

The background image shows a wide, rolling landscape covered in bright yellow flowers, likely canola or mustard. The horizon is flat, and the sky above is filled with large, billowing clouds in shades of white, grey, and blue. A small, dark silhouette of a person stands on a hill in the distance, providing a sense of scale to the vast field.

# BCS Baytown Industrial Opportunity

March 2025

# Opportunity Overview

## Summary

- BCS owns **±46.4 acres** in Baytown, TX to develop an industrial business park consisting of **9 buildings**, **~439k total square feet**, and buildings ranging from **30k-120k square feet**
- Located in the heart of the Southeast Texas industrial corridor with I-10 frontage providing the site excellent visibility, access, and connectivity with major thoroughfares
- BCS has contracted and partnered with Urban Companies, an experienced design-build firm to execute the design, engineering, and construction of the development
- All buildings will be primarily marketed for sale but also for lease with the intent to exit on all 9 buildings within **13 months of construction completion**
- BCS was able to create significant value by **obtaining a Special Use Permit (SUP)** with City of Baytown for the industrial warehouse use. Since SUP execution, the City of Baytown has changed their zoning, **restricting future warehouse industrial product** creating significant barriers to entry for other developments
- BCS expects to start vertical start in **2Q25**, with majority equity funding targeted **April 2025**

## Acquisition Overview

Development Focus	Industrial Warehouse
Land Size (Usable)	46.4ac (40.5ac)
Purchase Price (Usable \$/sf)	\$4.55mm (\$2.25/sf)
Total Rentable Square Footage	438,960sf
Full Budget with Leasing (\$/sf Bldg.)	\$53.6mm (\$122/sf)
Vertical Construction Start	April-25
Investment Timeline	~2 years
Total Cash Equity	\$23.1mm
Leverage for Development (Only Lease, no Sale)	57% LTC (\$30.6mm)

## Return Scenarios

Items	Lease	For Sale	Upside
Cash Equity	\$23,062,715	\$23,062,715	\$23,062,715
<b>Debt</b>	<b>\$30,571,516</b>	<b>\$25,660,200</b>	<b>\$23,761,332</b>
<b>Total Sources</b>	<b>\$53,634,231</b>	<b>\$48,722,916</b>	<b>\$46,824,047</b>
<i>\$/sf</i>	\$122	\$111	\$107
<i>Project LTC %</i>	57%	53%	51%
<b>Exit NOI</b>	<b>\$4,696,416</b>	-	-
<i>Yield on Cost %</i>	8.8%	-	-
<i>Exit Cap Rate</i>	6.5%	-	-
<b>Gross Exit Price</b>	<b>\$72,252,554</b>	<b>\$67,651,800</b>	<b>\$71,034,390</b>
<i>\$/sf</i>	\$165	\$154	\$162
<b>Net Exit Proceeds</b>	<b>\$68,278,663</b>	<b>\$63,930,951</b>	<b>\$67,127,499</b>
<i>\$/sf</i>	\$156	\$146	\$153
<b>Profits</b>	<b>\$15,457,508</b>	<b>\$15,226,515</b>	<b>\$20,331,766</b>
<b>LP IRR</b>	<b>22.1%</b>	<b>23.2%</b>	<b>28.8%</b>
<b>LP MOIC</b>	<b>1.43x</b>	<b>1.41x</b>	<b>1.52x</b>
<b>Gross IRR</b>	<b>30.5%</b>	<b>32.6%</b>	<b>42.7%</b>
<b>Gross MOIC</b>	<b>1.62x</b>	<b>1.61x</b>	<b>1.83x</b>

- BCS expects to sell finished buildings to end users who will pay a premium to own their own real estate instead of leasing, **reducing capital required (no leasing costs)**
- Lenders require underwriting to be based on leasing scenario and equity funded upfront. If properties are sold, full loan commitment will not be used
- Upside scenario includes all buildings sold to end users, 5% increase in expected sale price, and 5% decrease in construction cost

# Baytown's Need for Additional Small SF Industrial Product

## Supply and Demand Mismatch of This size SF development

- Vacancy rate of 2.7% for majority of our product type (<50,000 SF)
- Strong demand of ~80 organic reach outs by users prior to construction start (see appendix)
- Limited supply in immediate area with zoning challenges
- Tenant use types include construction, heavy distribution, E-commerce distribution, Furniture and home products, manufacturing

## Strategic Location with Port of Houston

- Port of Houston is ranked 1<sup>st</sup> within US ports for waterborne tonnage, with BCS site having multiple highway access routes (I-10, Hwy 330, Hwy 146, and Hwy 99)
- Multiple inbound users have expressed interest on our development due to the proximity and access to the Port

## Petrochem Activity and Expansion

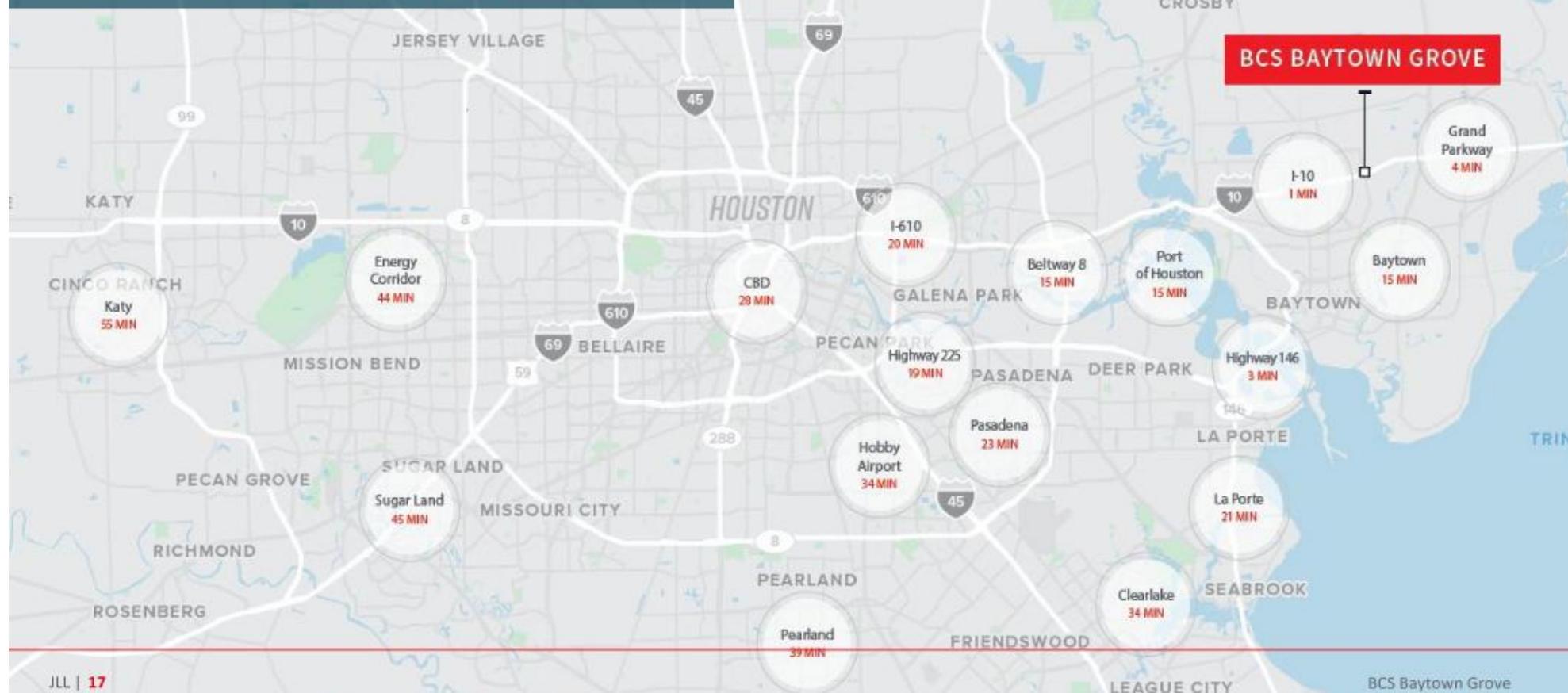
- Significant expansion and continued growth within the large Mont Belvieu, Chevron Phillips, and Exxon complexes that require service and supply needs (users for BCS development)
- Chevron Phillips located just across I-10 and is company's largest US manufacturing facility
- Mont Belvieu fractionation capacity has increased 35% increase since January 2023 and doubled since 2018, located east along I-10
- Exxon is consistently expanding Baytown refining and manufacturing of multiple product lines with multi-billion dollar projects

## Regional Population Growth, Labor Availability, Adjacent Development

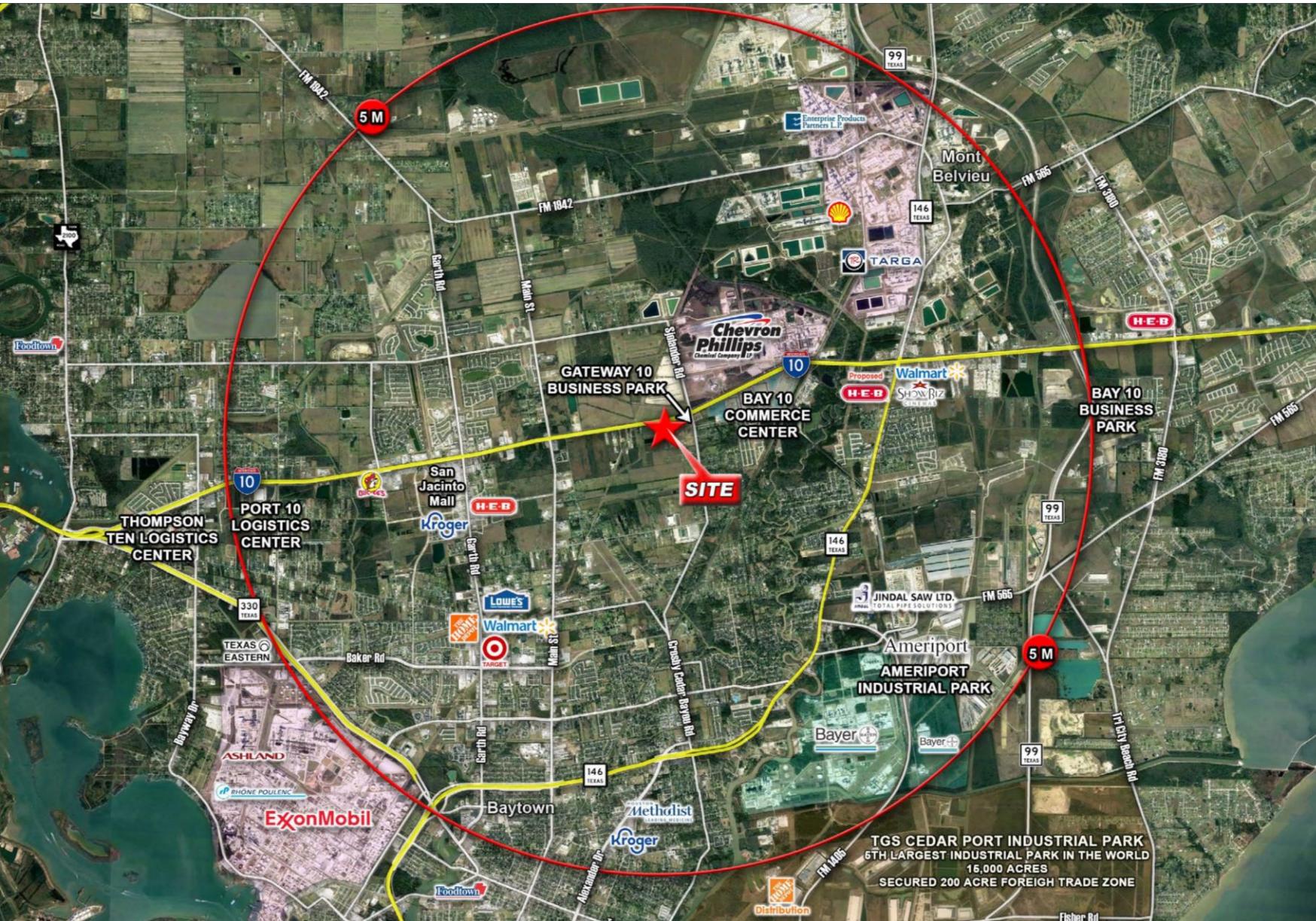
- Population and adjacent development growth requires construction and services needs that users in BCS's development will fill
- Large retail development is under construction (i.e. Fidelis San Jacinto Marketplace) bringing complimentary retail needs / wants for businesses and employees and creating construction and service needs

# Regional Overview

- ✓ BCS Baytown Grove is located with exceptional proximity to the Port of Houston.
- ✓ Frontage along I-10 offers easy access to The Grand Parkway, Beltway 8, I-610, Highway 225, & Highway 146.
- ✓ The Southeast submarket is located in the midst of the petrochemical hub of the United States.



# Regional Overview

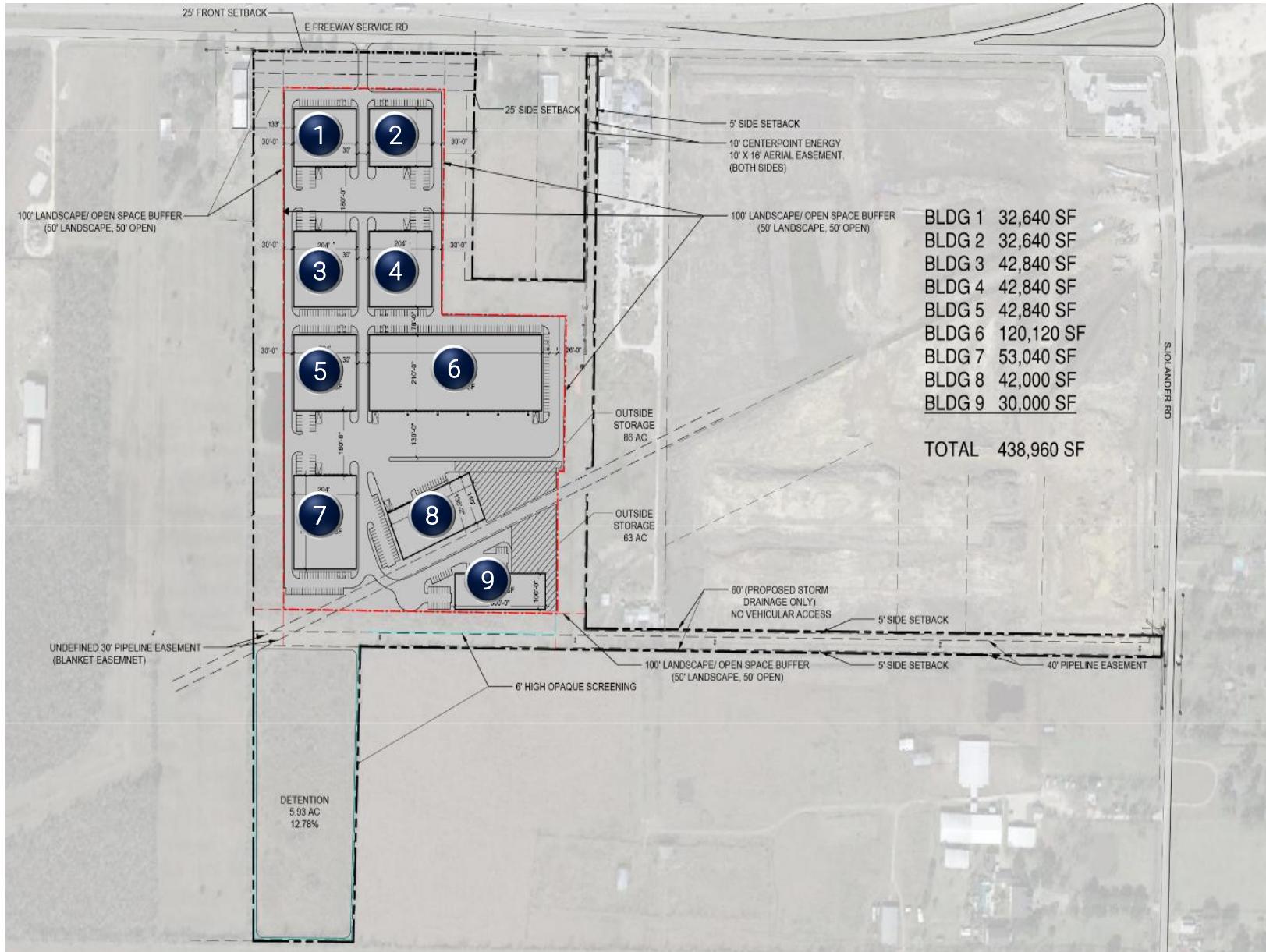


# Property Renderings

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# Site Plan – 438,960SF of Class-A Industrial Single-Tenant Buildings



