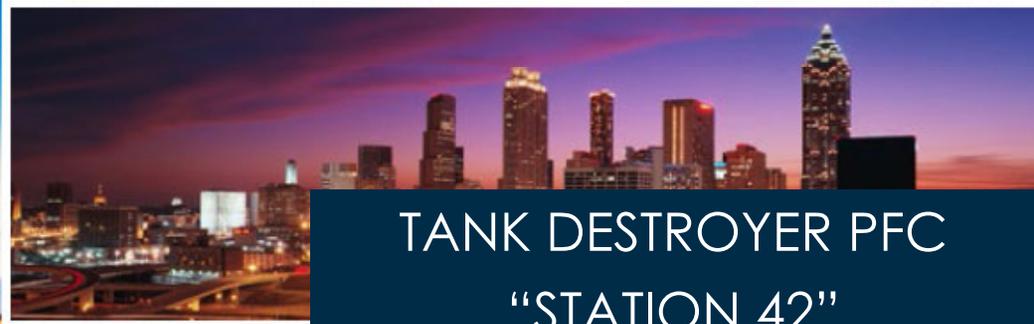


the  
**NRP**  
group



TANK DESTROYER PFC  
"STATION 42"  
STATUS REPORT  
November 2022



# PROJECT OVERVIEW

## PROFORMA PROPERTY DETAILS

Financial Closing	11/19/2021	Average Rent	\$1,294
Notice to Proceed	12/7/2021	Address	801 South W.S. Young Drive,
Units	368		Killeen, TX 76541
Type	Garden	MSA	Austin-Round Rock
Stories	3	Lender	Texas Capital Bank
Buildings	16	Equity	JP Morgan
Average Unit Size (sq. ft.)	939	Development Costs	\$55,830,208

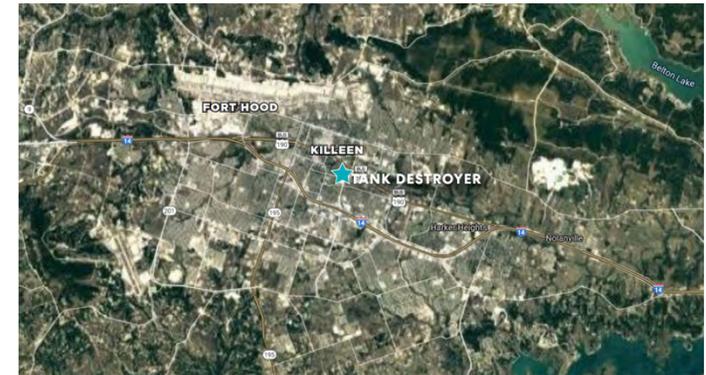
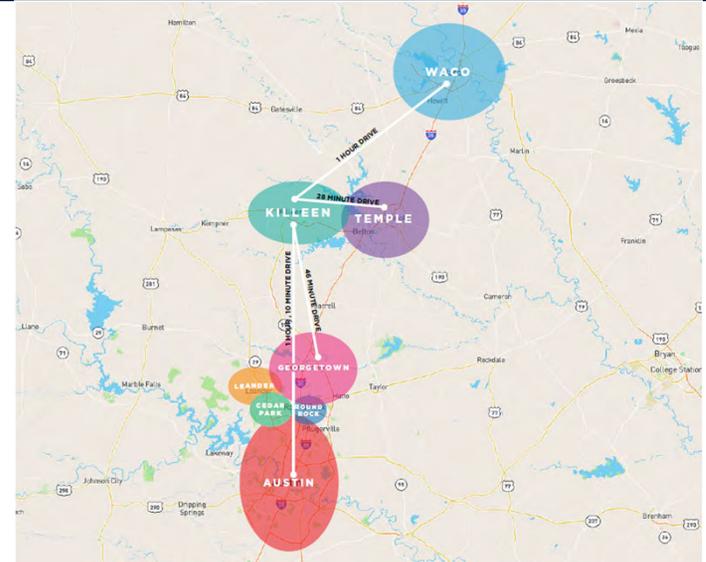
## RESOURCES

Developer	Parker White	Superintendent	Brian Baggerly
Development Project Mgr.	Laura Leduc	Legal	Tyler Davis
Investor Relationship Mgr.	Nicholas Christoff	Financial Analyst	Michael Makar
Construction VP	Chance Louis	Management Acct.	Jeff Mains
Project Mgr.	Justin Cruce	Property Management	Ashley Dodenhoff

