



CANFIELD  CONNORS

2300 Lohmans Spur, Ste 184
Lakeway, TX 78734

Bee Creek Mixed Use Commercial

FOR SALE: Permitted Project

Strictly private and confidential.

Presented By:
Canfield Connors

INVESTMENT OVERVIEW – BUILD, LEASE & SELL STRATEGY

BASELINE EQUITY IRR

28.3%

BASELINE EQUITY CASH MULTIPLE

2.8x

BASELINE HOLD PERIOD

72 mo.

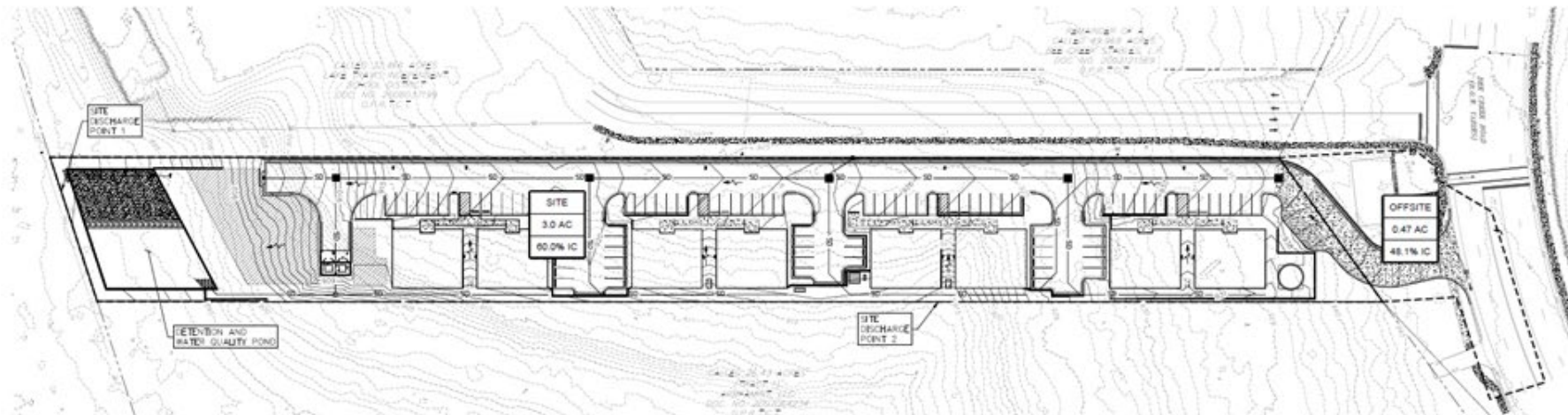
The Lake Travis area has experienced considerable growth over the past ten years. With one of the state's top public-school systems, the beauty of the Texas Hill Country, the recreational lifestyle on Lake Travis, and the numerous area golf courses and other recreational opportunities, the community has been a popular landing place for out-of-state affluent families. This results in housing and incredible commercial development opportunities.

The Austin metro area is yoked with considerable regulation and a high cost of commercial development. New businesses are excluded from developing smaller sites as they are cost prohibitive. There have been recent examples in the market showing considerable demand for this asset class, as it is preferable to being in a larger retail or mixed-use center. A smaller stand-alone unit provides the tenant with better signage, better access for their customers, more presence in the market and a better profile.

We have contracted for an ideal property that lends itself to this 'mixed use village' concept and is in a high traffic corridor.

After analyzing recent comparable projects and market rents, ***our strategy will be to construct eight (8) 3,024 sq ft free-standing, one-story mixed-use buildings with fully completed interiors.*** This approach reduces costs considerably by building everything at the same time and accelerates our leasing.

