

BWE Vargas

Q3 2025

**Summary**

Construction has officially commenced on the Vargas project, now branded The Grant. On September 8th, 2025, River City Capital Partners issued the “Notice to Proceed” to Skybeck (general contractor), marking a major milestone in bringing this vision to life. Site preparation and earthwork are now underway at the Riverside location in Austin.

This quarter represented significant progress across multiple fronts. River City successfully secured both site development and building permits from the City of Austin, closed on the construction loan with IBC Bank, and finalized nearly all easements and license agreements. The loan structure provides \$56.5 million in financing at 55% loan-to-cost, with a floating rate tied to the New York Prime Rate (currently 7.25%).

The construction timeline targets first unit delivery by October 2027, with final close-out scheduled for February 2028. Following a comprehensive branding process, The Grant's new identity will be reflected in the community's market positioning and resident experience. Detailed branding updates and renderings will be shared in upcoming investor communications.

BWE Vargas GP QOF LLC
3Q25 Reporting Package

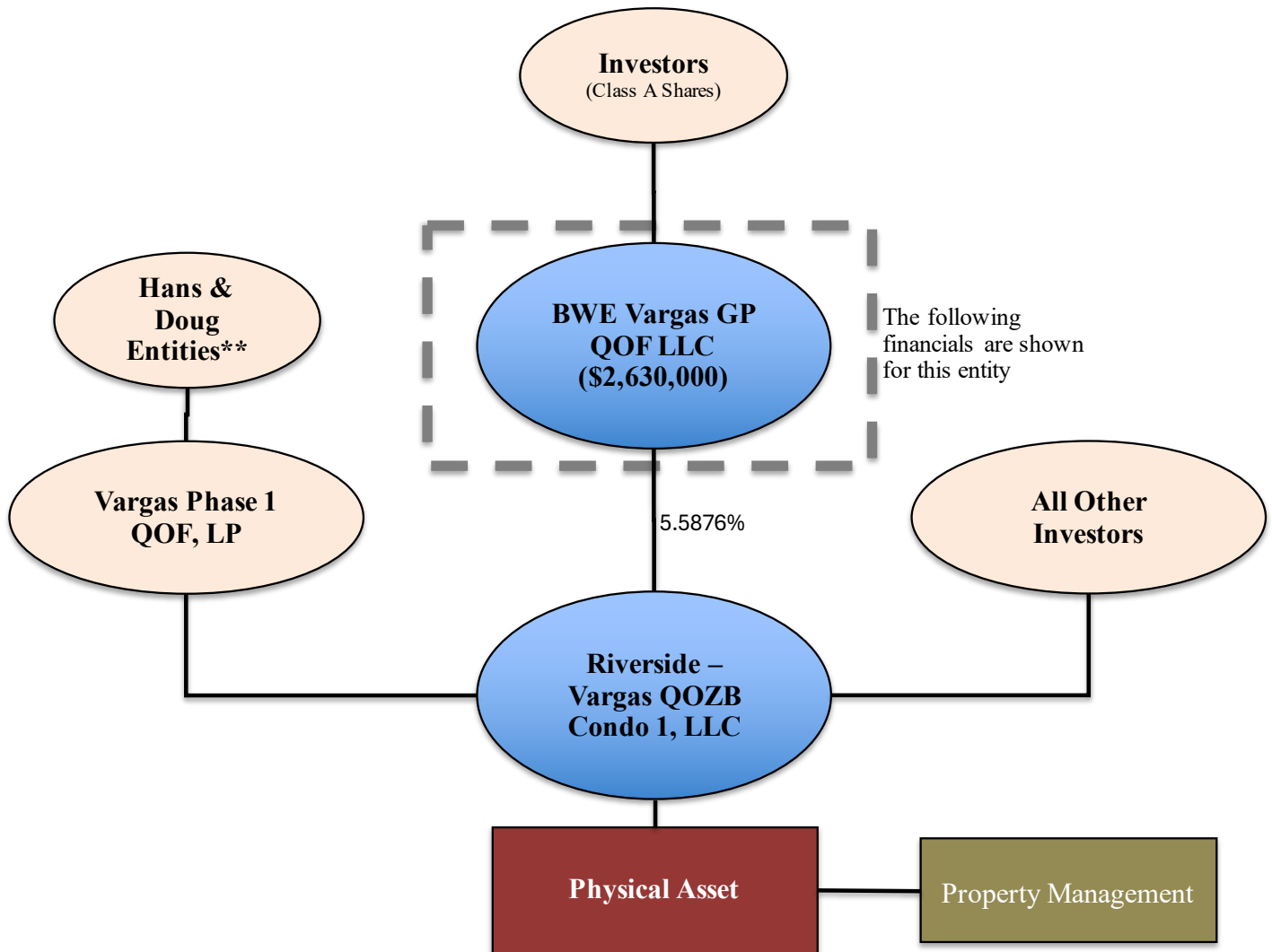
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****Note:** Hans and Doug are members of Vargus Phase 1 QOF, LP because that is the entity that receives the carried interest (ie, Hans/Doug's compensation, similar to all other BWE deals). Because this is a Opportunity Zone deal, Hans/Doug needed to invest their cash in the deal via this entity in order to avoid capital gains tax on their carried interest. Please note that our cash investment is treated exactly the same (distribution, tax treatment, etc) as all other BWE investors. This was simply structured to obtain tax benefits on the carried interest portion of our compensation.