## TIMING AND DELIVERY

### TURN SCHEDULE

BLDG	# of Units	C/O	8/26/2022 Update	Current	STATUS
Clubhouse	0	12/23/2022	3/17/2023	5/12/2023	-
Building 4	24	1/13/2023	4/7/2023	5/26/2023	-
Building 3	24	1/27/2023	4/21/2022	6/9/2023	-
Building 2	22	2/10/2023	5/5/2023	6/23/2023	-
Building 1	24	2/24/2023	5/26/2023	7/14/2023	-
Building 5	22	3/10/2023	6/16/2023	8/4/2023	-
Building 6	24	3/24/2023	7/7/2023	8/25/2023	-
Building 7	22	4/14/2023	7/28/2023	9/15/2023	-
Building 8	24	4/28/2023	8/18/2023	10/6/2023	-
Building 9	22	5/19/2023	9/8/2023	10/27/2023	-
Building 10	22	6/2/2023	9/29/2023	11/17/2023	-
Building 11	24	6/16/2023	10/20/2023	12/8/2023	-
Building 12	24	7/7/2023	11/10/2023	12/29/2023	-
Building 13	22	8/11/2023	12/11/2023	1/19/2024	-
Building 14	22	9/8/2023	12/22/2023	2/9/2024	-
Building 15	22	10/13/2023	1/12/2024	3/1/2024	-
Building 16	24	11/10/2023	1/26/2024	3/15/2024	-



## NOTES AND HIGHLIGHTS

Project is approximately 29% construction completion per AIA Contract and 99% bought out on contracts

- Site domestic water is complete and storm/sanitary are complete and tied-in
- Head wall at detention pond is complete
- Transformer pads have been installed, but pending transformer delivery for completion
- Roughly 40-50% complete on framing
  - Building 4 (furthest along in schedule) is framed to the top and roof decking is ongoing
  - Buildings 9-16 (last to be delivered) are framed up to the first floor
  - The roof has been installed on the clubhouse

## SOURCES AND USES

	<i>Proforma</i>	<i>Spent To- Date</i>	<i>Future</i>	<i>Revised</i>	<i>Savings (Overruns)</i>
<b>SOURCES:</b>					
<i>Texas Capital</i>	\$ 36,289,635	\$ -	\$ 35,941,189	\$ 35,941,189	\$ 348,446
<i>JPM Equity</i>	15,143,944	12,034,805	3,944,812	15,979,617	(835,673)
<i>NRP/JDH Equity</i>	4,396,629	3,554,295	1,493,487	5,047,782	(651,153)
<i>Temporary</i>	-	3,827,901	(3,827,901)	-	-
	<u>\$ 55,830,208</u>	<u>\$ 19,417,001</u>	<u>\$ 37,551,587</u>	<u>\$ 56,968,588</u>	<u>\$ (1,138,380)</u>
<b>USES:</b>					
<i>Land/Bldg Acq.</i>	\$ 975,000	\$ 975,729	\$ -	\$ 975,729	\$ (729)
<i>Construction</i>	45,814,532	13,631,723	33,789,633	47,421,356	(1,606,824)
<i>Soft Costs</i>	5,596,937	4,188,298	1,300,379	5,488,677	108,260
<i>Interest &amp; Reserves</i>	1,314,339	12,830	1,439,996	1,452,826	(138,487)
<i>Developer Fee</i>	1,630,000	608,421	1,021,579	1,630,000	-
<i>Contingency</i>	499,400	-	-	-	499,400
	<u>\$ 55,830,208</u>	<u>\$ 19,417,001</u>	<u>\$ 37,551,587</u>	<u>\$ 56,968,588</u>	<u>\$ (1,138,380)</u>

## RISK ASSESSMENT

	Cost	Timing	Buyout	Overall
<b>Construction Risk</b>	High	Low	High	High
	Low	High	Low	Low
<b>Operations Risk</b>	Low	Low	Low	Low
	High	High	High	High

# PCO LOG

**DATA**

Project Address:

Killeen, TX

Total Project Cost per Approved Business Plan:

55,830,208.00

**KEY**

<b>A</b> - Approved	<b>JD</b> - JV Discretion	<b>ND</b> - Non-Discretionary
<b>A/E</b> - A/E Issue	<b>JV</b> - Joint Venture	<b>OP</b> - Operating Partner
<b>C</b> - Concealed Condition	<b>LS</b> - Line Item Savings	<b>PA</b> - Pending Approval
<b>D</b> - Discretionary	<b>N</b> - No	<b>S</b> - Soft
<b>H</b> - Hard	<b>NA</b> - Not Approved	<b>Y</b> - Yes

