

## 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

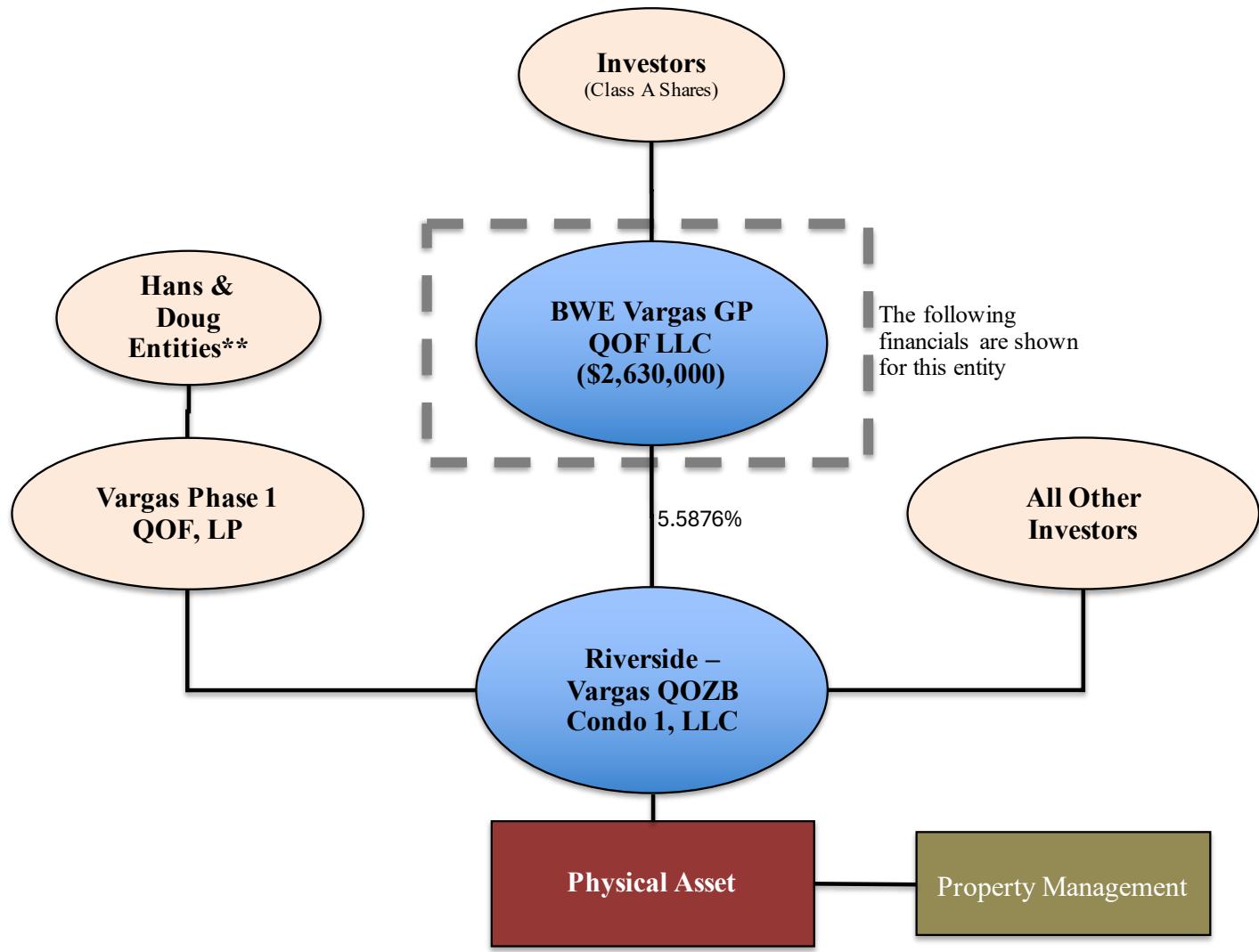
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**\*\*Note:** Hans and Doug are members of Vargas Phase 1 QOF, LP because that is the entity that receives the carried interest (ie, Hans/Doug's compensation, similar to all other BWE deals). Because this is a Opportunity Zone deal, Hans/Doug needed 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