# Baytown Grove Building Characteristics

## Building 1:

- ±32,640 SF
- Office to suit
- Dock high loading
- Concrete tiltwall construction
- 28' clear height
- 3 phase, 480 volt, 400 amp power
- ESFR sprinkler system

## Building 2:

- ±32,640 SF
- Office to suit
- Dock high loading
- Concrete tiltwall construction
- 28' clear height
- 3 phase, 480 volt, 400 amp power
- ESFR sprinkler system

## Building 3:

- ±42,840 SF
- Office to suit
- Dock high loading
- Concrete tiltwall construction
- 28' clear height
- 3 phase, 480 volt, 400 amp power
- ESFR sprinkler system

## Building 4:

- ±42,840 SF
- Office to suit
- Dock high loading
- Concrete tiltwall construction
- 28' clear height
- 3 phase, 480 volt, 400 amp power
- ESFR sprinkler system

## Building 5:

- ±42,840 SF
- Office to suit
- Dock high loading
- Concrete tiltwall construction
- 28' clear height
- 3 phase, 480 volt, 400 amp power
- ESFR sprinkler system

## Building 6:

- ±120,120 SF
- Office to suit
- Dock high loading
- Concrete tiltwall construction
- 32' clear height
- 3 phase, 480 volt, 800 amp power
- ESFR sprinkler system

## Building 7:

- ±53,040 SF
- Office to suit
- Dock high loading
- Concrete tiltwall construction
- 28' clear height
- 3 phase, 480 volt, 400 amp power
- ESFR sprinkler system

## Building 8:

- ±42,000 SF
- Office to suit
- Grade level loading
- Concrete tiltwall construction
- 28' clear height
- 3 phase, 480 volt, 600 amp power
- ESFR sprinkler system
- 20-ton crane ready

## Building 9:

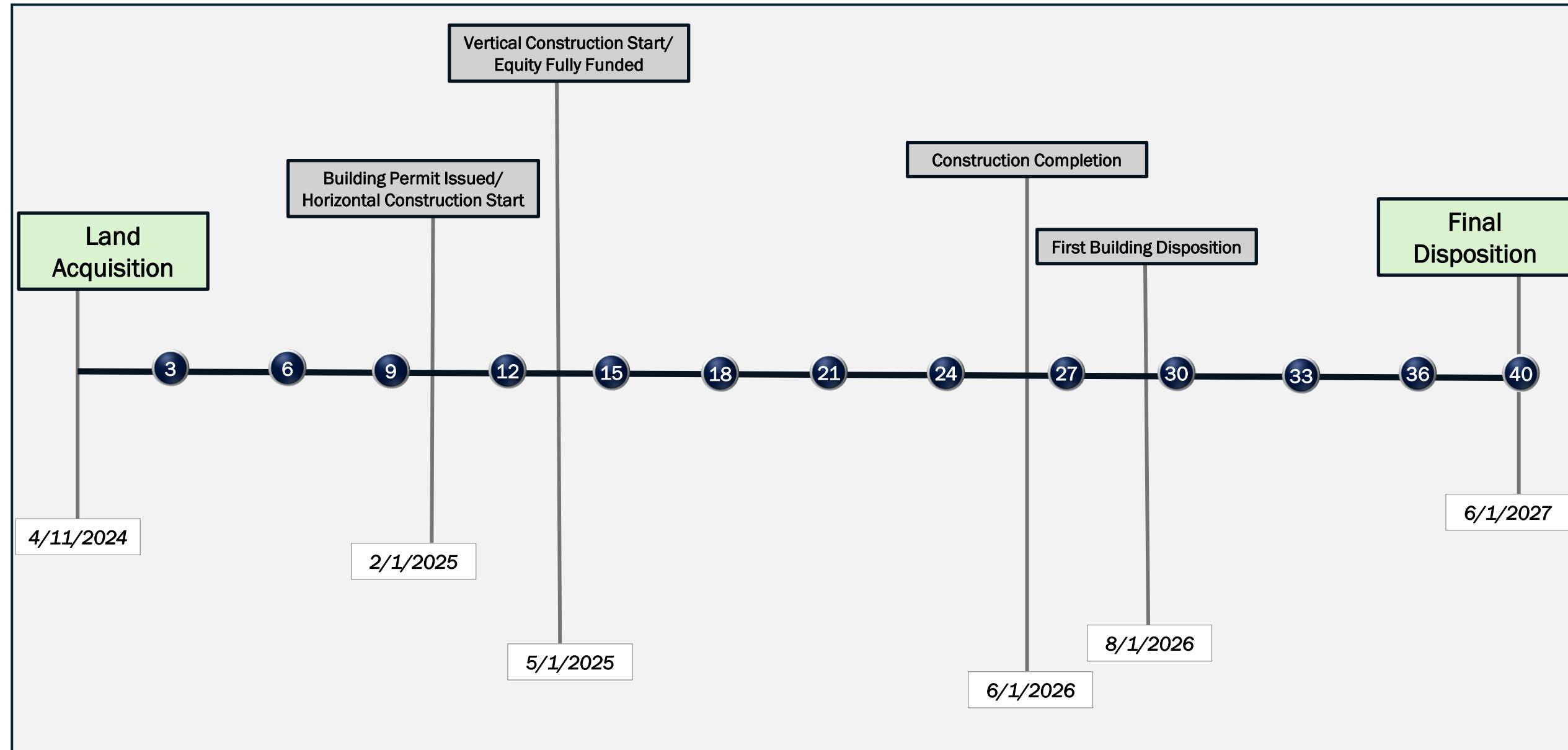
- ±30,000 SF
- Office to suit
- Grade level Loading
- Concrete tiltwall construction
- 28' clear height
- 3 phase, 480 volt, 600 amp power
- ESFR sprinkler system
- 20-ton crane ready

# Structure and Financial Overview

Partnership Structure			Sources and Uses (Including Leasing)		
			Sources Summary		
			Total Budget	\$/sf	
Promote Structure	Up to 8% return = 100% to LP / 0% to GP Up to 14% return = 70% to LP / 30% to GP Up to 18% return = 60% to LP / 40% to GP Above 18% return = 50% to LP / 50% to GP		Equity - Cash	\$23,062,715	\$53
Origination Fee	3% of Purchase Price (\$138k)		Debt	\$30,571,506	\$70
Management Fee	None		<b>Total Sources</b>	<b>\$53,634,221</b>	<b>\$122</b>
Development Fee	4.0% of Construction Costs		<i>Cash Equity %</i>	43%	-
			<i>Loan to Cost %</i>	57%	-
			<b>Total Source %</b>	<b>100%</b>	-
			<i>Implied LTV %</i>	49%	-
			Uses Summary		
Debt Terms			Cost Item	Total Budget	\$/sf
LTC	57%	57%	Purchase Price	\$4,547,047	\$10
Rate	7.50%*	7.56%	Other Acquisition Costs	\$237,803	\$1
Amortization	-	30 years	Legal	\$151,133	\$0
Interest Only Period	18 months	24 months	Financing Costs	\$916,374	\$2
Term	18 mo. (Oct 2025)	5 years	Construction (Soft Costs)	\$3,535,350	\$8
			Construction (Hard Costs)	\$33,700,984	\$77
			Construction Contingency	\$1,685,049	\$4
			Development Fee	\$1,489,453	\$3
			Interest Reserve	\$1,847,561	\$4
			Leasing	\$4,441,851	\$10
			Taxes and Insurance	\$1,081,615	\$2
			<b>Total Uses</b>	<b>\$53,634,221</b>	<b>\$122</b>

\*Rate increases to 8.50% with any increase to the Federal Fund Rate after April 2025

# Expected Project Timeline



# Leasing Summary

Phase	Tenants	Size (Sq Ft)	Acres	Monthly	Annual	NNN RENT	OpEx	Gross Rent	Rent Bump %	Bump Year	Leas	TI PSF	TI Total	Leasing Commissions	Lease Cap Rate	Leased Exit Value	Value PSF
				PSF	PSF						e Term						
Phase I	Bldg 1	32,640	1.85	\$1.05	\$12.60	\$411,264	\$4.20	\$548,352	3%	1	5	\$5.00	\$163,200	\$188,405	6.5%	\$6,327,138	\$165psf
Phase I	Bldg 2	32,640	1.87	\$1.05	\$12.60	\$411,264	\$4.20	\$548,352	3%	1	5	\$5.00	\$163,200	\$188,405	6.5%	\$6,327,138	\$165psf
Phase I	Bldg 3	42,840	2.04	\$0.95	\$11.40	\$488,376	\$4.20	\$668,304	3%	1	5	\$5.00	\$214,200	\$229,618	6.5%	\$7,513,477	\$160psf
Phase I	Bldg 4	42,840	2.06	\$0.95	\$11.40	\$488,376	\$4.20	\$668,304	3%	1	5	\$5.00	\$214,200	\$229,618	6.5%	\$7,513,477	\$160psf
Phase I	Bldg 5	42,840	2.04	\$0.85	\$10.20	\$436,968	\$4.20	\$616,896	3%	1	5	\$5.00	\$214,200	\$211,955	6.5%	\$6,722,585	\$160psf
Phase I	Bldg 6	120,120	6.00	\$0.65	\$7.80	\$936,936	\$4.20	\$1,441,440	3%	1	5	\$5.00	\$600,600	\$495,255	6.5%	\$14,414,400	\$135psf
Phase I	Bldg 7	53,040	2.95	\$0.90	\$10.80	\$572,832	\$4.20	\$795,600	3%	1	5	\$5.00	\$265,200	\$273,355	6.5%	\$8,812,800	\$155psf
Phase I	Bldg 8	42,000	3.59	\$1.10	\$13.20	\$554,400	\$4.20	\$730,800	3%	1	5	\$5.00	\$210,000	\$251,091	6.5%	\$8,529,231	\$165psf
Phase I	Bldg 9	30,000	2.54	\$1.10	\$13.20	\$396,000	\$4.20	\$522,000	3%	1	5	\$5.00	\$150,000	\$179,351	6.5%	\$6,092,308	\$165psf
-	POA Land/Detention	-	21.46	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		<b>438,960</b>	<b>46.39</b>	<b>\$0.89</b>	<b>\$10.70</b>	<b>\$4,696,416</b>		<b>\$6,540,048</b>					<b>-\$2,194,800</b>	<b>\$2,247,051</b>		<b>\$72,252,554</b>	<b>\$165</b>

- Buildings will predominately be sold to end users who want to purchase and hold but BCS will maintain flexibility depending on market conditions with leasing options provided to users
- Leasing the entire project raises basis an additional ~\$4.41mm but also generates \$5.1mm in additional exit value**
  - Leasing cost include:
    - Leasing commissions based on Rent + NNN's (gross rent) at 6%
    - Average lease term of 5-years
    - \$5.00/sf in tenant improvement allowances for each building

Annual Rent	\$4,696,416
NNN Reimbursements	\$1,843,632
Operating Expenses	(\$1,843,632)
Debt Service (Full Amort)	(\$2,725,383)

**Cash Flow** **\$1,971,033**

DSCR (Amort)	1.72x
DSCR (IO)	2.03x
Project Yield on Cost %	8.76%
Exit Cap	6.50%
Spread	2.26%

# For Sale Exit Assumptions and Scenario Analysis

## Assumptions

### Key Variables

#### Construction Cost:

Design-Build construction contract include Guaranteed Maximum Price to help mitigate construction cost risk, along with cost savings being split 70% BCS / 30% to Design-Build partner

#### Sale Pricing:

Due to lack of supply in the submarket today, and further barriers to entry, upside in exit pricing is anticipated (*underwriting a conservative and achievable exit*)

For Sale Underwriting				
Tenants	Size (Sq Ft)	Value (\$/sf)	Value	Exit Month*
Bldg 1	32,640	\$165 sf	\$5.4mm	17
Bldg 2	32,640	\$165 sf	\$5.4mm	19
Bldg 3	42,840	\$160 sf	\$6.9mm	21
Bldg 4	42,840	\$160 sf	\$6.9mm	23
Bldg 5	42,840	\$160 sf	\$6.9mm	25
Bldg 6	120,120	\$135 sf	\$16.2mm	27
Bldg 7	53,040	\$155 sf	\$8.2mm	22
Bldg 8	42,000	\$165 sf	\$6.9mm	18
Bldg 9	30,000	\$165 sf	\$5.0mm	20
<b>Total</b>	<b>438,960 SF</b>	<b>\$154 sf</b>	<b>\$67.7mm</b>	-

**Cost of Sale** (\$3.72)

**Total Proceeds** \$146 \$63.9mm

\*Exit month is from Construction Start

## For Sale Scenarios

	Base Case				
<b>Construction Pricing*</b>	<b>5.00%</b>	<b>2.50%</b>	-	(2.50%)	(5.00%)
Total (\$mm)	\$37.25	\$36.29	\$35.39	\$34.52	\$33.70
Total (\$/SF)	\$85 sf	\$83 sf	\$81 sf	\$79 sf	\$77 sf
Change from Base Case	\$1.86mm	\$0.91mm	-	(\$0.86mm)	(\$1.69mm)
<b>Gross Sale Price</b>	<b>(5.00%)</b>	<b>(2.50%)</b>	-	<b>2.50%</b>	<b>5.00%</b>
Total (\$mm)	\$64.27	\$65.96	\$67.65	\$69.34	\$71.03
Total (\$/SF)	\$146 sf	\$150 sf	\$154 sf	\$158 sf	\$162 sf
Change from Base Case	(\$3.38mm)	(\$1.69mm)	-	\$1.69mm	\$3.38mm
<b>LP IRR</b>	<b>17.3%</b>	<b>20.3%</b>	<b>23.2%</b>	<b>26.1%</b>	<b>28.8%</b>
<b>LP MOIC</b>	<b>1.30x</b>	<b>1.36x</b>	<b>1.41x</b>	<b>1.47x</b>	<b>1.52x</b>

\*This includes only construction associated costs

# Design Build Partner Overview – Urban Companies

**BCS has chosen Urban Companies as Design-Build partner,  
with Urban principals investing directly in the development**

## Corporate Management And Philosophy

- The Principals of Urban Construction Southwest Inc. have a diversified background including projects in all phases of design and commercial construction, including light industrial, manufacturing, distribution, retail, schools, civil, hospital, freezer facilities, and institutional projects.
- Urban offers a “hands-on-approach” to construction for owners which produces quality buildings meeting the owner’s needs in an exceptionally timely method at competitive pricing as attested by their large percentage of repeat clients such as Brookfield, National Oilwell Varco (NOV), Lyondell, and more.