PCO #: (input)	Change Order #: (input)	AIA # (input)	Date Identified / Updated (input)	Description of Change (input)	Cost Type (select)	Cost Responsibility (select)	Discretionary? (select)	Result of: (select)	Schedule Change? (select)	Approval - NRP (select)	Approval Partner (select)	Estimated Amount (select)
7	1	6	4/25/22	Fitness Equipment Allowance Overage	H	GP	ND	Cost escalation	N	Y	Y	\$8,370.82
2	2	6	3/4/22	February 2022 Weather Delay	H	JV	ND	FM	N	Y	Y	\$0.00
5	2	6	3/14/22	March 2022 Weather Delays	H	JV	ND	FM	N	Y	Y	\$0.00
6	2	6	3/25/22	April 2022 Weather Delays	H	JV	ND	FM	N	Y	Y	\$0.00
8	2	6	5/25/22	May 2022 Weather Delays	H	JV	ND	FM	N	Y	Y	\$6,354.25
10	2	6	6/8/22	Insufficient Clubhouse Flow Rates	H	JV	ND	C	N	Y	Y	\$188,843.20
11	2	6	6/8/22	IFC Drawings Cost - Steel	H	JV	ND	A/E	N	Y	Y	\$80,696.00
12	2	6	6/8/22	Gutter Allowance Overage	H	JV	ND	A/E	N	Y	Y	\$61,600.00
13	3	7	6/15/22	ASI 02 & 03 Owner Change	H	GP	ND	A/E	N	Y	Y	\$245,800.15
14	4	7	6/28/22	Low Voltage Conduit Allowance Overage	H	JV	ND	A/E	N	Y	Y	\$221,623.87
3	6	10	3/14/22	General Conditions - Insufficient Domestic and Fire Flow Rates (21 Days)	H	GP	ND	A/E	N	Y	Y	\$51,060.96
4	6	10	3/14/22	General Conditions - Grading Issues at Wet Utilities (19 Days)	H	GP	ND	A/E	N	Y	Y	\$48,224.24
9	6	10	6/3/22	General Conditions - Oncor Power Line Drop Delay (20 Days)	H	JV	ND	Municipality	N	Y	Y	\$51,060.96
15	6		6/30/22	June 2022 Weather Delays	H	JV	ND	FM	N	Y	Y	\$0.00
16	5	5	7/19/22	Additional Underground Conduit	H	JV	ND	A/E	N	Y	Y	\$13,590.75
17			8/2/22	Additional Allowance for fitness equipment	H	GP	ND	Cost Escalation	N	Y		\$6,211.26
18			8/5/22	July 2022 Weather Delays	H	JV	ND	FM	N			\$0.00
19	7		8/15/22	Unit Entry Hardware Upgrade	H	JV	D	U	N			\$55,860.00
20			8/22/22	Water Tie-In Delay	H	JV	ND	C	Y			\$116,815.00
21	7		8/30/22	Code Change to 15 SEER	H	JV	ND	Municipality	N			\$141,380.96
22	7		9/13/22	Dumpster Enclosure Foundation	H	GP	ND	A/E	N			\$48,871.20
23	7		9/8/22	August 2022 Weather Delay	H	JV	ND	FM	N			\$12,708.50
24	7		9/16/22	Public Water Line	H	JV	ND	A/E	N			\$141,173.10
25	8		9/16/22	Pool Deck Finish	H	GP	ND	A/E	N			\$11,121.60
26	9		8/5/22	September 2022 Weather Delays	H	JV	ND	FM	N			\$0.00
27	10		10/4/22	Counter Depth Refrigerator	H	GP	ND	A/E	N			\$95,457.60