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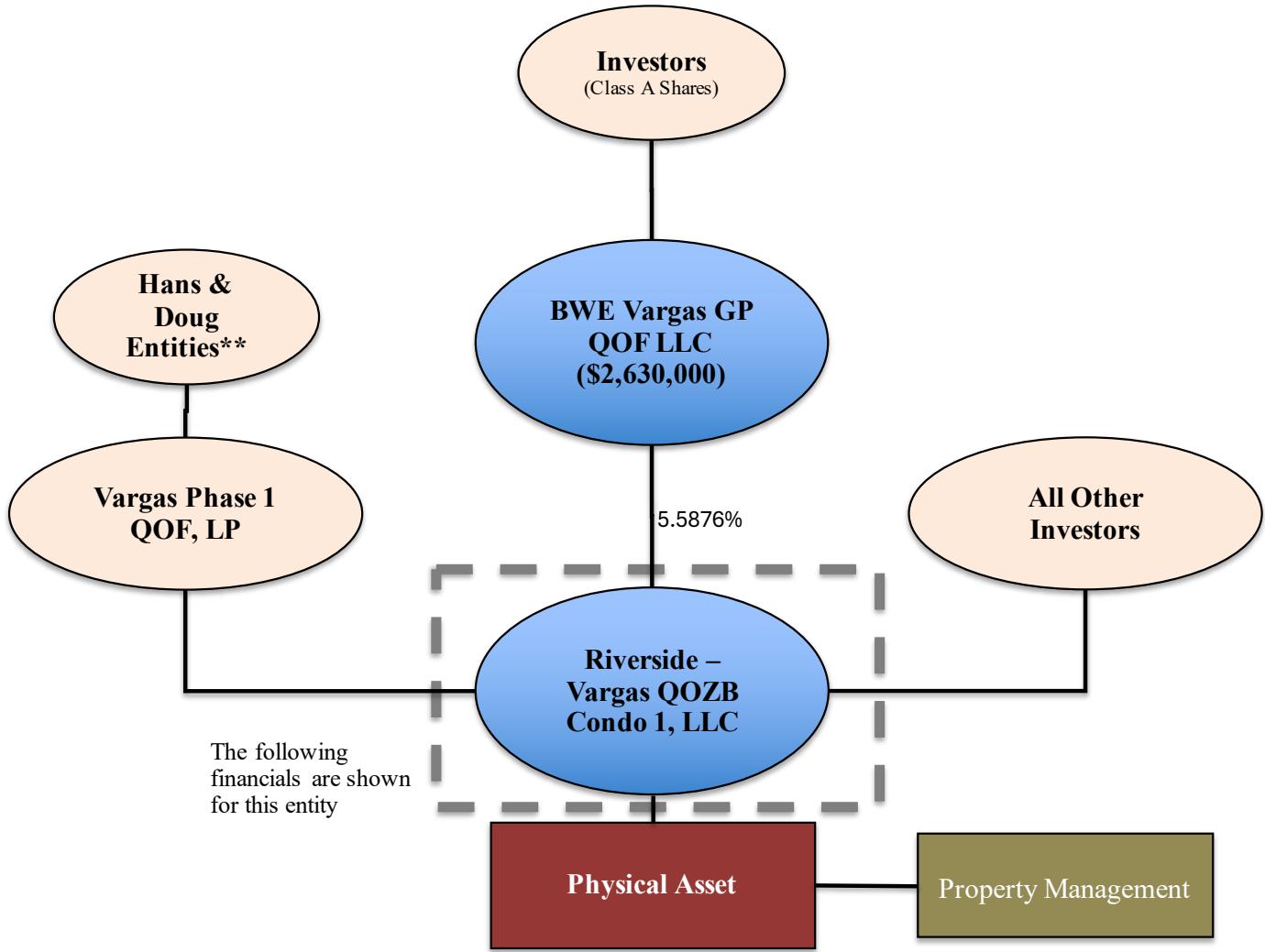
	Sep 30, 25
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
Frost Bank	1,160,198.20
Total Checking/Savings	1,160,198.20
Accounts Receivable	
Reimbursable Business Expense	22,338.10
Total Accounts Receivable	22,338.10
Total Current Assets	1,182,536.30
Other Assets	
Inv. in Riverside Vargas	1,447,463.70
Total Other Assets	1,447,463.70
<b>TOTAL ASSETS</b>	<b><u>2,630,000.00</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
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
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>2,630,000.00</u></b>

BWE Vargas  
Profit & Loss

January through September 2025

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	Jan - Sep 25
Net Income	<hr/> <hr/> 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.
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#### 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.

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#### Construction

##### Construction Timeline:

- NTP: September 8<sup>th</sup>, 2025
  - First Units Delivered: October 2027
  - Final Close Out: February 2028
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#### 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