PROJECT SITE PLAN

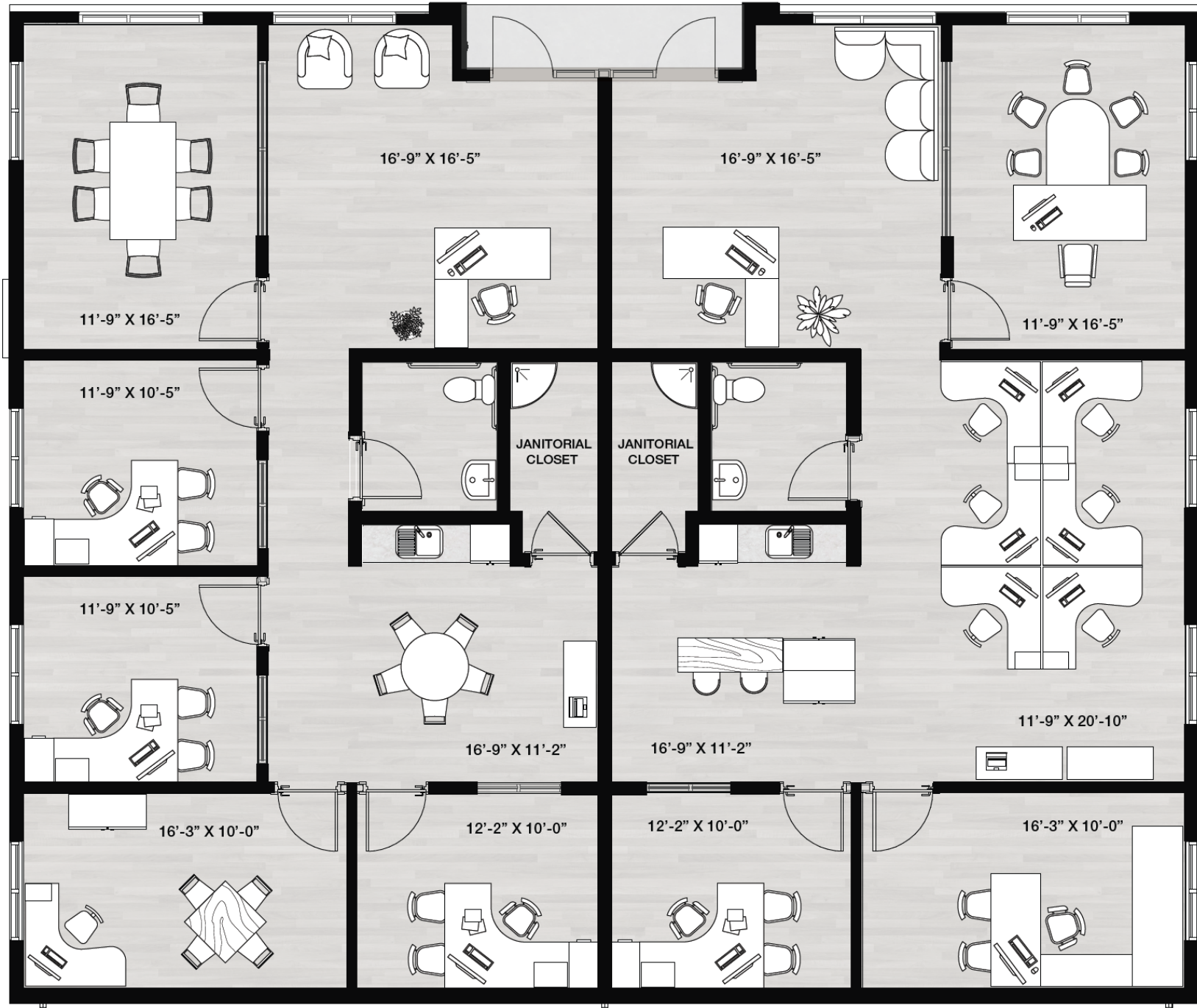


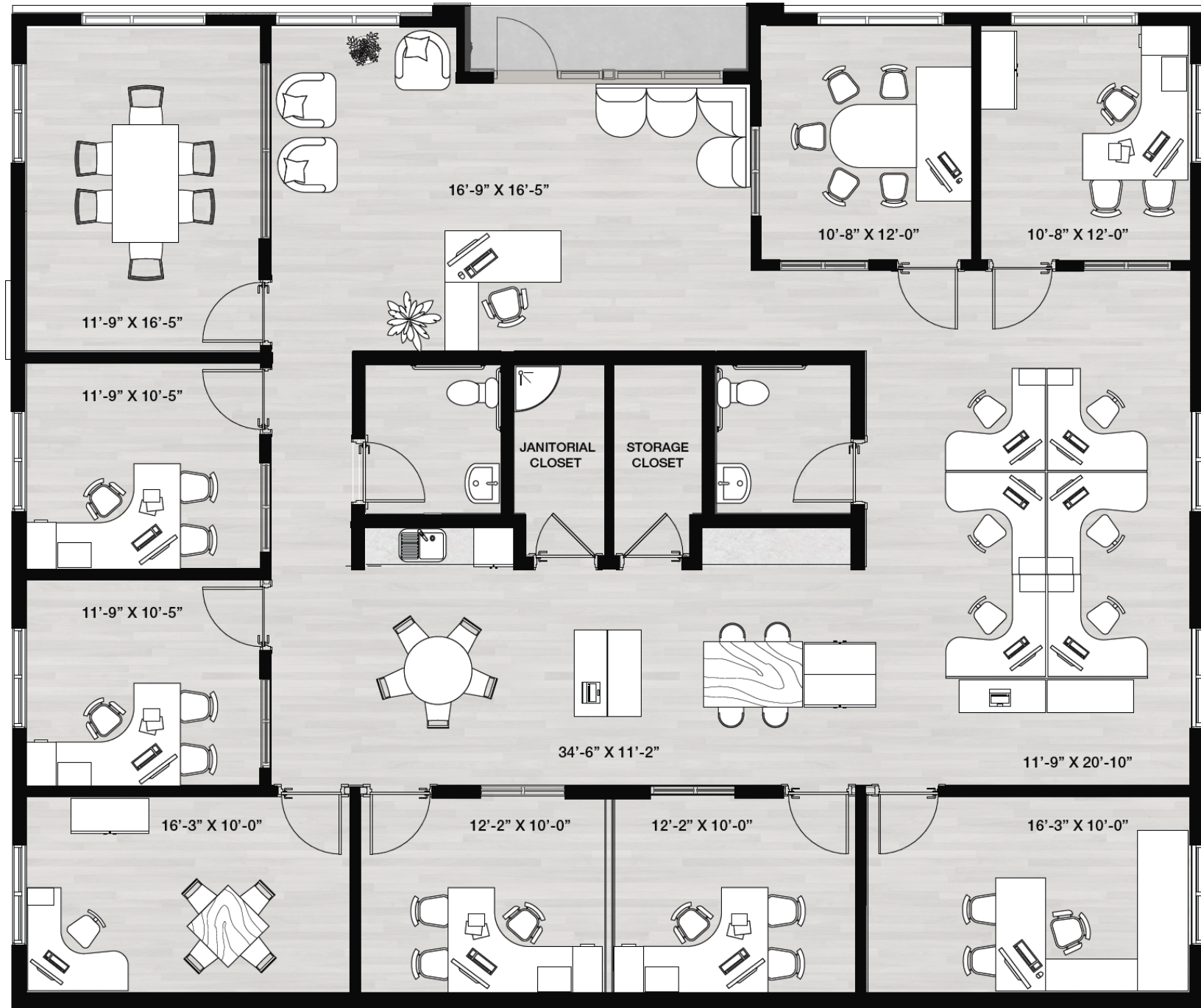












CURRENT PERMITTING STATUS

SITE DEVELOPMENT PERMIT – All City comments have been cleared and waiting on one remaining comment review from LCRA for full site development permit approval.

BUILDING PERMITS – Architecture, MEP and Structural Designs are all complete and ready to submit to the City of Lakeway.

WATER – There is no available municipal water in the area, so we have designed and permitted a public water system and well. Drilling permits have been issued by TCEQ and Southwest Travis County Water Conservation District.

WASTEWATER – We have a permitted commercial OSSF system through LCRA.

DRY UTILITIES – Pedernales Electric has completed their site design, and it has been incorporated into the civil and architectural sets. Spectrum has telecom services currently at the corner of the property and has designed distribution to all the buildings.

CONSULTANTS

Miller Gray Civil Engineering & Planning. Miller Gray is an Austin-based civil engineering firm established in 2014.

We have two current contracts with Miller Gray.

<https://miller-gray.com/>

Motif Architects Architecture, Landscaping & Planning. Motif is a boutique firm located in Lakeway that we have a long history with. We currently have four contracts engaged with Motif.