BWE Vargas
Balance Sheet

As of September 30, 2025

| | Sep 30, 25 |
|---------------------------------|--------------|
| ASSETS | |
| Current Assets | |
| Checking/Savings | |
| Frost Bank | 1,160,198.20 |
| Total Checking/Savings | 1,160,198.20 |
| Accounts Receivable | |
| Reimbursable Business Expense | 22,338.10 |
| Total Accounts Receivable | 22,338.10 |
| Total Current Assets | 1,182,536.30 |
| Other Assets | |
| Inv. in Riverside Vargas | 1,447,463.70 |
| Total Other Assets | 1,447,463.70 |
| TOTAL ASSETS | 2,630,000.00 |
| LIABILITIES & EQUITY | |
| Equity | |
| LLC Member Equity Class A | |
| Abhijit Grewal | 30,000.00 |
| Adnan Nishat | 100,000.00 |
| Amit Saraf | 50,000.00 |
| Ashwin R. and Jyothi K. JTWROS | 150,000.00 |
| Bic Chau | 50,000.00 |
| Brenda Daurelle JTWROS | 25,000.00 |
| Brightwater Holdings LLC | 500,000.00 |
| DASH Revocable Trust | 200,000.00 |
| Eager LLC | 50,000.00 |
| Frank Valenzuela | 50,000.00 |
| Frankki Bevins | 75,000.00 |
| Iat Kei Ho | 50,000.00 |
| iHarvest, LLC | 50,000.00 |
| Joseph Faurote EPSP 401K | 50,000.00 |
| Julie Valenzuela | 50,000.00 |
| Ketan Malani | 25,000.00 |
| Michael Greenspan | 50,000.00 |
| Nathan Barron | 100,000.00 |
| Paulette Armstrong | 100,000.00 |
| Quinn Reckmeyer | 50,000.00 |
| Stephen L. and Wendy L. Trust | 225,000.00 |
| Steve Mills | 250,000.00 |
| Vu B. and Lucy L. Living Trust | 300,000.00 |
| Wassym Bensaid | 50,000.00 |
| Total LLC Member Equity Class A | 2,630,000.00 |
| Total Equity | 2,630,000.00 |
| TOTAL LIABILITIES & EQUITY | 2,630,000.00 |

