

# The Integrated Housing & Services System

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A Vertically Integrated Investment Platform  
for Workforce Housing & Essential Services



**HPS CAPITAL  
GROUP**

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# WHO WE ARE



**HPS** is a vertically integrated investment platform focused on workforce housing and the essential service businesses required to operate it. Our foundational belief: real estate performance improves when execution risk is controlled, not outsourced.

## 30+

Projects Completed

14-16% Avg. Annual Investor Returns

## 100%

Investor Capital Returned

3 Active Markets

## WHAT WE BELIEVE

Underperformance in value-add housing is rarely about opportunity. It is about timelines, coordination, contractor reliability, and the ability to deliver consistent operations at scale. When those variables are uncertain, outcomes become unpredictable.

## OUR APPROACH

Rather than relying on fragmented third-party vendors, we acquire and build the operating capabilities required to renovate, maintain, and stabilize assets ourselves. By pairing this with structured housing demand and modern growth systems, we convert variability into repeatability.

## WHAT THIS MEANS FOR INVESTORS

### 01

#### More Control Over Execution

Owned operations reduce renovation and maintenance risk at every cycle

### 02

#### Greater Visibility Into Stabilization

Controlled labor and housing partnerships improve NOI predictability

### 03

#### Multiple paths to value creation across both real estate and operating companies.

Real estate appreciation + service EBITDA + digital growth + PE exit

## WHY IT WORKS

Most value-add multifamily underperforms not because the opportunity is absent, but because the operating infrastructure required to capture it is fragmented, unreliable, and difficult to scale consistently across a portfolio.

### Execution Risk

Rehab delays, cost overruns, and contractor dependency introduce timeline and budget uncertainty that compress investor returns.

### Income Volatility

Vacancy cycles, inconsistent collections, and tenant turnover create unpredictable cash flow that is difficult to underwrite.

Our model directly addresses both:

**THE STRUCTURAL FIX**

- Owning the trades reduces renovation and maintenance risk.
- Housing partnerships improve occupancy stability and rent reliability.
- A digital growth engine increases revenue and EBITDA at the operating companies—adding a second compounding lever beyond cost control.



## THE FLYWHEEL (HOW IT COMPOUNDS)

### The Six-Step Cycle

|   |   |
|---|---|
| <b>01 Acquire Trades</b>                      | Internal labor + faster timelines + standardized scopes     |
| <b>02 Add Digital Demand</b>                  | Predictable lead flow + improved conversion + pricing power |
| <b>03 Buy Value-Add Multifamily</b>           | Renovate + improve operations + increase NOI                |
| <b>04 Stabilize with Housing Partnerships</b> | More stable occupancy + improved collection predictability  |
| <b>05 Portfolio Creates Recurring Demand</b>  | Properties feed trade companies consistent recurring work   |
| <b>06 Reinvest &amp; Repeat</b>               | Expand trades + expand units + improve economics each cycle |

### One sentence summary:

The properties feed work to the service businesses, the service businesses reduce CapEx and increase NOI in the properties, and the stabilized rent profile improves financeability—each piece increases the value of the other while the service platform scales through both operations and digital growth.

# HOW VERTICAL INTEGRATION CREATES ADVANTAGE

## Vertical Integration: The Operating System

We're not buying random businesses—we're building a repeatable operating system that converts execution into an advantage and creates measurable synergy that shows up in EBITDA and NOI.

### A

#### SERVICE BUSINESS ACQUISITIONS (THE EXECUTION ENGINE)

**Targets:** HVAC, plumbing, electrical, general construction, roofing, restoration, turns/maintenance.

**Selection focus:** strong local reputation, recurring demand, crew depth, simple service lines, clean financials (or cleanable), and the ability to scale with systems.

#### VALUE CREATED IN REAL ESTATE

- Reduced contractor dependency + fewer delays = Consistent Return for Investors
- Lower turn time → faster stabilization = Higher Returns for Investors
- Standardized scopes → predictable budgets

#### VALUE CREATED IN THE BUSINESSES

- Consistent baseline work from the portfolio (built-in demand).
- Higher crew utilization (less downtime).
- Scalable back office (dispatch, estimating, accounting).

### B

#### DIGITAL GROWTH ENGINE (DEMAND + CONVERSION + MARGIN)

In addition to operational improvements, we improve service business revenue through a proven digital marketing and conversion playbook:

- Local SEO + Google Business Profile optimization
- Paid search and localized service-area targeting
- Landing pages built for conversion
- Call tracking, recorded call review, and lead source attribution
- CRM follow-up systems + speed-to-lead process
- Review generation and reputation compounding

**Track record:** Our team has experience implementing these systems across multiple companies, contributing to **7-figure revenue growth** through measurable improvements in lead generation and conversion performance.

**WHY THIS MATTERS:** This is not a "nice-to-have" add-on—it's a core lever that improves:

- Top-line growth
- Pricing power through brand/reputation
- Job volume consistency
- EBITDA expansion via better conversion efficiency

**C****MULTIFAMILY VALUE-ADD (THE ASSET BASE)****Targets:**

B & C class multifamily with operational inefficiencies and physical upside

**Plan:**

- Renovate units and common areas using standardized scopes
- Improve safety, curb appeal, and community standards
- Implement tighter property management systems
- Drive NOI through operational discipline and reduced waste

**Why these assets:**

They offer strong “execution alpha”—value created through improvements, not speculation.

**Valuation Effects:**

By incorporating these items we can force appreciation by thousands if not millions of dollars.

**D****STABILIZATION THROUGH HOUSING PARTNERSHIPS (THE CASH FLOW STABILIZER)**

We work with the housing community to place qualified tenants through housing programs (including Section 8), supporting:

**HOUSING PREDICTABILITY — IMPORTANT CLARIFICATION**

- More stable occupancy
- Improved predictability of collections
- Durable demand in workforce housing

**Operational advantage:**

Owned trades help meet inspection requirements quickly and keep properties compliant—reducing downtime and accelerating rent-ready timelines.