<https://www.motifbuild.com/>

Wet Rock Groundwater Services Hydrologist. Wet Rock was formed in 2002. From the very beginning we saw as key elements to success the application of sound science and technology in addition to making each client's satisfaction a top priority. This combination of science and client care has been the driving force in the continuing success of the business.

<https://wetrockgs.com>

Peak Design Build Builder. Peak Design Build creates luxury modern homes, comfortable commercial interiors, and thoughtful developments in the Austin area.

<https://peak-development.com>

DEVELOPERS: CANFIELD CONNORS

Canfield Connors, LLC is an established mixed use real estate development company, specializing in Central Texas off-market opportunities. Since 2013, Canfield Connors has developed over 115,000 sq ft of mixed use lease space and 244 lots of RV resort units, with 72,000 sq ft of mixed use, 62 residential lots and 13 commercial lots currently under construction. Our specialization is focused around the more affluent western Travis County (Austin) and neighboring communities.

Recent Project Experience: www.canfieldconnors.com

LOCATION AND MARKET OVERVIEW – LAKEWAY, TX

The project is situated on a three-acre site located just off Hwy 71 in Lakeway, Texas. Lakeway is an affluent western suburb of Austin, located on Lake Travis. The project is inside the tri-city Lake Travis Independent School District (ISD) region which includes the city of Lakeway and Bee Cave, as well as the unincorporated area Spicewood. Lake Travis ISD is in the top 10% of Texas public schools with a 10/10 overall rating by Public Schools Review (<https://www.publicschoolreview.com/texas/lake-travis-independent-school-district/4826470-school-district>).

Average household incomes (2021 census):

Lakeway	\$142,566
Bee Cave	\$100,179
Spicewood	\$146,910

The site is located next to the Lake Travis Middle School and has signage exposure to a very high-traffic intersection.

The Lake Travis region has absorbed much of the incredible growth that Austin has experienced over the past five years. The three districts noted above that experienced more growth than Lake Travis are starter home communities.

SUBMARKET CONCLUSIONS

Below is a Costar report for the project zip code and the three other zip codes between the project and the Austin CBD. The report forecasts a negative net absorption of over 3% in the next 12 months. It's inaccurate to predict that there is an unmet demand for mixed use space in the Austin (or most any other) macro market. But there are a few key indicators to highlight, that are specific to this project:

- 1. Size of our Rental Suites** – We are renting small, 1,500-3,000 sq ft., stand-alone buildings vs. large multi-tenant buildings. This gives the tenant their own presence, signage opportunity and a non-shared-entrance.

- 2. Interior Buildouts** – All of our suites will have a fully built out and flexible interior buildout. This will allow the tenants to occupy the space immendiately, accelerate the lease-up and make the lease commitment more accessible to a broader tenant base.
- 3. Submarket Location** – We are located in a high-density rooftop location, in a prime location on the growth corridor.
- 4. Comparable Submarket Project to Comp** – There is a comparable project, recently completed in our submarket (<https://cherrypeaklakeway.com/>) that consisted of 16, similar freestanding mixed use suites. All 16 were pre-sold ahead of construction.
- 5. Lease Rate** – Our lease rate is sized to our sub-sub market and is significantly lower than the CoStar submarket (3 mile radius of project) of \$41.40/ft. We are in a very competitive position to raise rents over time, after stabilization.

Search Analytics

INVENTORY SF 61.1K +109.4% Prior Period 29.2K	UNDER CONSTRUCTION SF 0 -100.0% Prior Period 25.8K	12 MO NET ABSORPTION SF 19.5K - Prior Period 0	VACANCY RATE 22.4% +18.1% Prior Period 4.3%	MARKET ASKING RENT/SF \$41.40 +2.6% Prior Period \$40.35	MARKET SALE PRICE/SF \$559 +2.6% Prior Period \$545	MARKET CAP RATE 5.7% +0.1% Prior Period 5.6%
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Key Metrics