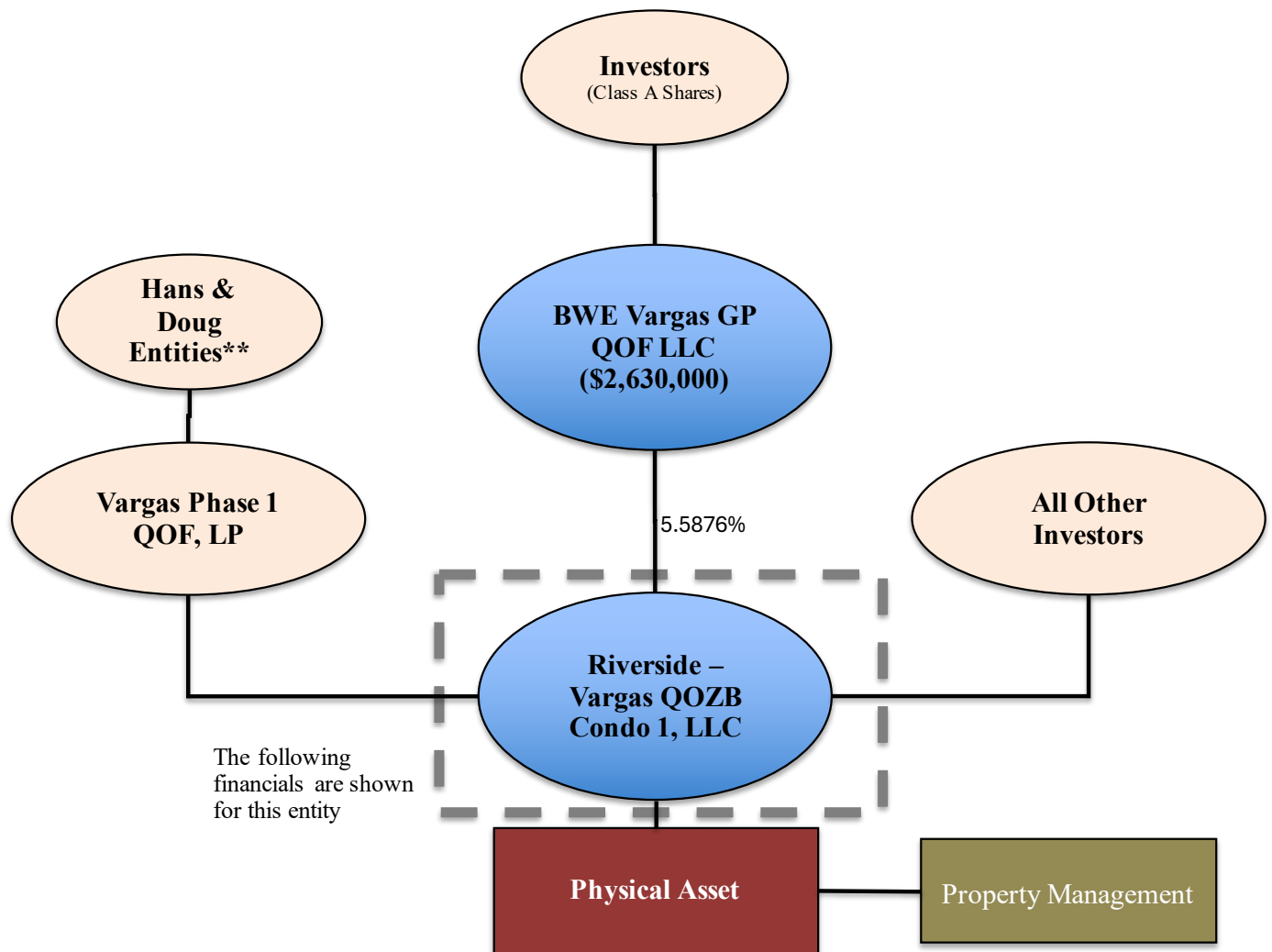
BWE Vargas
Profit & Loss

January through September 2025

Jan - Sep 25

Net Income

0.00



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RIVERSIDE & VARGAS – INVESTOR UPDATE