**E****SINGLE-FAMILY FIX & FLIPS (CAPITAL ACCELERATOR + COMMUNITY BENEFIT)**

We selectively execute single-family renovations to:

- Generate lump-sum profits for reinvestment
- Improve neighborhood housing stock
- Create quality homes that support long-term community stability

## TWO ENGINES. ONE PLATFORM.

### **Engine #1:**

Real estate cash flow + NOI-driven appreciation

### **Engine #2:**

Service business EBITDA + digital demand growth

### **Together:**

Better execution lowers cost and increases NOI; the portfolio creates demand; digital systems grow revenue; the platform compounds.

## PRIVATE EQUITY EXIT THESIS

### **The Big Goal: Grow EBITDA, Build an Institution, Exit at Institutional Multiples**

Service businesses are often acquired at **small-company** multiples when they're:

- Owner-operator dependent
- Under-systematized
- Inconsistent in reporting and margins
- Lacking management depth and repeatable processes

***Our strategy is to professionalize, scale, and institutionalize.***



### **THE VALUE CREATION STACK (REPEATABLE PE PLAYBOOK)**

#### **What We Install**

- Leadership depth — reduce key-person risk
- Pricing discipline + estimating standards
- SOPs + scorecards — measurable operational discipline
- Safety, training, QA, and customer experience standards
- Clean financials + reporting — quality-of-earnings readiness
- Incentive compensation tied to margin and customer satisfaction
- Dispatch/scheduling systems + utilization targets

# EBITDA GROWTH LEVERS (OPERATIONAL + ORGANIC GROWTH)

We expand EBITDA using multiple, compounding levers:

## OPERATIONAL DISCIPLINE

Increase crew utilization, reduce idle time - Reduce call-backs and rework through QA + training  
Improve job costing and scope standardization

## PRICING, ESTIMATING, AND MARGIN SYSTEMS

Standardized estimating and margin thresholds - Service agreement / maintenance plan focus where applicable -  
Better close rates through improved sales process

## PORTFOLIO BASELINE DEMAND + CROSS-SELLING

Internal property work creates consistent base load and proof of scalability - Cross-selling across services (HVAC ↔ plumbing ↔ electrical ↔ construction) - Tuck-in acquisitions expand footprint and route density

## MULTIPLE EXPANSION

Institutional platform premium

## HOW MULTIPLE EXPANSION HAPPENS (THE "MULTIPLE MULTIPLE" THESIS)

A single local shop is a **BUSSINES**.

A scalable, KPI-driven, professionally managed platform is an **INSTITUTION** — and institutional buyers pay measurably more for institutions.

Institutional buyers pay premiums for:

- scale (revenue + crews + markets)
- repeatability (systems + SOPs)
- management depth (not founder-dependent)
- clean financials (credible EBITDA)
- diversified service lines and geography
- durable organic growth engine + acquisition pipeline

### THE MULTIPLE STACK

1. EBITDA Growth — operations + demand + margin expansion
2. Multiple Expansion — owner-operated → institutional platform
3. Roll-Up Premium — scaled platforms attract strategic/sponsor demand

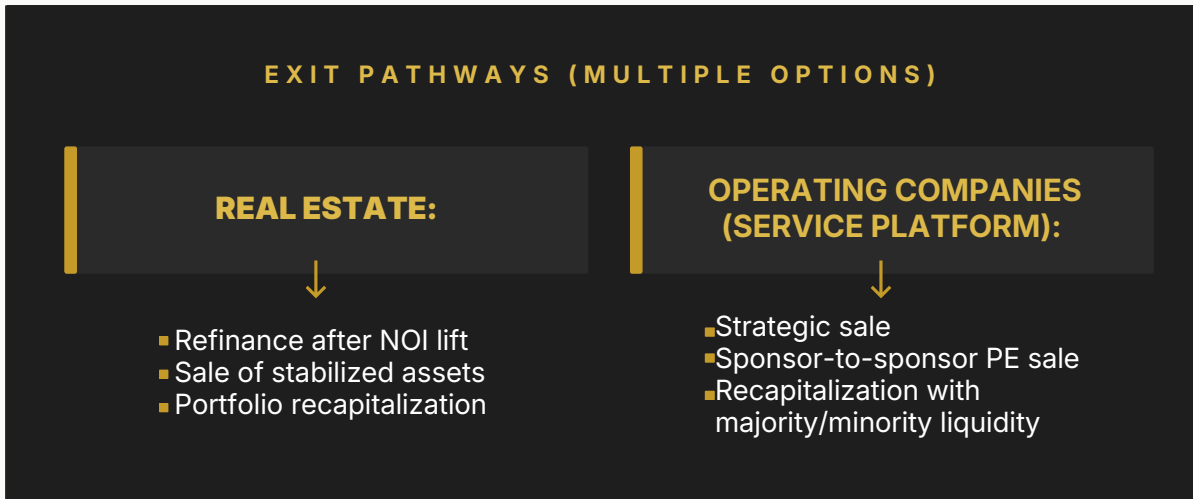
# WHY THIS MATTERS FOR INVESTORS

## Owning the trades improves real estate performance by:

- 01 Lowering CapEx and controlling timelines
- 02 Accelerating stabilization and NOI growth
- 03 Improving resident experience and retention
- 04 Reducing the operational volatility of renovations and maintenance

## Meanwhile, the real estate portfolio improves the service platform by:

- Providing recurring demand
- Proving scalability and execution
- Smoothing revenue seasonality



**Schedule a Discussion**

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