Availability		Inventory	
Vacant SF	13.7K ↑	Existing Buildings	6 ↑
Sublet SF	0 ↓	Under Construction Avg SF	-
Availability Rate	25.3% ↑	12 Mo Demolished SF	0 ↓
Available SF Total	15.4K ↑	12 Mo Occupancy % at Delivery	77.1%
Available Asking Rent/SF	\$41.17 ↑	12 Mo Construction Starts SF	6.1K ↓
Occupancy Rate	77.6% ↓	12 Mo Delivered SF	31.9K ↑
Percent Leased Rate	81.7% ↓	12 Mo Avg Delivered SF	8K
Sales Past Year		Demand	
Asking Price Per SF	-	12 Mo Net Absorp % of Inventory	33.9%
Sale to Asking Price Differential	-	12 Mo Leased SF	5.7K ↑
Sales Volume	\$0 ↓	Months on Market	4.4 ↓
Properties Sold	0 ↓	Months to Lease	-
Months to Sale	-	Months Vacant	8.3
For Sale Listings	-	24 Mo Lease Renewal Rate	62.0%
Total For Sale SF	-	Population Growth 5 Yrs	9.6%

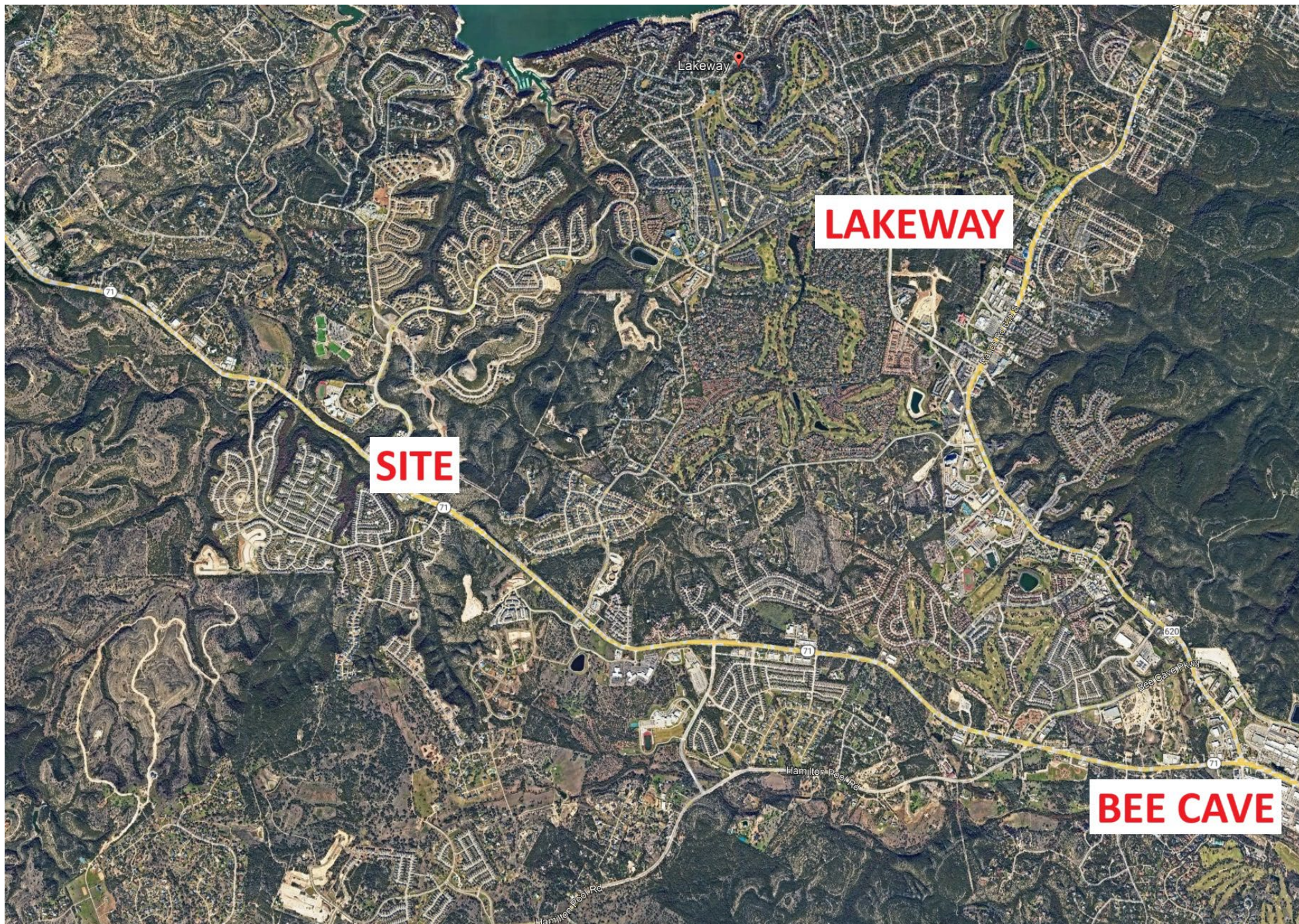




EXHIBIT A

FINANCIALS

Inputs

Property Overview

Name	Bee Creek Commercial Village		
Type	Development		
Location	Lakeway, Texas		
WH Bldgs.	8		
Year Built	2025		
Total Acreage	3		
Rental Price/Ft	\$	36.00	
Total Project Cost	\$	9,862,841	
Cost Per Ft (no land)	\$	373	

Investment Overview

Acquisition Date	6/15/2024
Hold Period	72 Months
Exit Date	6/30/2030
Preferred Return	10.00%
Investor IRR	28.3%
MOI/MOE	2.81
GP Splits	35.0%
LP Splits	65.0%


Financing Assumptions

Start Date	Fixed	360	6/15/2024
Term	72 Months		
Maturity Date	6/30/2030		
Equity Commitment	\$2,890,000		
Financing LTC	50%		
Equity LTC	29%		
PACE LTC	25%		
Origination Fee	1.0%		
Loan Rate	7.50%		
IO Period	36 Months		

Waterfall

- 1st - Preferred Return
- 2nd - Return of Capital
- 3rd - Pro Rata GP/LP Splits



Bee Creek Commercial Village Investment Analysis (75% Leveraged)												
USE OF FUNDS / PROJECT COSTS						PROJECT ASSUMPTIONS						
						Investment Period 5 Years						
						Equity Required 29% \$ 2,890,000						
						PACE Financing 25% \$ 2,504,279						
						Debt Required 50% \$ 4,931,420						
						Interest Rate 7.50%						
						AM Term 25						
Sales Price CAP Rate 5.5%												
PROJECTED FIVE (5) YEAR HOLD					Year 1*	Year 2	Year 3	Year 4	Year 5			