## Project Organization

- From project conception, Urban’s Principals, Architect, Project Managers, Superintendents, and Consultants use a team approach in working with the owner to develop a functional, economical, and aesthetic design which will meet not only the owner’s needs but the budgetary requirements. Urban’s management team and subcontractors produce quality buildings in a timely fashion by micro-managing, scheduling, and procuring all elements of the project, and continually deliver consistent results to the owner.

## Project Controls

- On each project, Urban includes monitoring for compliance to project standards, guidelines, and procedures throughout construction. Control measures could include:
  - Planning & Scheduling
  - Cost Control
  - Subcontract Administration
  - Construction Controls
  - Quality Assurance/Quality Control
  - Project Status Reporting





# Market Overview

BCS.



# High Demand with Limited Supply

- Vacancy rate of 2.7% for buildings less than 50k SF in broader East Houston area
- Zero competing buildings in submarket with 30,000 – 50,000 SF
- Only one building that is close to comparable of 25k SF with owner that will only lease asking \$1.15/sf/mo (which is 5-30% higher than our underwriting), and recently leased adjacent building for \$1.32/sf/mo in Nov 2024 (20-50% higher than our underwriting)

## Examples of Users Reaching Out:

- SRS Distribution – Roofing materials and building supplies (purchased by Home Depot for \$18bn in 2024)
- US Banyan – E-commerce distribution with locations in LA, New York, Vancouver, Sydney, Paris, Milan, and more
- Tecnofil – Fabrication of copper wires, bars, profiles and strips
- American Furniture Warehouse – furniture retailer and distributor

ASSET CLASSIFICATION	LEASING STATISTICS			CURRENT AVAILABILITY
	INVENTORY	AVAILABLE SF		
Flex	301,955	65,371		21.6%
Distribution – Small [0 - 50,000 SF]	2,696,889	72,500		2.7%
Distribution – Medium [50,001 - 150,000 SF]	10,565,930	596,735		5.6%
Distribution – Large [150,001 - 300,000 SF]	10,056,323	1,020,623		10.1%
Distribution – Bulk [300,001 - 500,000 SF]	4,276,867	269,091		6.3%
Distribution – Super Bulk [>500,000 SF]	6,246,979	1,026,270		16.4%
Overall Investment Grade Inventory	34,144,943	3,050,590		8.9%

# Comparable Building and Land Sales

## I-10 East Market Takeaways

- **Land:** Below market land basis compared to Industrial tracts in same market (\$4.50-8.50/SF)
- **Sale Price:** Lack of existing supply of for sale product in the 25k-100k SF range
  - Essentially no <50k SF product marketed for sale in this area. We anticipate \$155-170psf sale price with lack of future supply
- **Permitting Moat:** Development of warehouse has since been removed as a permitted use for General Commercial (GC) by city of Baytown creating a significant barrier to entry for competing assets

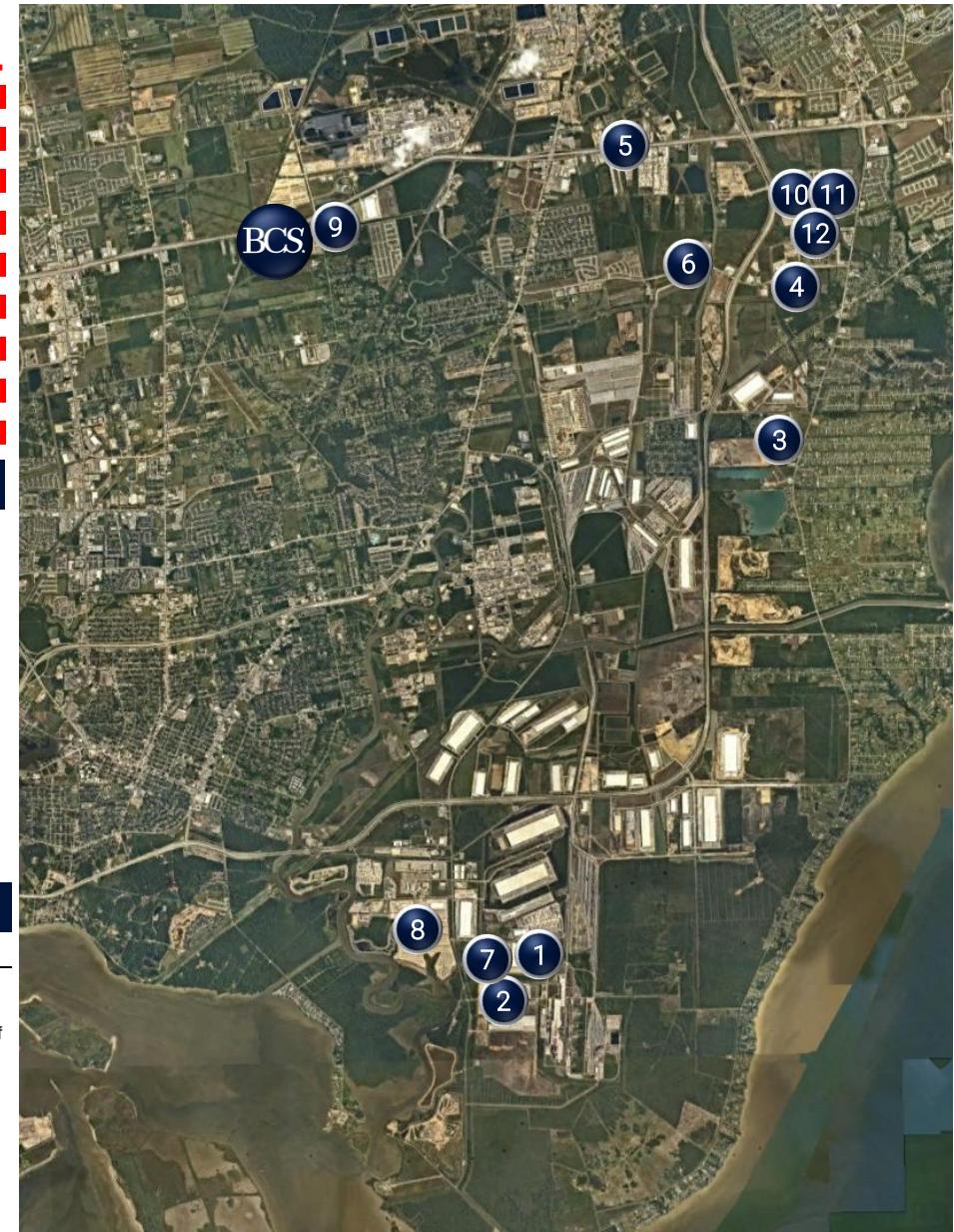
## Land Sale Comps

	Address	Buyer	Acreage	\$/SF	Close Date	Notes
1	483.3 Borusan Rd	Principal	±63	\$5.25/SF	5/1/2022	
2	Fm 1405 & E McKinney Rd	User	± 47	\$6.75/SF	6/1/2022	Rail-Served
3	5757 FM 3180 Rd	Lovett	± 32	\$4.50/SF	9/1/2022	
4	Kilgore Pkwy - East of 99	Carson	± 75	\$5.75/SF	8/1/2022	
5	11249 I-10 E	Brookfield	± 26	\$7.88/SF	10/22/2023	I-10 Frontage
6	Kilgore Pkwy	Hillwood	± 103	\$5.00/SF	UC-Q1 2024	± 1MM SF Cross-Dock - 200-250 SF Front Load
7	TGS Cedar Port - Site 7B-3 & 7	Tinci	± 95	\$7.05/SF	6/23/2023	Not Rail-Served
8	E. McKinney Rd	-	± 46	\$6.95/SF	Asking	Asking Price
9	7500 Gatway		± 3	\$8.50/SF	Asking	Neighboring Property

## Building Sale Comps

Project/Address	Total SF	Acreage	Clear Height	Sale Price	\$/SF	Sale Date	Buyer	Notes
10 8211 Parkside Ave	20,000	3.35	32'	\$2,860,000	\$143	4/8/2023	Precision Hose	Shell Price
11 8121 Parkside Ave	25,000	3.20	28'	\$3,750,000	\$150	6/1/2024		Leased for \$1.32/sf after purchase
12 8231 Parkside Ave	25,000	3.70	28'	\$3,750,000	\$150	6/1/2024		Purchased and offered for lease \$1.15/sf

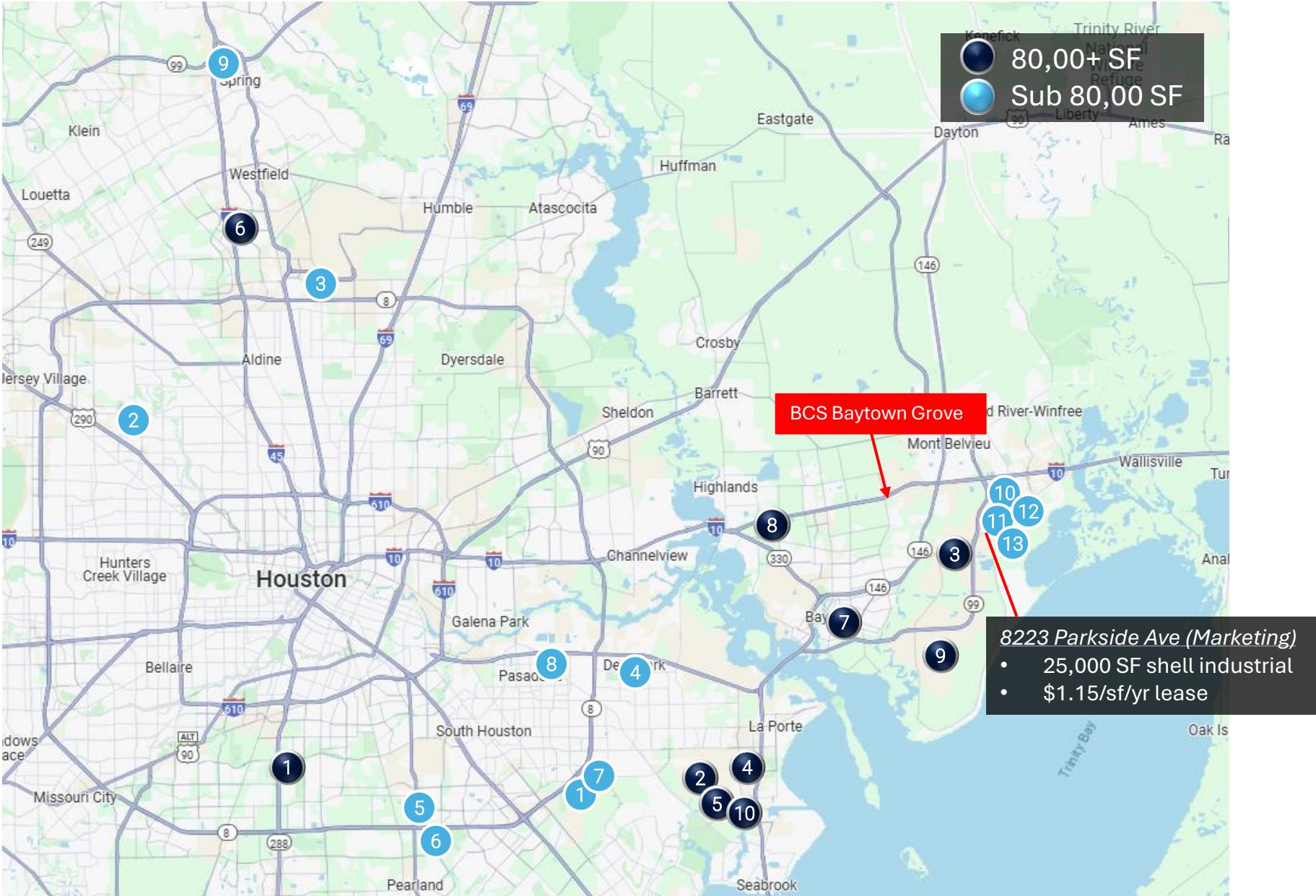
Very light supply for high demand product. Two buildings recently sold to investor for estimated \$150/sf, one has been leased for \$1.32/sf (20-50% above our underwriting), the remaining marketing for lease at \$1.15/sf/mo (5-30% higher rent than underwriting)



# Comparable Lease Rates

#	Tenant	Address	Submarket	Sign Date	Exp. Date	NRA Leased	NNN Rent PSF	Term	Bumps	Free	TI PSF
<b>Tenants 80,000+ SF</b>											
1	Texas Children's Hospital	2920 Airport Blvd, Houston, TX 77051	South	Jun-24	Feb-37	106,971	\$8.52	148mos	3.75%	4mos	\$15.00
2	Custome Goods	10611 Red Bluff Rd, Pasadena, TX 77057	Southeast	Sep-23	Dec-28	80,080	\$7.92	60mos	4.00%	0mos	\$6.50
3	Access World	5515 Ameriport Pkwy, Baytown, TX 77523	Southeast	Nov-23	Jul-28	102,122	\$7.92	60mos	3.50%	0mos	\$1.00
4	Sunbelt Supply	1912 S 16th St, La Porte, TX 77571	Southeast	Feb-24	Nov-29	104,818	\$7.92	60mos	3.75%	0mos	\$1.00
5	Starwood Global	10611 Red Bluff Rd, Pasadena, TX 77057	Southeast	Jul-23	Nov-28	80,080	\$7.68	63mos	4.00%	3mos	\$2.50
6	Power Electronics, Inc.	431 E Airtex Dr, Houston, TX 77073	North	Aug-23	Mar-27	89,896	\$7.68	36mos	4.00%	0mos	–
7	Deugro (USA), Inc.	600 S Main Street, Baytown, TX 77520	Southeast	Sep-23	NA	90,000	\$6.72	NA	NA	NA	NA
8	Maplewood Industrial	2300 I-10 East, Bayton, TX 77521	Southeast	Dec-24	Mar-30	88,732	\$7.62	62mos	3.75%	2mos	\$7.00
9	Borusan Pipe	4908 Bousan Rd, Baytown TX 77523	Southeast	Dec-24	Mar-30	122,963	\$7.32	63mos	4.00%	3mos	\$5.25
10	Industrial Storage	9401 Bay Area Blvd, Pasadena, TX 77507	Southeast	Jun-24	Sep-32	120,120	\$7.56	98mos	3.75%	2mos	\$0.50
<b>WTD AVG</b>						<b>98,578</b>	<b>\$7.69</b>	<b>72mos</b>	<b>3.83%</b>	<b>2mos</b>	
<b>BCS - 120,120 SF</b>				<b>Southeast</b>		<b>120,120 SF</b>	<b>\$7.80</b>	<b>90mos</b>	<b>3.00%</b>	<b>–</b>	<b>\$5.00</b>
<b>Tenants Under 80,000 SF</b>											
1	Spike Electric Controls LLC	5391 Bay Oaks Dr, Pasadena, TX 77505	Southeast	Apr-24	Sep-31	27,115	\$15.24	88mos	3.75%	4mos	\$19.22
2	National Service Alliance	6410 Langfield Rd, Houston, TX 77040	Northwest	Mar-24	Mar-26	37,363	\$15.00	24mos	4.00%	0mos	–
3	Zoomlion Heavy Industry NA Inc	2442 Greens Rd, Houston, TX 77032	North	May-24	Aug-31	39,428	\$13.80	87mos	3.50%	3mos	\$2.50
4	Trillium Flow Technologies	920 Seaco Ave, Deer Park, TX 77536	Southeast	Jan-24	Jan-31	42,000	\$12.78	84mos	3.00%	0mos	–
5	SRS Distribution	11217 Telephone Rd, Houston, TX 77075	South	May-24	Sep-31	44,045	\$12.60	87mos	3.75%	4mos	\$31.25
6	Heritage Pool Supply Group	11217 Telephone Rd, Houston, TX 77075	South	May-24	Nov-31	32,992	\$12.60	88mos	4.00%	4mos	\$31.25
7	Texas Wellhead And Valve Solutions	5349 Bay Oaks Dr, Pasadena, TX 77505	Southeast	Sep-23	Jul-29	30,115	\$12.12	61mos	3.25%	1mos	\$3.00
8	Warehouse Services No 4 LLC	2818 Pasadena Frwy, Pasadena, TX 77506	Southeast	Feb-24	Aug-24	42,000	\$11.40	6mos	3.00%	0mos	–
9	Bruce Mechanical	I-45 N & Grand Pkwy, Spring, TX 77373	North	Jan-24	Mar-31	29,620	\$11.04	84mos	4.00%	0mos	\$30.00
10	White Cap	12522 Upland Way	Southeast	Sep-23	Dec-31	25,000	\$14.16	87mos	3.00%	0mos	–
11	PODS	8109 Parkside Avenue	Southeast	Aug-22	Nov-32	41,425	\$10.32	123mos	2.75%	0mos	–
12	TXLA Systems	8121 Parkside Ave Bld 4	Southeast	Nov-24	Apr-30	25,000	\$15.84	63mos	3.50%	3mos	–
13	Equipment Share (6.13 acre laydown yard)	12825 Upland Way, Baytown, TX	Southeast	Dec-23	Dec-37	20,042	\$14.71	168mos	1.50%	0mos	–
<b>WTD AVG</b>						<b>33,550</b>	<b>\$13.20</b>	<b>81mos</b>	<b>2.75%</b>	<b>1mos</b>	
<b>BCS - 32,640 SF - 53,040 SF (Average)</b>				<b>Southeast</b>		<b>32,640 - 53,040 SF</b>	<b>\$11.79</b>	<b>90mos</b>	<b>3.00%</b>	<b>–</b>	<b>\$5.00</b>