Q3 2025 – July/August/September 2025

Overview:

- This quarter, we received Site Development Permits and Building Permits from City of Austin. Additionally, we are nearing completion of all easements and license agreements.
 - We closed on the construction loan with IBC bank.
 - On September 8th, we gave Skybeck the notice to proceed and broke ground on the Vargas project. Site preparation and earthwork have begun.
 - After a robust branding process, we're excited to share the Riverside-Vargas development will operate under the community name **The Grant**. We'll be sharing branding updates and images in our next investor update.
-

Architecture & Permitting

Site Development Permit (SDP):

- The SDP has been approved and pulled to begin site work.

Building Permit: All fees have been paid and permit has been pulled.

Construction

Construction Timeline:

- NTP: September 8th, 2025
 - First Units Delivered: October 2027
 - Final Close Out: February 2028
-

Capital Requirements

Loan Closing:

- On September 5th, we successfully closed on a construction loan with IBC bank at the terms detailed below:

IBC Loan Terms

| | |
|-------------------|---|
| Loan amount LTC | \$56,458,899.00 55% |
| Interest Rate | Floating at New York Prime Rate (7.25% as of 9/30/2025) Rate Floor: Step down (1)7.25% (2)6.75% (3)6.25% |
| Term | 4+1 (Interest only for initial term; 25-year Ammo on extension(s)) |
| Fees | 0.75% Origination Fee; 0.125% Extension Fee |

Financial Update

Status Report: September 30, 2025

Development Budget

| | | | |
|--|----|-------------------|--------|
| Current Development Budget | \$ | 102,652,544 | |
| Total Costs to Date (through Draw 010) | \$ | 24,340,561 | 23.71% |
| Remaining | \$ | 78,311,983 | 76.29% |

