRO FORMA · III

Four sale prices, *all inside the comps.*

The exit is modeled at four price points per square foot, A through D. Every one of them sits at or below the active Westlake new-construction comparables. The pricing is built to clear the market, not to test its ceiling.

SALE SCENARIO	PRICE / SF	TOTAL SALE · 8,500 SF	POSITION VS. MARKET
A CONSERVATIVE	\$890	\$7,565,000	Below the \$953/SF modern comp
B BASE	\$922	\$7,837,000	At market for new construction
C TARGET	\$953	\$8,100,500	Matches the 10,466 SF comp's \$/SF
D STRONG	\$975	\$8,287,500	Still beneath the estate-tier ceiling

THE SPAN

The four scenarios span \$722,500 in total sale value, a \$32-to-\$85 per-square-foot spread. Narrow enough that the deal works across all of it.

WHY SO TIGHT

Westlake modern product trades in a well-defined band. The model stays inside it deliberately rather than reaching for a headline number.

NEXT PAGE

Each of these four sale prices carries through the waterfall to a return, shown on both bases.

THE PRO FORMA · IV

Capital comes home first. *Then the split.*

The distribution mechanic is simple and investor-first. From the sale price, subtract the total development cost and 6% fees on sale to reach net profit. The investor's capital is returned in full before anything is split. Only then is the remaining profit divided 60% to the investor and 40% to the sponsor.

THE WATERFALL, STEP BY STEP

STEP 1 · SALE PRICE \$7.57–8.29M	STEP 2 · LESS DEV COST –\$5.30–5.66M	STEP 3 · LESS 6% FEES –\$454–497K
STEP 4 · RETURN OF CAPITAL 100% to investor	STEP 5 · REMAINING PROFIT 60% investor / 40% sponsor	

Because capital is returned before the split, the investor is made whole on principal in every scenario in this book, including the most conservative. The 60% profit share is upside on top of returned capital, never a substitute for it.

A NOTE ON FEES

The two source sheets originally disagreed on the cost of sale: 5% on one build cost, 6% on the other. Nothing about the build changes the commission and closing cost paid at sale, so both bases are standardized here at **6%**.

The effect is conservative in the investor's favor: it raises the assumed cost of sale on the low-cost case and makes the two return columns cleanly comparable. After this, build cost is the only thing separating them.

THE RETURN · BOTH BASES, ALL FOUR PRICES

Eleven percent at the floor. *Sixty-eight at the ceiling.*

INVESTOR ROI ON EQUITY	A · \$890/SF	B · \$922/SF	C · \$953/SF	D · \$975/SF
Build @ \$375 / SF Equity in \$1,169,562 · low-cost case	33.1%	46.2%	58.9%	67.9%
Build @ \$415 / SF Equity in \$1,223,915 · high-cost case	11.2%	23.7%	35.8%	44.5%

HOW TO READ IT

ROI is the investor's 60% profit share divided by the equity invested, after capital is returned in full. The eight cells map the deal's true envelope: the worst realistic corner (high build cost, conservative sale) and the best (low build cost, strong sale). No single number is presented in isolation because none of them tells the truth alone.

THE HONEST FLOOR

11.2% is the conservative floor: the most expensive build meeting the lowest sale price. Even there the investor's capital returns in full and the deal clears a double-digit return. The \$375-basis line alone runs 33% to 68%, and build cost is the only lever between the two rows.

THE ASK

One house, one acre, *and a return that pays for the view.*

Villagio is a single, well-defined opportunity: fund the equity on a spec-build modern home in the wealthiest city in Texas, and share 60% of the profit after your capital comes home. The house is designed to be wanted and priced to be sold. The market it enters is tight, affluent, and rising.

The numbers in this book tie to the deal model on every page. They are shown as a range because that is the honest way to show them, and the range clears a double-digit return at its floor and approaches 68% at its ceiling.

The next step is a conversation about your position in the equity. We would welcome it.

AT A GLANCE

EQUITY REQUIRED

\$1.17M – \$1.22M

RETURN OF CAPITAL

First, in full, before split

PROFIT SPLIT

60% investor / 40% sponsor

INVESTOR ROI RANGE

11% – 68%

TARGET SALE

\$7.57M – \$8.29M

HOLD

Single build-to-sale cycle

Villagio · Starr Construction. Private Investment Memorandum, 2026. Figures read from the deal model (Assumptions, Cost Basis, Financing & Equity, Sales Scenarios, Waterfall & Returns). Returns shown on the consistent method at 6% fees on sale across both cost bases. Market figures verified against public Westlake, TX listings, July 2026. This document is confidential and provided for evaluation only; it is not an offer to sell securities.