# Comparable Lease Map



# Baytown Industrial Development

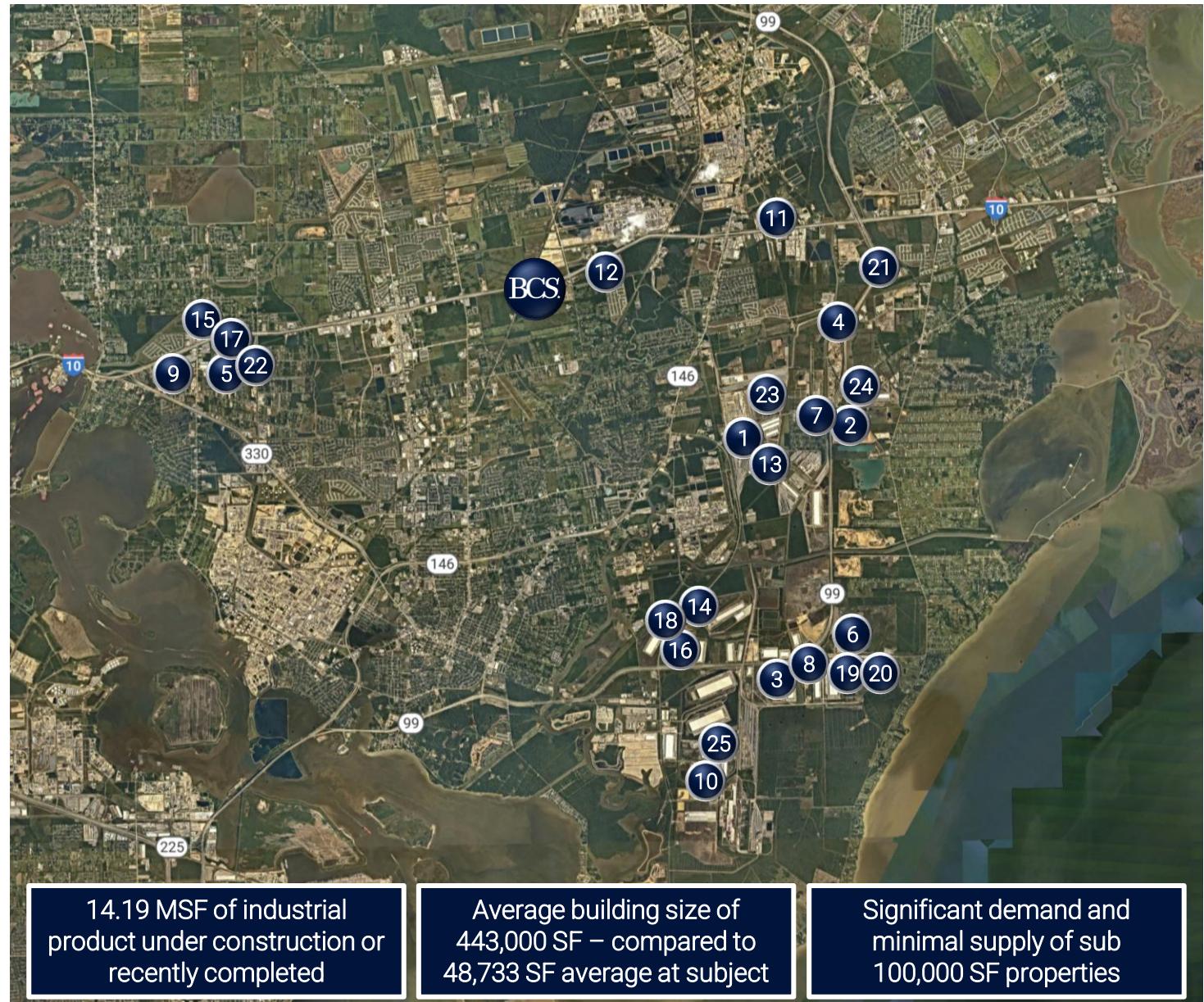
- The overwhelming majority of product in the corridor has catered to **100k-1mm SF operators**
- Based on market feedback there is a need for smaller for sale industrial buildings mid-sized businesses

## Under Construction / Capitalized

Sponsor	Building Name	SF
1 NPH	Ameriport - Palmer BTS	616,700
2 Provident	Port 99 logistics	1,283,450
3 Capital Development Partners	Cedar Port logistics (Bldg. 2)	800,405
4 Avera/AEW	Kilgore Grand Parkway	484,424
5 Pontikes/McNair	Port 10 logistics Center (Bldgs. 3 & 5)	631,008
6 TGS	TGS Cedar Port Distribution Center IV	1,218,956
7 Adkisson Group	2540 FM 565 Rd	205,920
8 TGS	TGS Cedar Port Distribution Center III	150,000
9 Triten	Thompson Road Distribution Center	130,775
<b>Total</b>		<b>5,521,638</b>

## Notable Recent Completions

Sponsor	Building Name	SF
10 Stream/Principal	Portside logistics Center	1,018,679
11 Brookfield	I-10 East Commerce Center	609,000
12 Archway/Nuveen	Baytown 10 Commerce Center	503,775
13 NPH	Ameriport Quantix (BTS)	1,000,800
14 TGS	Article Furniture (BTS)	511,000
15 IDV/Alto	7300 Thompson Road	277,374
16 TGS	TGS Cedar Port Distribution Center II	496,421
17 Pontikes/McNair	Port 10 FedEx (BTS)	337,133
18 TGS	TGS Cedar Port Distribution Center I	1,208,019
19 Clay Development (Sold to user)	Cedar Port Phase III (Bldg. 5)	405,601
20 Realty link/BGO	Cedar Port Cold Storage	277,000
21 Adkisson Group	Bay 10 Business Park	135,780
22 Pontikes/McNair	Port 10 logistics Center (Bldg. 8)	102,814
<b>Total</b>		<b>6,883,396</b>

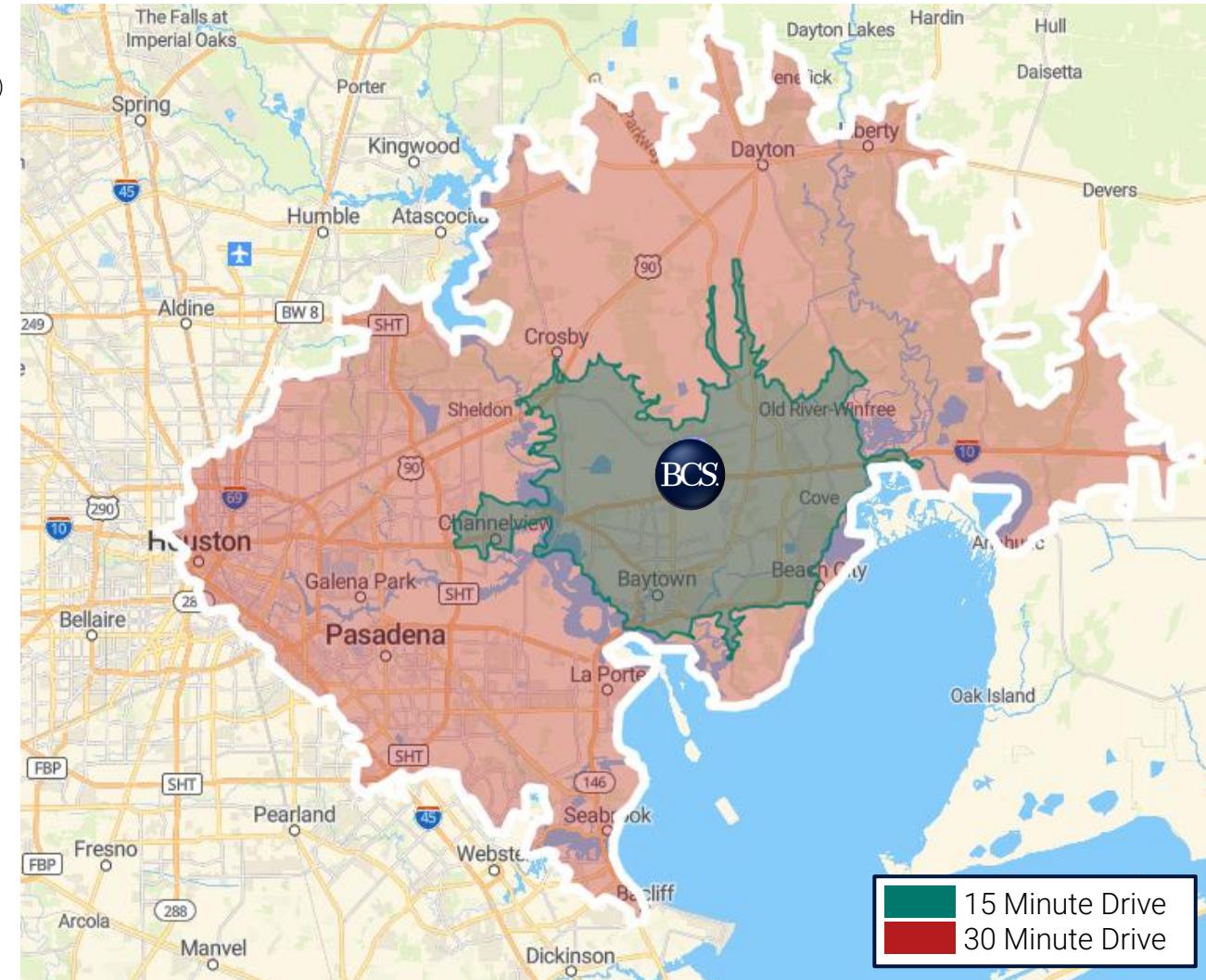
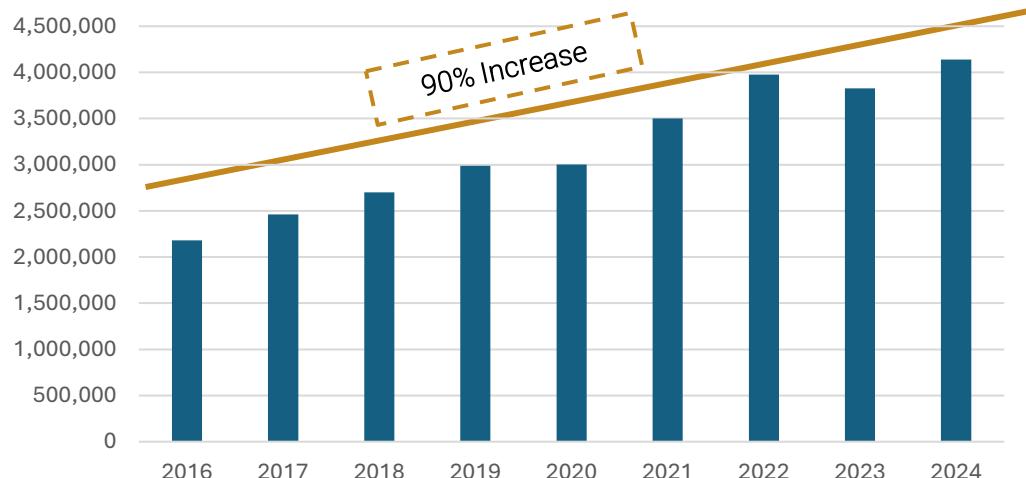


# Premier Port of Houston Location

- 1<sup>st</sup> ranked U.S. port in total foreign and domestic waterborne tonnage and 5<sup>th</sup> largest container port in the USA by total TEU's<sup>(1)</sup>
  - Creates nearly 20% of Texas GDP<sup>(2)</sup>
  - Supports 1.54mm jobs in Texas and 3.37mm jobs nationwide<sup>(2)</sup>
  - Generates \$439bn in statewide economic value and \$906bn in nationwide economic value<sup>(2)</sup>
- The location offers tenants and users easy access to Highway 146 via I-10 enabling connectivity to the Houston Ship Channel and both container terminals
- Project 11: aims to widen the channel by 170 feet to accommodate larger vessels
- In 2024, Port Houston's container traffic reached an all-time high of 4,139,991 TEU's, marking an 8% increase from the previous year.