Year												
Total Rental & Ancillary Income					\$653,184	\$897,039	\$923,951	\$951,669	\$980,219			
Gross Operating Income					\$653,184	\$897,039	\$923,951	\$951,669	\$980,219			
Less Vacancy					5% \$ -	\$ -	\$ -	\$ -	\$ -			
Operating Expenses					\$ (25,848)	\$ -	\$ -	\$ -	\$ -			
Total Net Revenue					\$ 627,336	\$ 897,039	\$ 923,951	\$ 951,669	\$ 980,219			
PACE Debt Service					\$ -	\$ (244,689)	\$ (312,931)	\$ (312,931)	\$ (312,931)			
Senior Debt Service					\$ (369,857)	\$ (369,857)	\$ (385,296)	\$ (385,296)	\$ (385,296)			
Refi Cost 1%					\$ -	\$ -	\$ (48,563)	\$ -	\$ -			
Cash Flow after Debt Service					\$ 257,480	\$ 282,494	\$ 177,160	\$ 253,442	\$ 281,992			
<div><div>CANFIELD</div><div></div><div>CONNORS</div></div>										SALE OF PROPERTY		YR 5
										Sales Price (5.5% CAP Rate)		\$ 17,822,166
										Less Brokerage		\$ -
										Less Closing Costs		\$ (151,488)
										PACE Loan Discount		\$ (2,862,417)
										Less Senior Loan Payoff		\$ (4,631,097)
										Net Cash Sales Proceeds		\$10,177,164
					Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5			
NET CASH FLOW												
Cash Flows					\$ (2,890,000)	\$ 257,480	\$ 282,494	\$ 177,160	\$ 253,442	\$ 10,459,155		
Equity Capital Account					\$ (2,890,000)	\$ (2,890,000)	\$ (2,890,000)	\$ (2,890,000)	\$ (2,890,000)	\$ (2,890,000)		
Preferred Return Accum. 10%					\$ 433,500	\$ 722,500	\$ 754,020	\$ 760,526	\$ 872,367	\$ 907,925		
1st Waterfall - Preferred Return Paid					\$ 257,480	\$ 282,494	\$ 177,160	\$ 253,442	\$ 907,925			
2nd Waterfall - Return of Capital					\$ -	\$ -	\$ -	\$ -	\$ 2,890,000			
3rd Waterfall - Pro Rata												
65% to Equity					\$ -	\$ -	\$ -	\$ -	\$ 4,329,800			
35% to GP					\$ -	\$ -	\$ -	\$ -	\$ 2,331,431			
TOTAL CASH FLOW TO LP INVESTOR					\$ 257,480	\$ 282,494	\$ 177,160	\$ 253,442	\$ 8,127,725			
EQUITY PERFORMANCE					\$ (2,890,000)	\$ 257,480	\$ 282,494	\$ 177,160	\$ 253,442	\$ 8,127,725		
Equity IRR / Net Profit					28.3%							
Equity ROE / Annual ROE						8.9%	9.8%	6.1%	8.8%	281.2%		