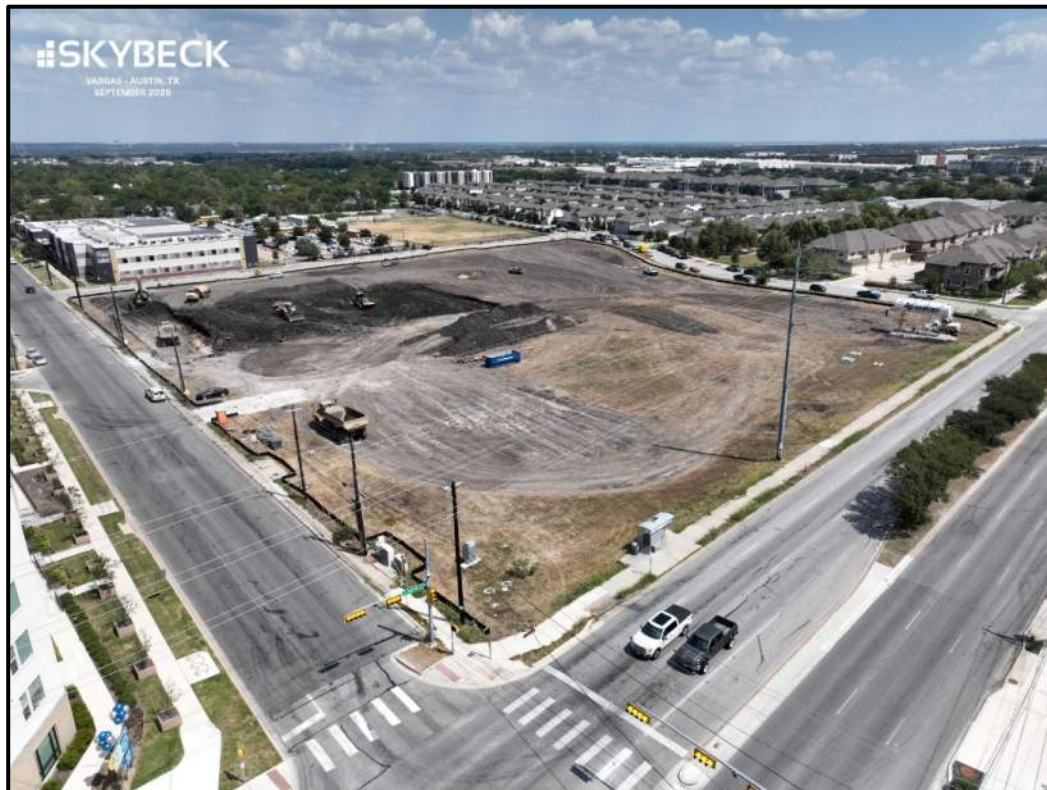
Project Contingency

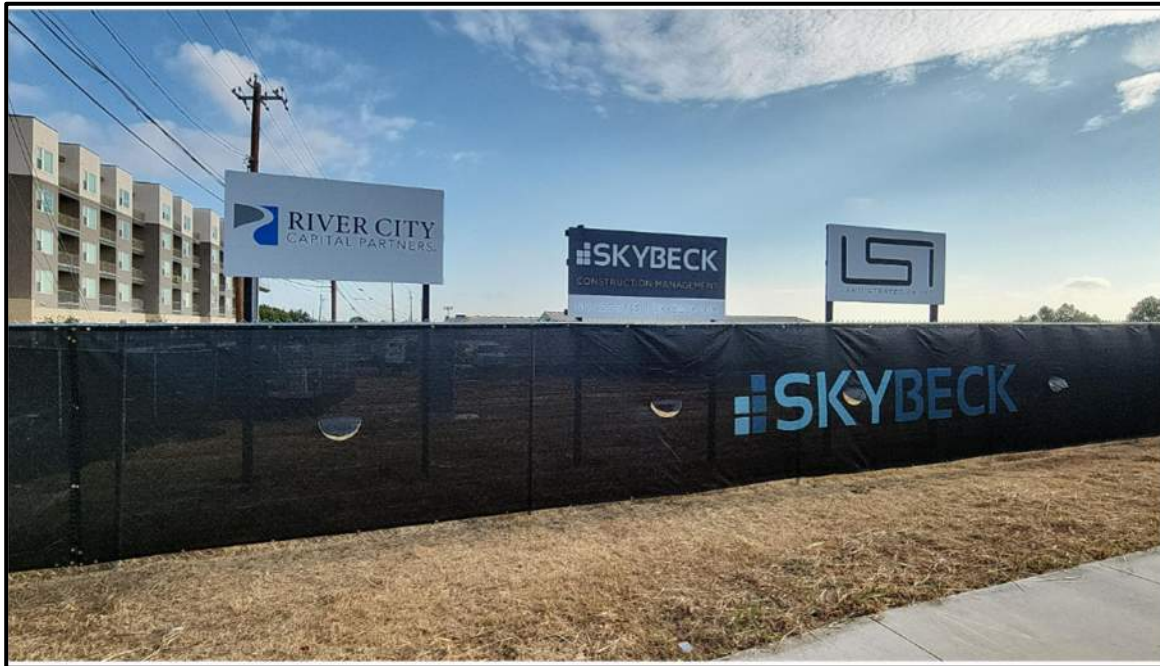
| | Budget | Remaining |
|-----------------------------|------------------------|------------------------|
| Hard Cost Contingency | \$ 1,647,162.00 | \$ 1,647,162.00 |
| Project Contingency | \$ 4,049,455.00 | \$ 4,049,455.00 |
| Total Remaining Contingency | \$ 5,696,617.00 | \$ 5,696,617.00 |

General Contractor GMP

| | | | |
|------------------------------|----|-------------------|-------|
| Original GMP - Skybeck | \$ | 64,475,027 | |
| Approved OCO's to date | \$ | - | |
| Current GMP Value | \$ | 64,475,027 | |
| Remaining CM Contingency | \$ | 1,647,162 | |
| Hard Costs Paid Through 9/30 | \$ | 1,564,180 | 2.43% |

Construction Progress Photos





Project Renderings