Container volume reached nearly 4,139,991 TEUs in 2024 which is approximately double the volume of 2016

Port of Houston Container Traffic - TEUs



Sources:

(1) <https://porthouston.com/wp-content/uploads/2024/03/Container-Volume-TEU-stats-in-depth-February-2024.pdf>

(2) <https://porthouston.com/about/our-port/statistics/>

# Petrochem Activity and Expansion

The Baytown area has significant petrochemical activity that is continuing to expand, requiring greater service, construction, and supply needs which is a demand driver for BCS's development

## Chevron Phillips:

- Cedar Bayou Plant is the company's largest US manufacturing facility covering 2,100 acres
- Employs 800 workers and 1,200 contractors

## Mont Belvieu Natural Gas Liquids Complex:

- Total fractionation capacity of 4.4 million BPD with a 35% increase since 2023 and doubled since 2018
- ONEOK completed 6<sup>th</sup> frac in 4Q24 and in process of increasing NGL pipeline system capacity , Enterprise completed 12<sup>th</sup> frac in 2023, Energy Transfer completed 8<sup>th</sup> frac in 2023

## Exxon:

- Employs over 15,000 with continued expansion of multiple service and product types
- Completed \$2bn chemical production expansion in 2023, introducing two polymer and olefin production lines (3,500 construction jobs and 200 permeant jobs)
- Announced FID for multibillion dollar blue hydrogen plant to start construction
- Consolidated R&D labs from California to Baytown in 2025



# Population & Retail Growth

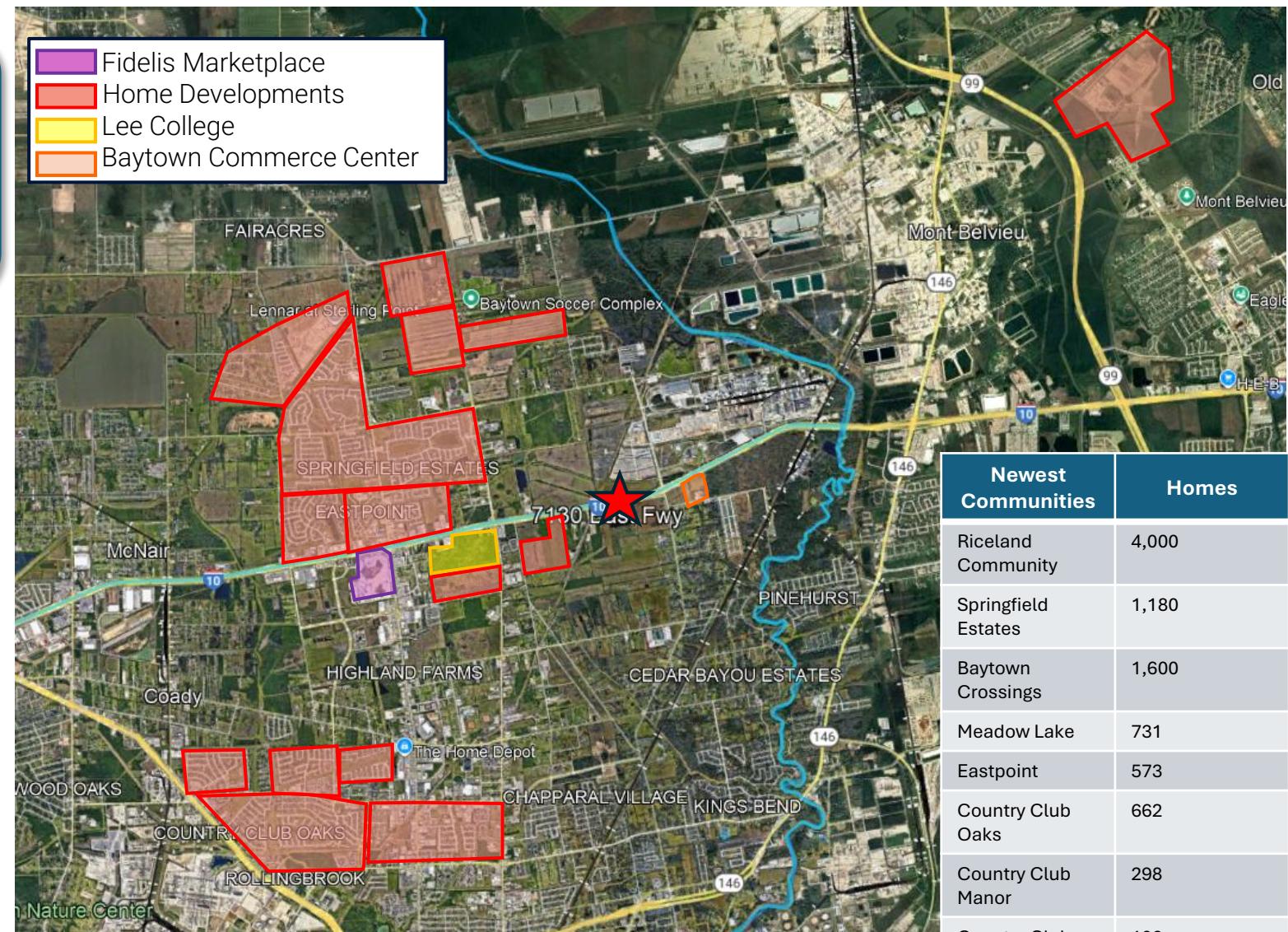
Continued population growth supported by home and retail developments.  
Adjacent development creates demand for BCS development for construction and supply needs

## New Home Developments:

- Over 9,590 homes being developed to support the population growth
- Baytown residential growth is primarily on west side of town with large job growth to the east and south-east

## Retail Fidelis San Jacinto Marketplace:

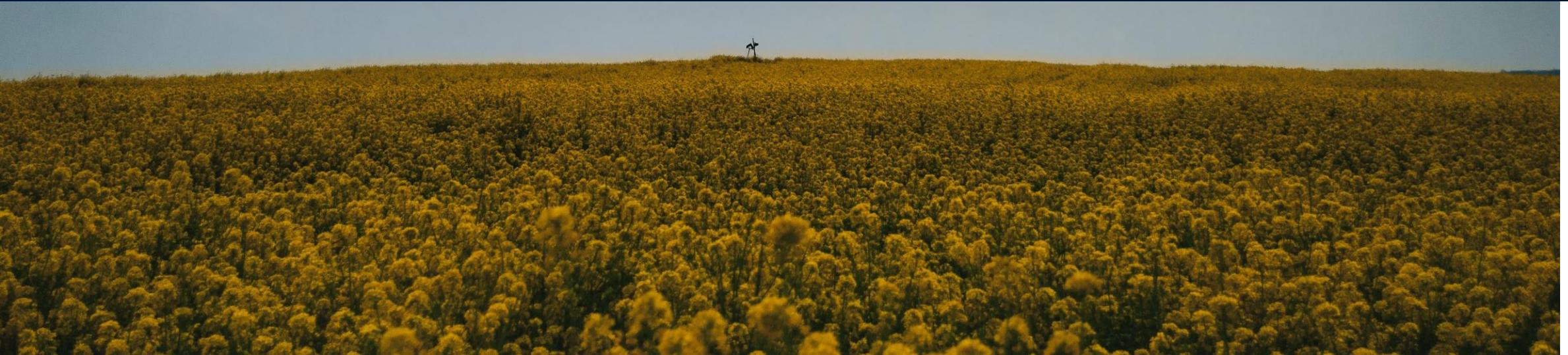
- **105-acre** redevelopment of retail to support demand
- Includes **550,000 sqft** of retail and restaurant space, one or two three-story apartment complexes, a hotel, office buildings, and "Pelican Green" - an open space designed for community gatherings





# BCS Overview

BCS.



# BCS Overview

BCS is a vertically integrated real estate development and investment firm.

## Commercial Development

Multi-tenant and single tenant development with primary focus on net lease retail and industrial. Value creation prior to close through site planning, development preparation, and pre-leasing

## Land Acquisition and Entitlement

Acquire larger land tracts in growing markets with attractive basis for long term in-house development or partner/monetize depending on end use. Work through entitlements and municipality requirements, develop required horizontal infrastructure



## Blend & Extend / Sale Leaseback

Work with tenants prior to acquisition to (re)structure lease in mutually advantageous way, with focus on strong unit level economics, below market rents, and attractive locations

## Brokerage

Represent and advise national and regional tenants in site selection, acquisition, and disposition



## Alternative

As entrepreneurs at heart, we actively seek to invest in and partner with visionary leaders who are redefining their industries. We are committed to supporting bold ideas and transformative innovations that push boundaries and create lasting impact.

**BCS has a successful track record creating value with attractive risk-reward profile for our investors**

**\$300+mm of Development and Value Add Transactions to Date**



# BCS Leadership



**Jack Burgher**  
Partner

Jack is responsible for strategic decisions and leading the development team along with capital, tenant and community relationships. Since 2009, Jack has focused on the niche asset class of retail real estate investment, development and brokerage. More specifically, he has specialized in cultivating relationships, site selection, land entitlement, and tenant partnerships. These deep tenant relationships provide BCS with arbitrage opportunities on both the single and multi-tenant developments. Jack graduated from The University of Georgia Honors Program with a BBA in Finance from the Terry College of Business.



**Robert Cannon**  
Partner

Robert is responsible for investment evaluation, structuring, and execution. Robert focuses on managing relationships with BCS's capital partners and ensuring sound financial strategies for maximum returns. His financial analysis and succinct project execution create strategic efficiencies and allow BCS to yield outsized returns for its capital partners. His proven expertise in navigating financial and deal structures provide positive results for tenants and partners. Robert graduated from The University of Texas at Austin with a BBA in Finance from the McCombs School of Business.



**Ryan Sweeney**  
Partner

Ryan is responsible for land acquisition, entitlement, development planning, and municipality communication for the company's mixed-use development platform. Since 2005, Ryan has been an industry leader in land brokerage and development, representing publicly traded companies, large and small corporations, commercial land development companies, individuals, and estates with the purchase, sale, development, and entitlement of land properties. Ryan holds a BBA in Finance from the McCombs School of Business at the University of Texas.

# BCS Team

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**Jack Burgher**  
Partner



**Robert Cannon**  
Partner



**Ryan Sweeney**  
Partner

Development/Acquisitions



**Lindsay Adams**  
Director, Development



**James Todd**  
Director, Development



**Bobby Magness**  
Director, Acquisitions

Leasing



**David Kreston**  
Director, Brokerage



**Harrison Mohn**  
Director, Brokerage

Operations



**Emily Reid**  
Director, Finance



**Laura Shepherd**  
Marketing Analyst

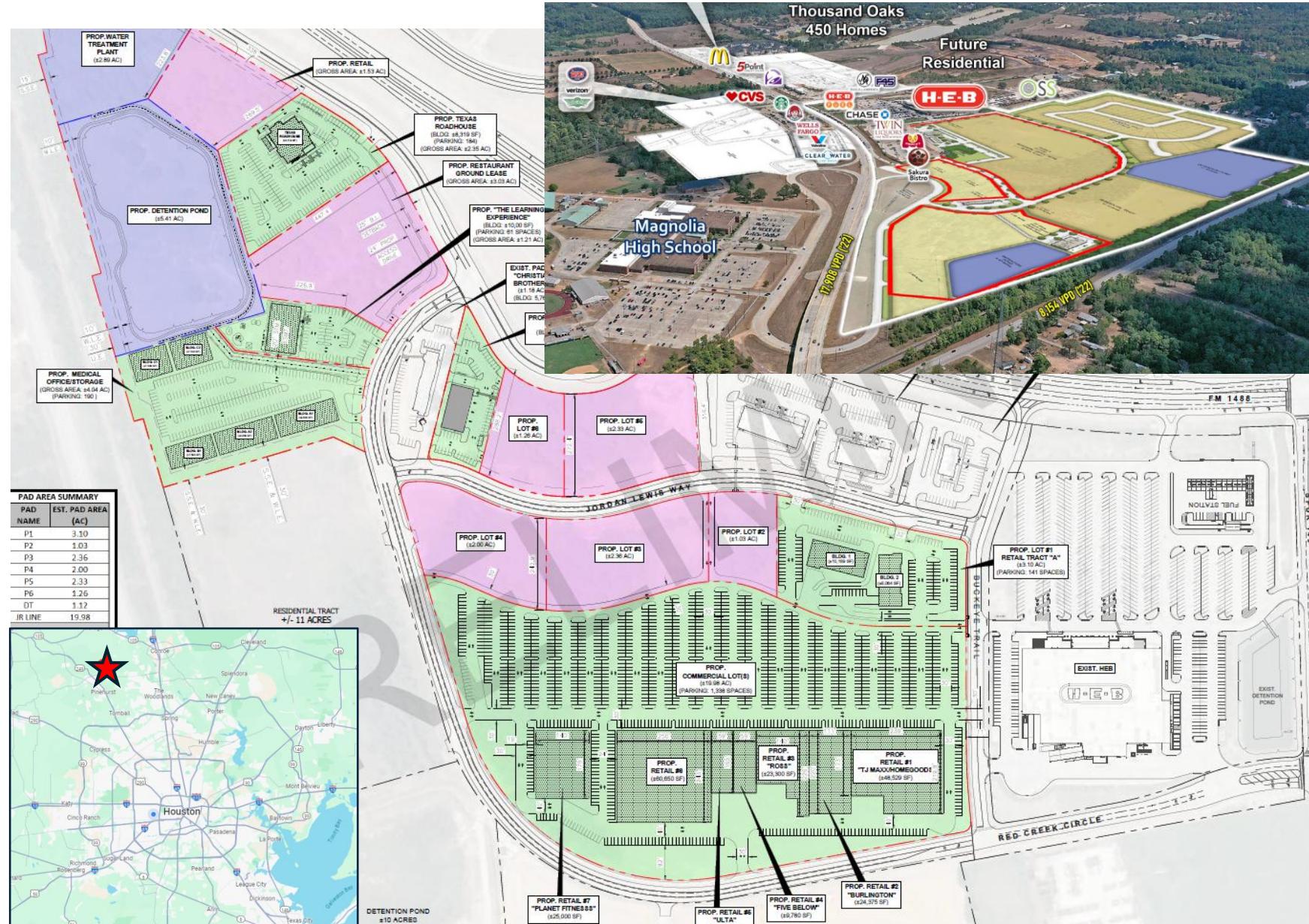


**Marnie Blanco**  
Accounting Associate

## Magnolia Place

BCS is developing ~51 acres in Magnolia, TX. Located in northwest Houston and adjacent to brand new HEB grocery, with 10,000+ new homes in surrounding area

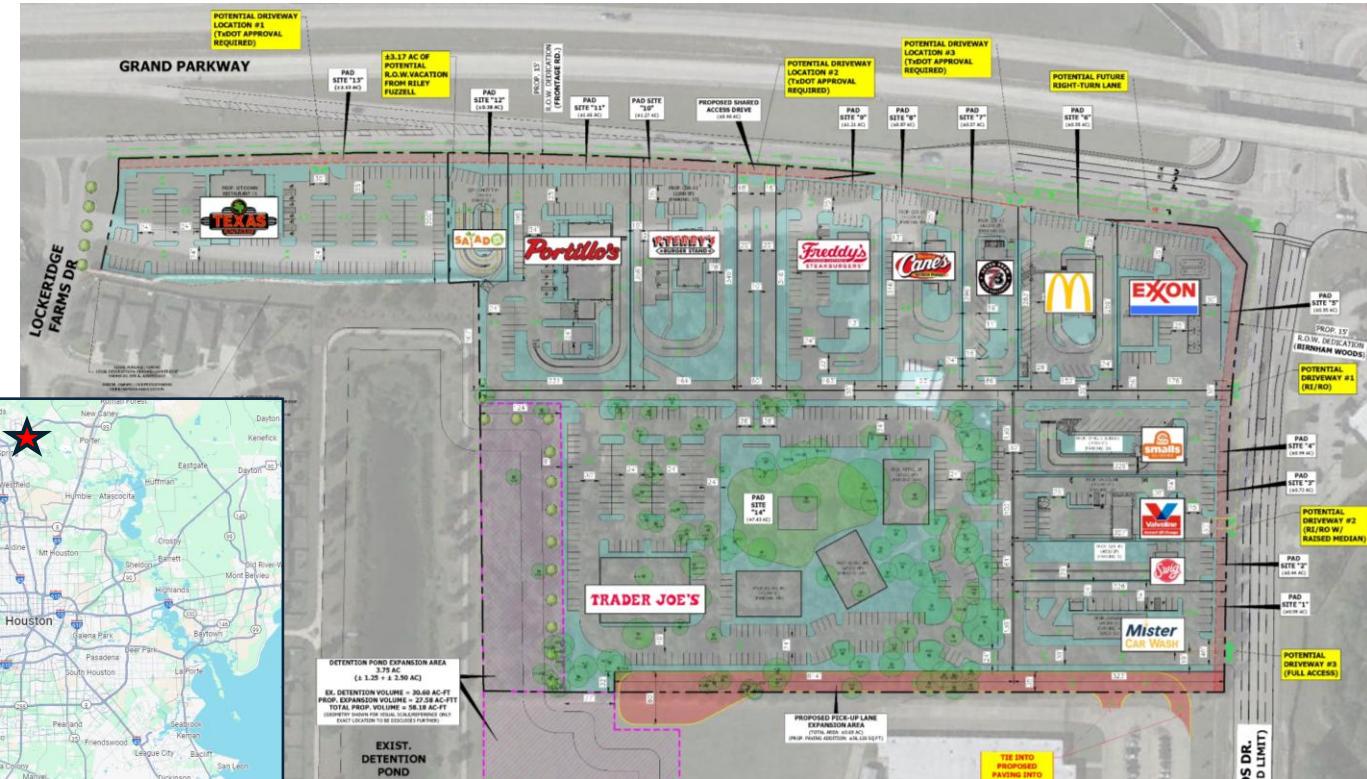
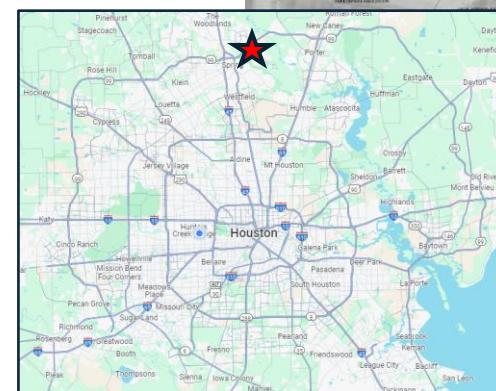
- Develop retail (single tenant, multitenant, junior box), medical, childcare, self storage and/or multifamily
- Provide development that supports daily needs of rapidly increasing population in major growth corridor of northwest Houston



## Birnham Woods

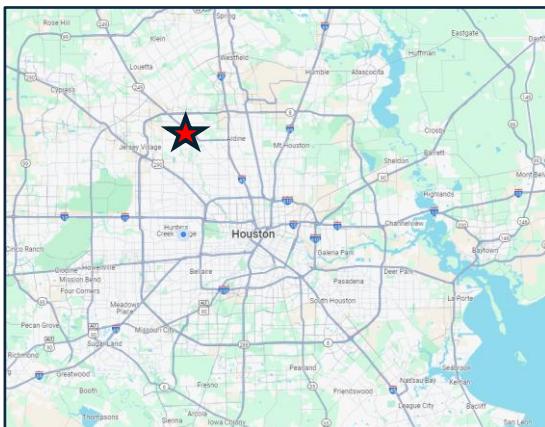
BCS is developing ~24 acres in Spring, TX. Highly attractive land surrounded by residential and complimentary retail that has been developed over the past 10 years.