Bee Creek Commercial Village

Project Sources & Uses

2/11/2025

Land		3	\$ 850,000
Hard Costs			
Estimated Pricing			\$ 6,741,467
Spec-Level TI Allowance	\$ 20.00		\$ 483,840
Pond		incl	\$ -
Well & Equip			\$ 406,504
Test Well			\$ 64,126
Well Contingency			\$ 23,532
Plugging of Existing Well			\$ 15,000
Fire Tank		incl	\$ -
Septic		incl	\$ -
Landscaping Allowance		incl	\$ -
Telecom			\$ 7,000
PEC/Transformers			\$ 110,000
Permits (city of lakewy, demo, well capping, septic)			\$ 72,253
Testing			\$ 20,000
Contingency		3%	\$ 84,593
Soft Costs			
Architectural - Shell			\$ 96,315
MEP			\$ 28,000
Structural			\$ 32,800
Architectural - Interior			\$ 20,000
Engineering			\$ 188,107
Landscape Arch			\$ 22,650
Hydro Eng			\$ 75,000
Surveying			\$ 8,000
OSSF Design			\$ -
Geotech			\$ -
Fire Tank Engineering			\$ 6,500
Fire Tank Design			\$ -
Permits			\$ 64,000
Taxes During Construction			\$ 8,200
Senior Interest During Construction			\$ 203,842
PACE Capitalized Interest			\$ -
Leasing			\$ 128,055
Contingency		3%	\$ 22,037
Pre-Finance Totals			\$ 9,781,821
Finance Costs			
Loan Origination Points 1%		1%	\$ 49,000
Loan Fees, Legal 0.5%		0.5%	\$ 24,500
Appraisal			\$ 7,520

Total Project Cost **\$ 9,862,841**

Price/Ft (no land) \$ 373

Equity Required	29%	\$ 2,890,000
PACE Financing	21%	\$ 2,504,279
Loan Requested	50%	\$ 4,931,420