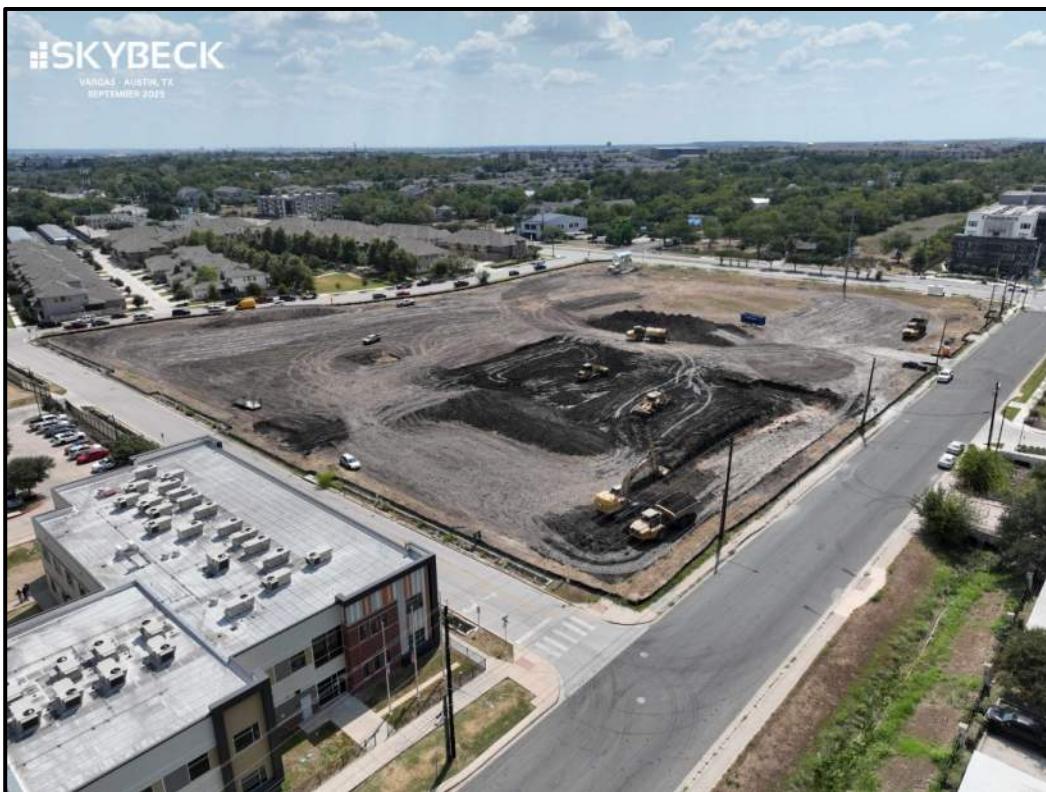
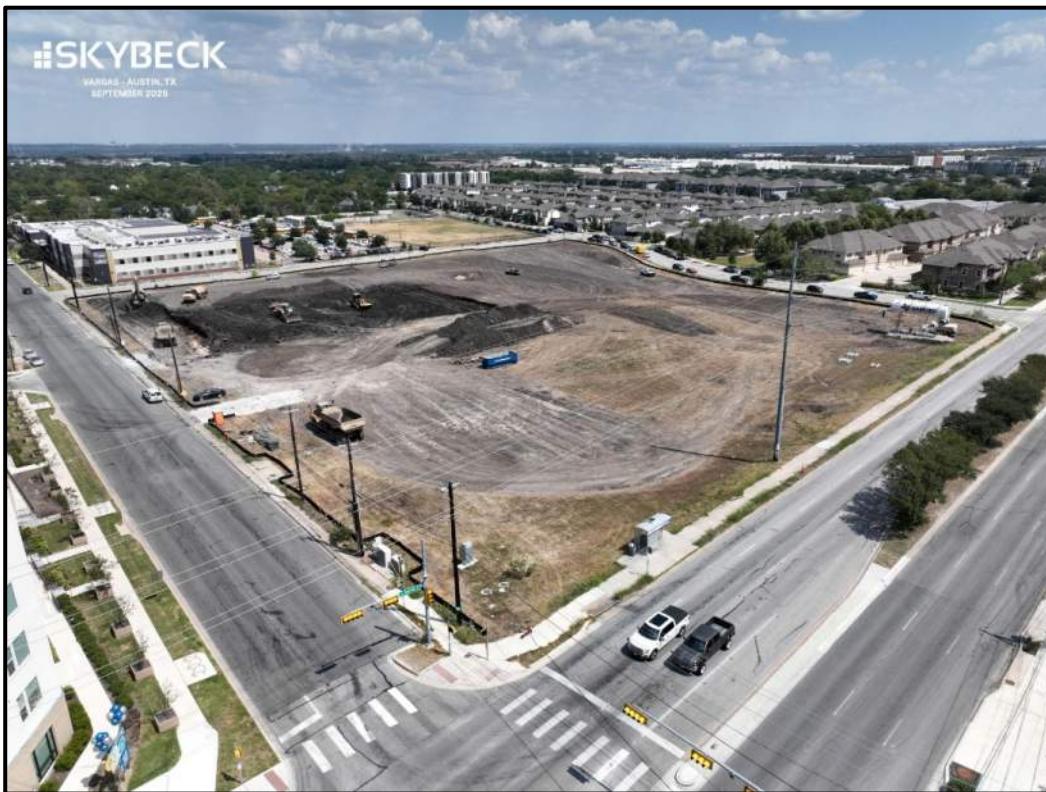
	Budget	Remaining
Hard Cost Contingency	\$ 1,647,162.00	\$ 1,647,162.00
Project Contingency	\$ 4,049,455.00	\$ 4,049,455.00
Total Remaining Contingency	\$ 5,696,617.00	\$ 5,696,617.00

### General Contractor GMP

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

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## Construction Progress Photos





## Project Renderings