- Ground lease and develop single tenant and multi-tenant with nationwide retail users. Develop Class A retail on the interior with high quality neighborhood necessity tenants
- Increase quality of life for residents by meeting market demand for additional retail development given high growth rate in area



## Marketplace at 249

- BCS developed 4.28 acres in Houston, TX
- Project included a simultaneous sale with a car wash user, a single tenant Dunkin Donuts, and two multi-tenant shopping centers
- Dunkin Sale: 3/2022 - 4.50% exit cap
- Multi-tenant Sale: 9/2023 - 6.38% exit cap



# Track Record – Monetized

Description	Thesis	Location	Acq + Dev		Disposition		LP Net Returns		Gross Returns	
			Date	Value	Est Date	Est Value	IRR	MOIC	IRR	MOIC
<b>Monetized</b>										
Shop N Hop OK Portfolio (4)	Sale Leaseback	OK	Jun-20	\$2.0	Oct-21	\$2.7	63.3%	1.77x	96.0%	2.22x
BP to Go Portfolio (6)	Sale Leaseback	MN	Jun-20	\$8.5	Sep-21	\$9.7	23.0%	1.26x	47.7%	1.55x
CVS B&E	Blend & Extend	Universal City, TX	Sep-20	\$3.9	Oct-20	\$4.6	149.8%	1.10x	7,016.0%	1.56x
7-Eleven B&E	Blend & Extend	San Jose, CA	Sep-20	\$2.3	Jun-21	\$2.9	20.0%	1.15x	154.3%	2.01x
7-Eleven B&E	Blend & Extend	San Leandro, CA	Sep-20	\$1.9	Jan-21	\$2.6	27.5%	1.10x	687.4%	2.24x
CVS B&E	Blend & Extend	Apalachicola, FL	Oct-20	\$2.8	Aug-21	\$3.1	20.0%	1.16x	49.3%	1.38x
CVS B&E	Blend & Extend	Denmark, SC	Nov-20	\$2.6	Jul-21	\$3.1	20.0%	1.13x	175.7%	1.96x
CVS MO Portfolio B&E (6)	Blend & Extend	MO	Jan-21	\$8.3	Feb-22	\$9.3	20.0%	1.23x	54.3%	1.63x
CVS FL Portfolio B&E (3)	Blend & Extend	FL	Feb-21	\$20.1	May-21	\$22.9	69.5%	1.10x	1,187.6%	1.59x
CVS B&E	Blend & Extend	Spring, TX	Feb-21	\$6.2	May-21	\$7.1	103.4%	1.10x	1,449.5%	1.44x
Sonic B&E	Blend & Extend	Lake St Louis, MO	Mar-21	\$1.7	Jun-22	\$2.3	50.9%	1.70x	92.2%	2.32x
CVS B&E	Blend & Extend	Alpharetta, GA	Apr-21	\$3.1	Jun-21	\$3.7	66.8%	1.10x	1,784.9%	1.73x
CVS B&E	Blend & Extend	Chester, VA	Apr-21	\$5.4	Oct-21	\$6.4	21.1%	1.10x	227.3%	1.81x
CVS B&E	Blend & Extend	Newnan, GA	Jul-21	\$2.6	Oct-21	\$3.2	36.8%	1.10x	810.8%	1.96x
CVS B&E	Blend & Extend	Clayton, GA	Jul-21	\$2.8	Jan-22	\$3.4	20.0%	1.10x	203.6%	1.81x
Burger King	Covered Land	Portland, CT	Oct-21	\$1.0	Apr-23	\$1.1	22.7%	1.35x	38.3%	1.62x
Advance Auto B&E	Blend & Extend	Rocky Mount, VA	Dec-21	\$1.3	May-22	\$1.7	149.7%	1.44x	372.5%	1.85x
Wendy's Development	Development	Beaumont, TX	Jan-22	\$0.9	Sep-23	\$1.9	20.0%	1.31x	122.9%	3.41x
7-Eleven B&E	Blend & Extend	Cape Coral, FL	Jul-22	\$1.9	Aug-22	\$2.8	19.3%	1.03x	NA	3.17x
Burger King B&E	Blend & Extend	Morristown, TN	Jul-22	\$0.8	Nov-22	\$1.1	37.2%	1.10x	1,872.5%	2.46x
Sonic B&E	Blend & Extend	Converse, TX	Jan-22	\$1.8	Mar-23	\$2.2	42.7%	1.52x	77.9%	1.97x
Dimassi's Redevelopment	Development	Houston, TX	Mar-22	\$2.9	Apr-23	\$3.5	20.0%	1.18x	114.1%	2.00x
Take 5	Development	Alice, TX	Sep-22	\$0.7	Jul-23	\$1.0	18.3%	1.15x	170.5%	2.29x
Advance Auto B&E	Blend & Extend	Chicago, IL	Sep-22	\$1.5	Mar-23	\$1.8	26.5%	1.13x	181.8%	1.68x
Retail Land Reposition	Development	Mobile, AL	Jan-23	\$0.7	May-23	\$0.9	26.9%	1.10x	387.6%	1.88x
17k SF Retail, Dunkin, Car Wash	Development	Houston, TX	Aug-21	\$8.8	Sep-23	\$13.9	242.6%	13.07x	242.6%	13.07x
Take 5	Development	Orange, TX	Nov-23	\$0.3	Mar-24	\$0.8	NA	5.72x	NA	5.72x
Retail Development	Development	Katy, TX	Jun-22	\$2.2	Mar-24	\$3.8	37.3%	1.15x	637.6%	4.00x
T-Mobile	Covered Land	Tempe, AZ	Sep-21	\$1.0	Jul-24	\$1.4	29.3%	2.07x	46.7%	2.96x
Jiffy Lube Covered Land Play	Covered Land	Collierville, TN	Jul-23	\$0.9	Jul-24	\$1.5	20.0%	1.20x	198.1%	3.01x
Whataburger / Car Wash	Development	Orange, TX	May-22	\$1.7	Oct-24	\$3.2	114.5%	4.35x	114.5%	4.35x
Chick-Fil-A / Car Wash / Cell Tower Development	Development	Conroe, TX	Jul-21	\$2.1	Oct-24	\$4.9	NA	58.95x	NA	58.95x
Beaumont Redevelopment	Development	Beaumont, TX	Jul-21	\$0.9	Nov-24	\$1.2	22.2%	1.93x	38.1%	2.91x
Burger King Covered Land Play	Covered Land	Miami, FL	Aug-22	\$1.6	Nov-24	\$3.7	406.1%	38.37x	406.1%	38.37x
<b>Monetized Total / Wtd Avg</b>				\$107.0		\$139.0	70.3%	3.92x	758%	4.49x

# Track Record – Unmonetized

Description	Thesis	Location	Acq + Dev		Disposition		LP Net Returns		Gross Returns		
			Date	Value	Est Date	Est Value	IRR	MOIC	IRR	MOIC	
<b><u>Unmonetized</u></b>											
Capital One Covered Land Play	Covered Land	Houston, TX	Dec-20	\$2.4	Jun-26	\$2.9	11.0%	1.79x	12.5%	1.93x	
Regional C-Store Cash Flow	Buy and Hold	New Orleans, LA	Dec-20	\$1.9	Hold	\$2.1	Double digit CoC		-	-	
Valvoline / Car Wash Development	Development	Katy, TX	Jan-21	\$3.7	Mar-25	\$6.6	N/a - Fully Financed		-	-	
Jack in the Box / Batteries Plus	Covered Land	Phoenix, AZ	Sep-21	\$1.7	Jun-27	\$3.0	17.7%	2.54x	24.9%	3.57x	
Sonic B&E	Blend & Extend	Victoria, TX	Dec-21	\$1.7	Sep-25	\$1.4	21.0%	1.93x	35.8%	2.88x	
Sonic B&E	Blend & Extend	Port Lavaca, TX	Dec-21	\$2.4	Sep-25	\$2.5	NA	1.14x	NA	1.14x	
24 Acre Development	Development	Spring, TX	Dec-21	\$23.1	Aug-26	\$40.5	20.5%	2.40x	27.7%	3.15x	
Regional C-Store Cash Flow	Buy and Hold	Missouri City, TX	Dec-21	\$1.7	Hold	\$1.8	Single digit CoC	1.00x	-	-	
Regional C-Store Cash Flow	Buy and Hold	Bethlehem, PA	Dec-21	\$2.9	Hold	\$3.2	Single digit CoC	1.00x	-	-	
Clutch Automotive Development	Covered Land	Houston, TX	Mar-22	\$4.0	Mar-26	\$5.5	19.5%	2.03x	27.0%	2.59x	
Retail Development	Development	Austin, TX	Apr-22	\$1.1	Dec-25	\$1.4	31.9%	2.82x	31.9%	2.82x	
C-Store Cash Flow	Buy and Hold	CO	Jul-22	\$7.3	Hold	\$7.3	Single digit CoC		-	-	
Retail Development	Development	Huntsville, TX	Jul-22	\$0.5	Dec-25	\$0.7		30.8%	30.8%	2.53x	
Retail Development	Development	Cleveland, TX	Aug-22	\$0.8	Mar-26	\$1.3	19.0%	1.88x	28.2%	2.46x	
Fulshear Land Acq 24 Acres	Buy and Hold	Fulshear, TX	Dec-22	\$3.4	Dec-26	\$8.8	19.5%	2.07x	37.6%	3.67x	
Retail Development	Development	Marble Falls, TX	Dec-22	\$1.2	Sep-25	\$1.6	43.2%	2.73x	43.2%	2.73x	
Speedway Portfolio Cash Flow	Buy and Hold	NC / SC	Dec-22	\$29.1	Dec-25	\$34.5		14.1%	16.2%	1.58x	
Retail Cash Flow	Buy and Hold	Sealy, TX	Mar-23	\$1.6	Jul-26	\$2.0	82.8%	2.62x	82.8%	2.62x	
Magnolia Land Acq 18 Acres	Buy and Hold	Magnolia, TX	Sep-23	\$2.1	Sep-26	\$5.1	25.7%	2.03x	34.0%	2.47x	
Salad and Go, Multi-tenant	Development	Tomball, TX	Jun-23	\$3.9	Feb-25	\$4.1	14.3%	1.24x	14.3%	1.24x	
Retail Development	Development	Houston, TX	May-23	\$7.3	Jun-25	\$8.9	22.5%	1.54x	35.2%	1.90x	
Quick Quack	Development	Houston, TX	Jun-23	\$2.4	Jun-26	\$4.6	83.4%	6.34x	83.4%	6.34x	
Wendys, Multi-tenant	Development	Mont Belvieu, TX	Jun-23	\$6.3	Jun-26	\$8.2		26.7%	46.1%	2.29x	
T-Mobile, Christian Bros	Development	Lumberton, TX	Mar-23	\$3.0	Sep-25	\$4.0	37.3%	1.43x	67.8%	2.09x	
Whataburger, Popeyes	Development	Splendora, TX	Sep-23	\$4.2	Jun-26	\$6.6	36.9%	2.02x	54.1%	2.80x	
Taco Bell B&E	Blend & Extend	Cedar Rapids, IA	Dec-24	\$1.9	May-25	\$2.2	21.4%	1.10x	156.6%	1.59x	
Industrial Development 440,000 sf	Development	Houston, TX	Apr-24	\$51.1	Jan-27	\$65.7	19.3%	1.35x	26.3%	1.49x	
Jiffy Lease Extensions and hold	Buy and Hold	Harker Heights, TX	Dec-23	\$0.9	Jun-26	\$1.1	28.5%	1.88x	28.5%	1.88x	
Jiffy Lease Extensions and hold	Buy and Hold	Temple, TX	Dec-23	\$0.9	Jun-26	\$1.1	28.3%	1.87x	28.3%	1.87x	
Retail Development	Development	Temple, TX	Oct-24	\$1.5	Jan-27	\$1.9	23.3%	1.58x	42.2%	2.17x	
Retail Development	Development	Houston, TX	Dec-23	\$1.3	Jan-25	\$2.0	21.7%	1.24x	172.5%	3.02x	
Wendys Development	Development	Taylor, TX	Oct-24	\$1.0	Dec-25	\$1.5	20.2%	1.25x	167.1%	3.23x	
51 Acre Mixed Use Development	Development	Magnolia, TX	Feb-24	\$19.4	Jan-27	\$37.6	27.7%	1.76x	38.3%	2.24x	
QSR Development	Development	Conroe, TX	Dec-24	\$1.3	Sep-25	\$1.6	20.1%	1.15x	110.9%	1.79x	
Retail Development	Development	Round Rock, TX	Dec-24	\$1.9	Jun-26	\$2.5	35.4%	1.59x	66.5%	2.18x	
<b>Unmonetized Total / Wtd Avg</b>				<b>\$200.8</b>		<b>\$286.0</b>	<b>22.5%</b>	<b>1.44x</b>		<b>34.2%</b>	<b>2.13x</b>
<b>Total Monetized and Unmonetized</b>				<b>\$307.8</b>		<b>\$425.0</b>	<b>40.2%</b>	<b>2.36x</b>		<b>303.2%</b>	<b>3.01x</b>



Deal Pipeline

BCS.