Bee Creek Commercial Village
Rental Analysis and Cash Flows
2/11/2025



			Year 1				Year 2				Year 3				Year 4				Year 5			
	Building Suite	Sq Ft	\$ Rate/Ft	\$ NNN	Annual Net Rent	Annual NNN	\$ Rate/Ft	\$ NNN	Annual Net Rent	Annual NNN	\$ Rate/Ft	\$ NNN	Annual Net Rent	Annual NNN	\$ Rate/Ft	\$ NNN	Annual Net Rent	Annual NNN	\$ Rate/Ft	\$ NNN	Annual Net Rent	Annual NNN
Commercial Bldgs.	1	3,024	\$ 36.00	\$ 4.27	\$ 108,864.00	\$ 12,923.88	\$ 37.08	\$ 5.95	\$ 112,129.92	\$ 17,978.84	\$ 38.19	\$ 6.12	\$ 115,493.82	\$ 18,518.20	\$ 39.34	\$ 7.04	\$ 118,958.63	\$ 21,299.66	\$ 40.52	\$ 6.76	\$ 122,527.39	\$ 20,429.56
	2	3,024	\$ 36.00	\$ 4.27	\$ 108,864.00	\$ 12,923.88	\$ 37.08	\$ 5.95	\$ 112,129.92	\$ 17,978.84	\$ 38.19	\$ 6.12	\$ 115,493.82	\$ 18,518.20	\$ 39.34	\$ 7.04	\$ 118,958.63	\$ 21,299.66	\$ 40.52	\$ 6.76	\$ 122,527.39	\$ 20,429.56
	3	3,024	\$ 36.00	\$ 4.27	\$ 108,864.00	\$ 12,923.88	\$ 37.08	\$ 5.95	\$ 112,129.92	\$ 17,978.84	\$ 38.19	\$ 6.12	\$ 115,493.82	\$ 18,518.20	\$ 39.34	\$ 7.04	\$ 118,958.63	\$ 21,299.66	\$ 40.52	\$ 6.76	\$ 122,527.39	\$ 20,429.56
	4	3,024	\$ 36.00	\$ 4.27	\$ 108,864.00	\$ 12,923.88	\$ 37.08	\$ 5.95	\$ 112,129.92	\$ 17,978.84	\$ 38.19	\$ 6.12	\$ 115,493.82	\$ 18,518.20	\$ 39.34	\$ 7.04	\$ 118,958.63	\$ 21,299.66	\$ 40.52	\$ 6.76	\$ 122,527.39	\$ 20,429.56
	5	3,024	\$ 36.00	\$ 4.27	\$ 108,864.00	\$ 12,923.88	\$ 37.08	\$ 5.95	\$ 112,129.92	\$ 17,978.84	\$ 38.19	\$ 6.12	\$ 115,493.82	\$ 18,518.20	\$ 39.34	\$ 7.04	\$ 118,958.63	\$ 21,299.66	\$ 40.52	\$ 6.76	\$ 122,527.39	\$ 20,429.56
	6	3,024	\$ 36.00	\$ 4.27	\$ -	\$ -	\$ 37.08	\$ 5.95	\$ 112,129.92	\$ 17,978.84	\$ 38.19	\$ 6.12	\$ 115,493.82	\$ 18,518.20	\$ 39.34	\$ 7.04	\$ 118,958.63	\$ 21,299.66	\$ 40.52	\$ 6.76	\$ 122,527.39	\$ 20,429.56
	7	3,024	\$ 36.00	\$ 4.27	\$ -	\$ -	\$ 37.08	\$ 5.95	\$ 112,129.92	\$ 17,978.84	\$ 38.19	\$ 6.12	\$ 115,493.82	\$ 18,518.20	\$ 39.34	\$ 7.04	\$ 118,958.63	\$ 21,299.66	\$ 40.52	\$ 6.76	\$ 122,527.39	\$ 20,429.56
	8	3,024	\$ 36.00	\$ 4.27	\$ 108,864.00	\$ 12,923.88	\$ 37.08	\$ 5.95	\$ 112,129.92	\$ 17,978.84	\$ 38.19	\$ 6.12	\$ 115,493.82	\$ 18,518.20	\$ 39.34	\$ 7.04	\$ 118,958.63	\$ 21,299.66	\$ 40.52	\$ 6.76	\$ 122,527.39	\$ 20,429.56
24,192																						
NNN Collected			\$ 653,184 \$ 77,543				\$ 897,039 \$ 143,831				\$ 923,951 \$ 148,146				\$ 951,669 \$ 170,397				\$ 980,219 \$ 163,436			
NNN Exp			\$ 77,543				\$ 143,831				\$ 148,146				\$ 170,397				\$ 163,436			
Net Rev - pre debt service			(\$ 103,391)				(\$ 143,831)				(\$ 148,146)				(\$ 170,397)				(\$ 163,436)			
Debt Service - Senior			\$ 627,336				\$ 897,039				\$ 923,951				\$ 951,669				\$ 980,219			
Debt Service - Senior			(\$ 369,857)				(\$ 369,857)				(\$ 385,296)				(\$ 385,296)				(\$ 385,296)			
PACE Debt Service			\$ -				(\$ 244,689)				(\$ 244,689)				(\$ 244,689)				(\$ 244,689)			
DSCR			\$ 257,480				\$ 282,494				\$ 293,966				\$ 321,684				\$ 350,234			
							1.46				2.40				2.47				2.54			

Assumptions:
3% annual rent increases