# SITE PLAN





\*Image taken 11/27/22



\*Image taken 11/27/22



\*Image taken 11/27/22

## CONSTRUCTION AND LEASE UP BENCHMARKS

Percentage Completion (AIA)		29.1%	
Units Completed		0	
Total Units		368	
Unit Completion %		0%	
Units Leased		0	
Percentage of Completed Units Leased		0%	
Percentage of Total Units Leased		0%	
Units Occupied		0	
Percentage of Completed Units Occupied		0%	
Percentage of Total Units Occupied		0%	
Proforma Rent (Trended 3 Yr)	\$	1.48	
Occupied Rent/SF	\$	-	
Market Rent/SF	\$	1.48	
Projected Operations Breakeven		December-23	
Original Versus Actual Benchmarks	<u>Original</u>	<u>Actual/Forecast</u>	<u>Variance</u>
Construction Schedule Start Date	December-21	December-21	-
Construction First Units Turned	January-23	May-23	(4)
Clubhouse Turn	December-22	May-23	(5)
100% Delivery of Units	November-23	March-24	(4)
Lease-up Time Frame (Months)	15	14	1
Stabilization	March-24	June-24	(3)

## DELIVERY AND LEASING SCHEDULE

Date	% Delivery Proforma	% Delivered Actual & Forecast	% Occupied Proforma	% Occ Actual & Forecast
12/1/2022	0%	0%	0%	0%
1/1/2023	13%	0%	4%	0%
2/1/2023	26%	0%	9%	0%
3/1/2023	38%	0%	15%	0%
4/1/2023	44%	0%	22%	0%
5/1/2023	57%	7%	30%	5%
6/1/2023	69%	19%	38%	15%
7/1/2023	76%	26%	46%	22%
8/1/2023	82%	38%	55%	30%
9/1/2023	88%	44%	63%	38%
10/1/2023	93%	57%	69%	46%
11/1/2023	100%	63%	74%	55%
12/1/2023	100%	76%	78%	63%
1/1/2024	100%	82%	82%	69%
2/1/2024	100%	88%	87%	74%
3/1/2024	100%	100%	94%	78%
4/1/2024	100%	100%	100%	82%
5/1/2024	100%	100%	100%	87%
6/1/2024	100%	100%	100%	94%
7/1/2024	100%	100%	100%	100%

\*Delivery and Leasing as of 12/12/22

## INCOME STATEMENT FOR VALUATION

REVENUE:		EXPENSES:		Annual	Per Unit
Market Rent	\$ 6,146,241	Mgmt Fees	\$178,852	\$486	
Other income	261,409	Payroll	494,757	1,344	
<b>Potential Gross Income</b>	<b>6,407,650</b>	Utilities	164,259	446	
		R&M, Services	366,055	995	
Vacancy	(384,459)	Marketing	79,161	215	
Concessions	-	Other	145,631	396	
Credit Loss	(61,462)	Insurance	168,217	457	
		RE Taxes (at sale)	\$0	\$0	
		Reserves	79,161	215	
<b>Effective Gross Income</b>	<b>\$ 5,961,729</b>	<b>Total Expenses</b>	<b>\$1,676,094</b>	<b>\$ 4,555</b>	
Δ from Proforma	-	Δ from Proforma	-		
		<b>NOI</b>	<b>4,285,635</b>		
		Δ from Proforma	-		

## VALUATION

Projected Sales Date	November-24		
NOI (at sale)	\$ 4,285,635	Development Yield	7.52%
Expected Cap Rate	6.00%	Value Creation	25.38%
<b>Sales Value</b>	<b>71,427,247</b>	Equity to Cost	49.68%
		Equity Type	Common
Disposition Costs	1.0% (714,272)	Sr. Debt to Value	50%
		Levered Yield	24.79%
<b>Net Sales Proceeds</b>	<b>\$ 70,712,975</b>		
Δ from Proforma	-		



## PROFORMA RETURNS AT MONTH 36

	<u>Contributions</u>		<u>Benefits</u>				<u>Returns</u>		
	<i>Total</i>	<i>Cash Flow Received</i>	<i>Cash Flow Future</i>	<i>Sales Proceeds</i>	<i>Total</i>	<i>Net Profit</i>	<i>X</i>	<i>IRR</i>	
Proforma	\$ 15,378	\$ -	\$ 1,130	\$ 25,151	\$26,281	\$10,903	1.7	23.4%	

## PROJECTED RETURNS AT MONTH 36

	<u>Contributions</u>		<u>Benefits</u>				<u>Returns</u>		
	<i>Total</i>	<i>Cash Flow Received</i>	<i>Cash Flow Future</i>	<i>Sales Proceeds</i>	<i>Total</i>	<i>Net Profit</i>	<i>X</i>	<i>IRR</i>	
Current Projected	\$ 15,980	\$ -	\$ 773	\$ 24,091	\$24,865	\$ 8,885	1.6	20.2%	

\*Numbers shown in \$000s



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