## Conroe, Texas – Industrial Warehouse

## Acquisition Overview

- BCS is acquiring an industrial warehouse and manufacturing site in Conroe, Texas
  - Attractive land basis (**\$5/sf**) with quick access to I-45 and Highway 105
  - Due to a moratorium on a large portion of the city, including the city's own industrial park, this site allows for product to be delivered in a market that has a sub 3% vacancy rate
  - Already completed a pre-development meeting with the City of Conroe to overcome any development concerns and make sure the city is fully entitled with no additional approvals required

## Deal Point Overview

Deal Location	Conroe, Texas
Development Focus	Industrial Warehouse
Vertical Construction Start	3Q25
Land Size	19.02ac
Purchase Price (Usable \$/sf)	\$4.3mm (\$5.19/sf)
Total Rentable Square Footage/ Total Buildings	200,000 (9)
Full Budget (For Lease)	\$28.4mm (\$144/sf)
Total Cash Equity	\$12.8mm
Leverage for Development (For Sale)	55% LTC (\$15.6mm)
Investment Timeline	3-years
Gross Exit Price	\$38.6mm (\$195/sf)

## Return Scenarios

## Project Returns

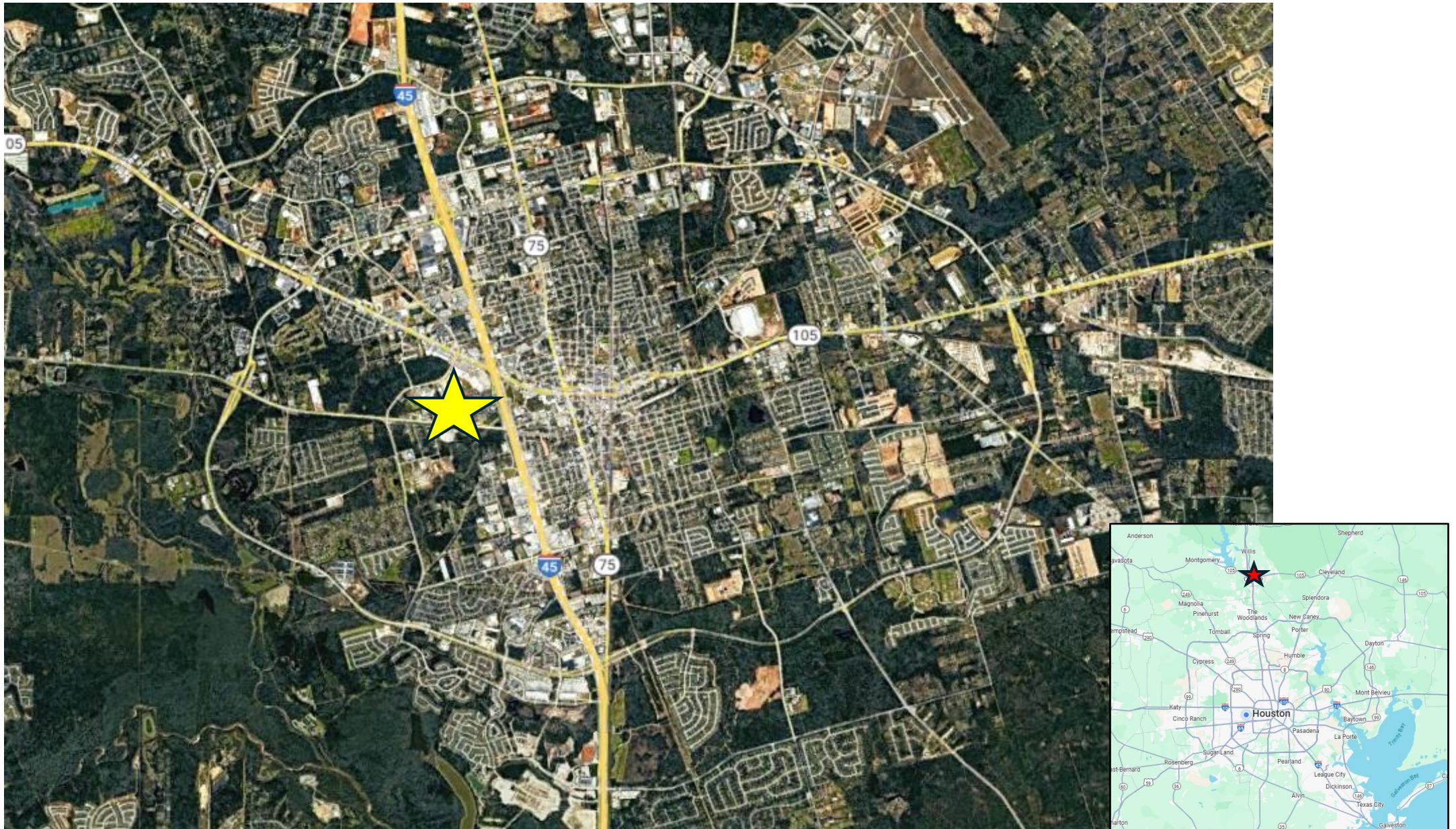
<b>Investment</b>	<b>(</b> <b>\$12,812,165</b> )
Unlevered MOIC	1.34x
<b>Total Distributions</b>	<b>\$22,487,701</b>
<b>Profits</b>	<b>\$9,675,536</b>
<b>Levered MOIC</b>	<b>1.76x</b>
<b>Levered IRR</b>	<b>23.52%</b>

\*Assumed fully leased park

## Site Plan



# Regional Overview



# New Braunfels – Mixed Used Industrial

## Acquisition Overview

- BCS is acquiring 16ac in one of the fastest growing markets in Texas
- Currently in the entitlement phase to allow for development optionality due to the overall size of the tract
- Positioned between Austin and San Antonio along the I-35 corridor BCS New Braunfels site provides easy access to major metropolitan markets, supply chains, a growing consumer base
- Unique opportunity to blend product size and tenant size into multitenant buildings

## Deal Point Overview

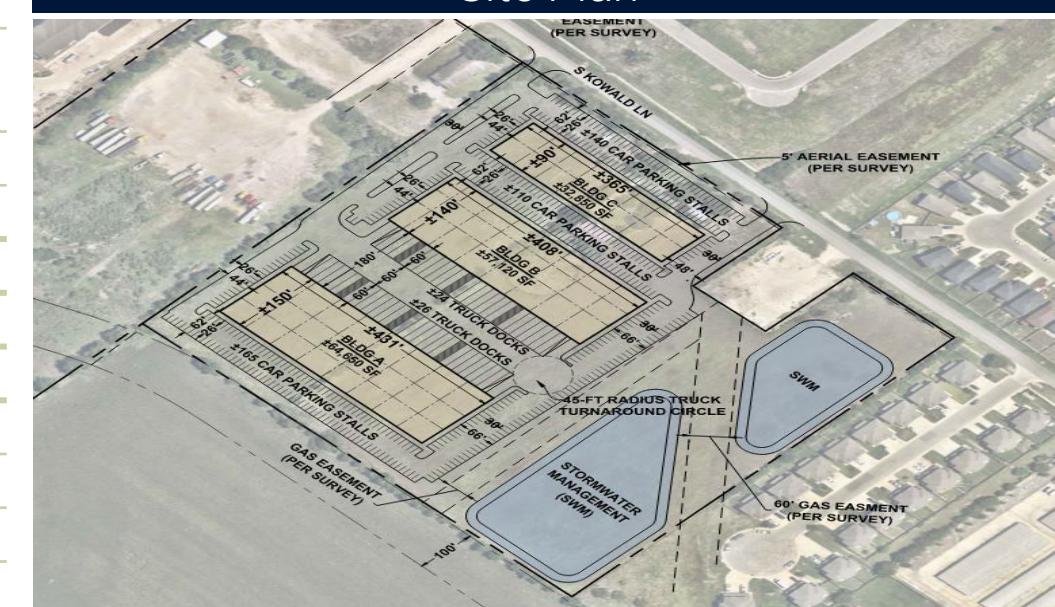
Deal Location	New Braunfels, Texas
Development Focus	Mixed Use Industrial office/warehouse
Vertical Construction Start	3Q25
Land Size	36ac
Purchase Price (Usable \$/sf)	\$3.8mm (\$5.22/sf)
Total Rentable Square Footage/ Total Buildings	154,620sf (3)
Full Budget (For Lease/ For Sale & Land Sale)	\$26.6mm
Total Cash Equity	\$11.9mm
Leverage for Development (For Sale)	55% LTC (\$14.6mm)
Investment Timeline	3-years
Gross Exit Price (Land Sale/Building Sales)	\$34.3mm (\$221/sf)

## Return Scenarios

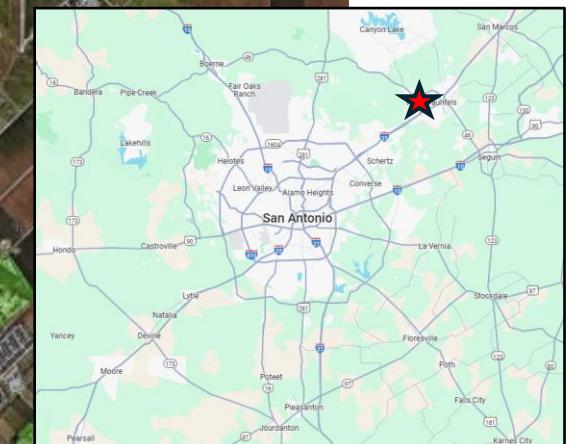
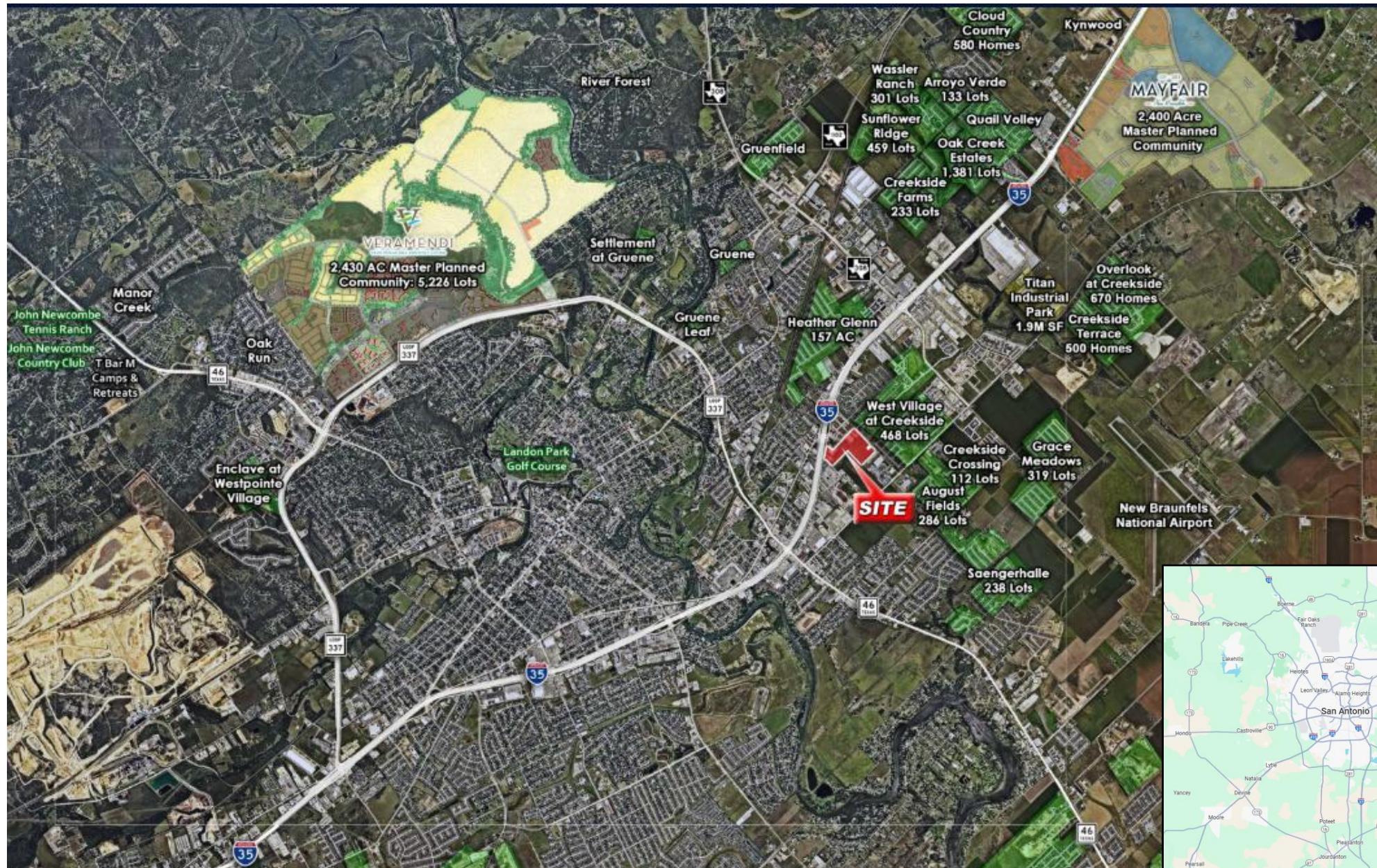
### Project Returns

Investment	(\$11,962,648)
Unlevered MOIC	1.26x
<b>Total Distributions</b>	<b>\$19,053,455</b>
<b>Profits</b>	<b>\$7,090,806</b>
<b>Levered MOIC</b>	<b>1.59x</b>
<b>Levered IRR</b>	<b>30.39%</b>

## Site Plan



# Regional Overview





# Appendix

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# Summary Underwriting Comparison (Lease vs. Sale)

Lease Scenario		
Sources Summary		
	Total Budget	\$/sf
Equity - Cash	\$23,062,715	\$53
Debt	\$30,571,506	\$70
<b>Total Sources</b>	<b>\$53,634,221</b>	<b>\$122</b>
Cash Equity %	43%	-
Loan to Cost %	57%	-
<b>Total Source %</b>	<b>100%</b>	-
Implied LTV %	49%	-
Uses Summary		
Cost Item	Total Budget	\$/sf
Purchase Price	\$4,547,047	\$10
Other Acquisition Costs	\$237,803	\$1
Legal	\$151,133	\$0
Financing Costs	\$916,374	\$2
Construction (Soft Costs)	\$3,535,350	\$8
Construction (Hard Costs)	\$33,700,984	\$77
Construction Contingency	\$1,685,049	\$4
Development Fee	\$1,489,453	\$3
Interest Reserve	\$1,847,562	\$4
Leasing	\$4,441,851	\$10
Taxes and Insurance	\$1,081,615	\$2
<b>Total Uses</b>	<b>\$53,634,221</b>	<b>\$122</b>
Net Sale Proceeds	\$68,278,663	\$156
Debt Repayment	(\$30,540,012)	(\$70)
<b>Gross Levered Proceeds</b>	<b>\$37,738,651</b>	<b>\$86</b>
Return of Equity	(\$23,062,715)	(\$53)
<b>Total Profit</b>	<b>(\$3,428,581)</b>	
Gross IRR	30.5%	
Gross MOIC	1.62x	
Net LP IRR	22.1%	
Net LP MOIC	1.43x	

For Sale Scenario		
Sources Summary		
	Total Budget	\$/sf
Equity - Cash	\$23,062,715	\$53
Debt	\$25,670,036	\$58
<b>Total Sources</b>	<b>\$48,732,751</b>	<b>\$111</b>
Cash Equity %	47%	-
Loan to Cost %	53%	-
<b>Total Source %</b>	<b>100%</b>	-
Implied LTV %	42%	-
Uses Summary		
Cost Item	Total Budget	\$/sf
Purchase Price	\$4,547,047	\$10
Other Acquisition Costs	\$237,803	\$1
Legal	\$151,133	\$0
Financing Costs	\$833,049	\$2
Construction (Soft Costs)	\$3,535,350	\$8
Construction (Hard Costs)	\$33,700,984	\$77
Construction Contingency	\$1,685,049	\$4
Development Fee	\$1,489,453	\$3
Interest Reserve	\$1,471,269	\$3
Leasing	-	-
Taxes and Insurance	\$1,081,615	\$2
<b>Total Uses</b>	<b>\$48,732,751</b>	<b>\$111</b>
Net Sale Proceeds	\$63,930,951	\$146
Debt Repayment	(\$25,641,721)	(\$58)
<b>Gross Levered Proceeds</b>	<b>\$38,289,230</b>	<b>\$87</b>
Return of Equity	(\$23,062,715)	(\$53)
<b>Total Profit</b>	<b>(\$41,109)</b>	
Gross IRR	32.6%	
Gross MOIC	1.61x	
Net LP IRR	23.2%	
Net LP MOIC	1.41x	

For Sale Upside Scenario		
Sources Summary		
	Total Budget	\$/sf
Equity - Cash	\$23,062,715	\$53
Debt	\$23,761,333	\$54
<b>Total Sources</b>	<b>\$46,824,048</b>	<b>\$107</b>
Cash Equity %	49%	-
Loan to Cost %	51%	-
<b>Total Source %</b>	<b>100%</b>	-
Implied LTV %	37%	-
Uses Summary		
Cost Item	Total Budget	\$/sf
Purchase Price	\$4,547,047	\$10
Other Acquisition Costs	\$237,803	\$1
Legal	\$151,133	\$0
Financing Costs	\$800,601	\$2
Construction (Soft Costs)	\$3,535,350	\$8
Construction (Hard Costs)	\$33,700,984	\$77
Construction Contingency	-	-
Development Fee	\$1,489,453	\$3
Interest Reserve	\$1,290,173	\$3
Leasing	-	-
Taxes and Insurance	\$1,071,505	\$2
<b>Total Uses</b>	<b>\$46,824,048</b>	<b>\$107</b>
Net Sale Proceeds	\$67,127,499	\$153
Debt Repayment	(\$23,733,045)	(\$54)
<b>Gross Levered Proceeds</b>	<b>\$43,394,453</b>	<b>\$99</b>
Return of Equity	(\$23,062,715)	(\$53)
<b>Total Profit</b>	<b>\$4,297,344</b>	
Gross IRR	42.7%	
Gross MOIC	1.83x	
Net LP IRR	28.8%	
Net LP MOIC	1.52x	

# Predevelopment Land Value

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## **Current Basis (Acq + Predev Costs)**

Equity invested	\$2,600,000
Debt	\$2,613,450
<b>Total</b>	<b>\$5,213,450</b>
<b>\$/sf</b>	<b>\$2.58</b>

## **Current Value**

Acres	46.39
Value \$/sf	\$2.90
Value of Land	\$5,863,450
Less: Debt	(\$2,613,450)
<b>Value of Equity</b>	<b>\$3,250,000</b>
<b>Equity Step Up</b>	<b>25.0%</b>

- Land is contributed at updated value of \$2.90/sf (compared ~\$2.55/sf current basis) due to predevelopment value creation, creating step up in equity value
- This is still below market comps of \$4.50+/sf, but attributes value to the permitting and planning work done to date.



## Appendix – Marketing Activity Log

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# Marketing Activity

Prospect Details	SF Required	Comments
Owner-user	40K - 60K SF	Prospect searching E/NE submarket to purchase a dock-high distribution facility with minimal office. Submitted marketing materials and economics. Follow up set
Owner-user	50K -75K SF	Prospect searching E Houston submarket, early in the search process so they are flexible on time. 3,000-4,000 SF office space and dock high loading required. Follow up set
Owner-user	20K - 35K SF	Broker purchase requirement, searching E/SE market, minimal office, dock high loading with ramps. Submitted marketing materials and economics. Follow up set
Owner-user	25K - 50K SF	Broker purchase requirement, searching E/N/NW markets, dock-high distribution building, minimal office. Submitted marketing materials, economics and timeline to be included in their survey
Owner-user (Heavy Distribution Group)	~125K SF	Prospect interested in building 6, requested pricing and construction timeline to include in the client's survey. Follow up set
Owner-user	30K - 60K SF	Broker purchase requirement, searching E/SE markets, 3,000 - 4,000 SF office, minimum 28' clear, dock high loading. Submitted marketing materials and economics. Follow up set
Tenant Prospect (Construction Company)	30K - 40K SF	Prospect interested in buildings 1 & 2, early in the search process, looking for highway visibility, dock-high loading. Submitted marketing materials and economics to include in their survey. Follow up set
Owner-user	25K - 35K SF	Prospect searching the E submarket, close proximity to I-10, dock high loading, 2-3K SF office - submitted marketing materials and economics to be included in their survey - follow up set
Owner-user (E-commerce Company)	100K - 200K SF	Prospect searching the NE/E submarket, purchase only, dock-high, new construction preferred, early in the search stage, provided marketing materials and economics to be included in their survey
Tenant Prospect	~50K SF	Prospect looking for dock-high loading with ramps, minimal office, searching E/SE submarket, planning to tour the market late January. Submitted marketing materials and economics - follow up set
Innovent Inc. (owner-user)	~30K SF	Prospect interested in Building 2, require dock-high loading, 24' clear minimum, minimal office. Submitted marketing materials and economics. Follow up set
Tenant Prospect (Construction Equipment supplier)	25K - 50K SF	Prospect searching E/SE, tiltwall construction, 25% office, 20' minimum clear, 2-4 acres outside storage, highway frontage preferred, dock high with ramps. Sent marketing materials and economics
Owner-user (Bryan Goodwin)	30K - 40K SF	Prospect looking to purchase a dock-high distribution building, minimal office, search E/SE Houston. Submitted marketing materials and economics - follow up set
Owner-user	80K - 120K SF	Broker Purchase requirement - searching city-wide, Tiltwall Dock-high distribution building, prefer new construction - submitted marketing materials and economics to be included in survey
Owner-user (Henry Liu)	50K - 70K SF	Prospect looking to purchase a tiltwall dock high building on the E/SE side of Houston, minimum 28' clear, 50-70K SF range, minimal office. Sent him flyer and economics for review. Follow up set
Tenant Prospect - 3PL Group	70K - 150K SF	Broker lease requirement - prefer single tenant building, dock high loading, ~2,500 SF office, searching E/SE/S submarkets. Submitted flyer and economics to be included in survey - follow up set
Owner-user	100K - 250K SF	Broker purchase requirement - Searching city-wide, Tiltwall Dock high loading, outside storage is a plus, minimum 32' clear. Submitted flyer and economics to be included in survey - follow up set
Owner-user	~30K SF	Prospect interested in buildings 1,2, and 9. Sent them marketing materials and economics for review. Follow up set
Tenant Prospect	50K - 100K SF	Prospect requested pricing and construction timeline for the business park as multiple buildings meet their criteria. Submitted our flyer and economics for their review. Follow up set
Owner-user	30K - 50K SF	Prospect interested in multiple buildings in the park, requested pricing and construction timeline. Looking to purchase tiltwall distribution building, min 28' clear. Sent flyer and economics for review
Owner-user	15K - 40K SF	Prospect interested in buildings 1, 2 or 9 that best fit their criteria. Likely need a little outside storage as well if possible. Included our flyer and economics in their survey - early in their process.
Owner-user	100K - 300K SF	Broker purchase requirement - searching city-wide, 24' minimum clear, new construction preferred, Dock-high loading. Submitted marketing materials and economics for their survey. Follow up set
Tenant Prospect	35K - 55K SF	Broker Lease Requirement - single tenant building preferred, timing is flexible, dock and grade level loading preferred, with +/-1 acre outside storage. Submitted flyer and economics for their survey
US Banyan - Owner-user or Tenant Prospect	80K - 200K SF	Prospect looking at Lease or Purchase, Need close proximity to the port, distribution use, prefer 36' clear height. Submitted marketing materials and economics. Follow up set
Owner-user	40K - 60K SF	Prospect looking to relocate their HQ to the E/SE side of Houston. Distribution group would be interested in bldgs 1-4. provided marketing materials and economics. Follow up set
Tenant Prospect	~100K SF	Prospect manufactures different home/commercial fixtures and cabinets. Timing probably Q2-3 2025. Provided marketing materials and economics. Follow up set
Owner-user	50K - 80K SF	Broker Purchase Requirement - minimal office, dock high or grade level loading, 30' clear minimum - included our marketing materials and pricing in their survey - follow up set
Tecnofil (Wire Company) owner-user	75K - 150K SF	Discussing internally to see if they can extend their timing out further to consider more options.
Tenant Prospect	20K - 30K SF	Prospect requires additional outside storage space, and ~4,000 SF of office, early stages of their search - but including our project in the survey. Follow up set
Owner-user	30K - 50K SF	Prospect reached out on front 4 buildings to get pricing and construction timeline. Submitted marketing materials and information to be included in their survey. Follow up set
Owner-user	~40K SF	Interested in our ~42K SF buildings, requested pricing and construction timeline to include in the survey going to his distribution client. Follow up set
Owner-user	40K - 50K SF	Broker Purchase Requirement - minimal office, 24' clear minimum, dock high loading - included our marketing materials and pricing in their survey - follow up set
Owner-user (Manufacturing Group)	~50K SF	Timing is roughly 11-12 months out. Looking to purchase +/-50K SF building, but is looking into our ~42K SF building and possibly doing 2-story office. Group is discussing internally - follow up set
Owner-user (bedding a rugs distributor)	~100K SF	Client has just shy of 2 years remaining on their lease, but looking now at purchase options/design build options for +/-100K SF. Submitted our flyer and economics to be included in their survey
Owner-user	30K - 33K SF	client located in Ontario looking to relocate to Houston. Interested in Buildings 1, 2, and 9. Provided marketing brochure and economics

# Marketing Activity

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Prospect Details	SF Required	Comments
Tenant prospect	40K - 70K SF	2,500 - 3,500 SF Office, 2.5 - 5.0 AC, 3 Phase Heavy Power (480v), Crane Served or Crane Ready (15T - 20T Overhead Crane). Provided marketing brochure and economics
Tenant Prospect - Distribution Group	25K - 50K SF	Requested construction timeline and economics to be included in his client's survey
Owner-user/Tenant Prospect	10K - 30K SF	2,000 - 5,000 SF office, 1 to 3 acres of yard, Industrial Zoning Preferred. Provided marketing brochure and economics
Owner-user	~50K SF	His client looking to purchase ~50K SF distribution building. Provided marketing brochure and economics
Owner-user	100K - 120K SF	seeking to purchase +/-100-120k SF. Provided marketing brochure and economics
Owner-user	30K - 35K SF	General inquiry for requirement - provided marketing brochure and economics to be included in his client's survey
Owner-user	25K - 40K SF	General inquiry for Purchase requirement - provided marketing brochure and economics to be included in his client's survey
Tenant Prospect	30K - 35K SF	General inquiry for Lease requirement - provided marketing brochure and economics to be included in his client's survey
Owner-user	30K - 80K SF	Looking for 30-80K SF for purchase. Dock high, minimal office, tilt-wall, 28' clear or higher
Owner-user	20K - 40K SF	General inquiry for Purchase requirement - provided marketing brochure and economics to be included in his client's survey
Tenant Prospect	~30K SF	General inquiry for Lease requirement - provided marketing brochure and economics to be included in his client's survey
Owner-user	25K - 45K SF	Requested information for client requirement - provided marketing brochure and economics to be included in her client's survey
Distribution Group - Design Build or BTS	100K - 125K SF	Requested information on potential BTS or Design Build locations for 100K - 125K SF distribution building. Provided our marketing materials and timeline, but asked that they submit and RFP
Owner-user - Design Build	20K - 30K SF	Broker purchase requirement - prospect looking to purchase 2-3 acres for a design build distribution building with 28' clear height. Included our brochure and economics into their survey
Owner-user	50K - 75K SF	Requested construction timeline and economics - early stages in their search, but included our business park in their market survey
Tenant Prospect - Furniture Distribution	35K - 50K	Requested construction timeline and economics for buildings 1-4 in the park. Included in their survey and expected to have feedback in June/July
Owner-user	40K - 85K SF	Broker Purchase Requirement - prospect searching NE/E/SE part of town, dock high loading, minimum 22' clear. Included our marketing brochure and economics into their survey
Owner-user	100K - 120K SF	Requested sale pricing for building 6 - provided marketing materials and economics to be included in their client's survey
Tenant Prospect - Distribution Group	40K - 60K SF	Requested construction timeline and economics - including in a market survey for his client
Owner-user - SRS Distribution	30K - 40K SF	Initial inquiry on Building 9, sent BTS proposal 4-15-24 - discussing internally may be 7-10 days before we receive feedback
Owner-user	50K - 100K SF	Requested sale pricing for buildings 6 and 7 - including in a market survey for their client
User - Design Build	100K - 150K SF	Requested construction timeline and economics for existing buildings and if we would be open to a Design Build. Provided all information requested - prospect discussing internally
Prospect Considering Lease or Purchase	30K - 50K SF	Requested construction timeline and economics - client requires outside storage/yard space
Owner-user	~40K SF	Requested construction timeline and economics - including in market survey for client - still early in the process
Owner-user	50K - 60K SF	Requested construction timeline and economics - including in a market survey for her client
American Furniture Warehouse (afw.com)	40K - 80K SF	Considering Lease or Purchase - Requested construction timeline and economics - discussing internally with his clients to see if they would like to submit a proposal
Owner-user	30K - 50K SF	Requested construction timeline and economics - going to put in front of 2 different clients with requirements for later this year
Tenant Prospect	40K - 50K SF	Requested construction timeline and economics - prospect concerned about timing and not sure if can push into 2025
Owner-user	50K - 60K SF	Requested construction timeline and economics - early stages in their search, but included our business park in their market survey
Prospect Considering Lease or Purchase	25K - 40K SF	Requested construction timeline and economics - included in market survey for his client - timing may not workout but still including
Owner-user - Distribution Company	20K - 35K SF	Requested construction timeline and economics - including in a market survey for his client
Prospect Considering Lease or Purchase	40K - 50K SF	Requested construction timeline and economics - submitting to his client for review but will have to discuss his client's timeline more
Prospect Considering Lease or Purchase	20K - 30K SF	Requested construction timeline and economics - prospect looking at the front buildings 1 & 2 - waiting for more feedback

# Marketing Activity

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Prospect Details	SF Required	Comments
Tenant Prospect	35K - 40K SF	Requested construction timeline and economics - prospect interested in buildings 1-4 - discussing internally to see if timing will work
Tenant Prospect	30K - 45K SF	Broker Lease Requirement - requested construction timeline and economics - included in market survey for his client
Owner-user	50K - 60K SF	Requested construction timeline and economics to be included in his client's survey
Owner-user	~30K SF	Requested construction timeline and economics - submitting to her client for review and will continue to track construction on the project before submitting proposal
Prospect Considering Lease or Purchase	20K - 30K SF	Requested construction timeline and economics - including in market survey for client but timing may be an issue. Going to see if his client can extend timing
Tenant Prospect	~45K SF	Requested construction timeline and economics - prospect most interested in buildings 1-4 - concerned about their timing and completion of buildings
Owner-user	60K - 100K SF	Requested construction timeline and economics - submitted in market survey for his client - still early in the process
Investor Client	50K - 100K SF	Requested construction timeline and economics - investor interested in potentially purchasing multiple buildings
Distribution Group Considering Lease or Purchase	30K - 50K SF	Requested construction timeline and economics - as well as number of dock doors and ramps on Bldgs 1-4
Owner-user - Manufacturing company	40K - 50K SF	Requested construction timeline and economics - including the manufacturing buildings in a market survey for his client
Owner-user	30K - 50K SF	Requested construction timeline and economics - including in a market survey for his client

# Disclaimer

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