

Reserva Del Sol

Market demand. Corridor growth.
Development feasibility.

Targeted cumulative LP ROI: 43.87% over 24 months

Before additional fees, taxes and unmodeled expenses. Returns are not guaranteed.



CONCEPT FROM THE SUPPLIED DECK - NOT AN APPROVED PLAN OR COMPLETED DEVELOPMENT

63

Residential-lot option supported by
engineer letter

4

Commercial lots valued at \$700,000
each

600+ ft

Conway frontage; appraisal cites 660
ft

4 MILE & CONWAY AVENUE | MISSION ETJ, HIDALGO COUNTY, TEXAS

Sources include the deck, feasibility study, September 28 engineer letter, appraisal and public research.

01 / EXECUTIVE ASSESSMENT

A credible corridor opportunity

Residential sales evidence supports the pricing thesis. Final lot yield and commercial pad configuration drive the size of the opportunity.

Reserva Del Sol is a proposed mixed-use development west of Conway Avenue, approximately 970 feet south of Mile 4 Road. The program is **63 residential lots and four commercial lots at \$700,000 each**, totaling **\$2.8M commercially**. G&H Engineering's **September 28, 2026 letter supports the 63-lot residential option** by reallocating 7,200 sf from Commercial Lot 1; it also describes subdivision of Commercial Lot 2. The layout remains conceptual, subject to approval. [D1, D4-D5]

What supports the project	What the evidence means
Nearby residential closings	Three appraiser-reported July 2026 lot sales closed at \$77,000-\$78,000. The deck's \$72,000 base price is below those total-dollar prices, although lot size and features matter.
A growing northern trade area	Alton's July 2025 population estimate is 24,138, up 32.5% from the Census estimates base in 2020. This supports a larger consumer base; it does not establish project-specific absorption. [W1]
Conway commercial investment	Shops at 495, an announced Academy location, an executed Starbucks lease in Alton, and planned road widening support the corridor narrative. These are off-site catalysts, not tenants or buyers committed to Reserva. [W5-W9]
Direct highway exposure	The property has 600+ feet of Conway frontage. The appraisal reports 660 feet, which can support visibility and flexible site planning, subject to access and easement approvals.

UPDATED PROJECT VALUE

Commercial: 4 lots x \$700,000 = \$2,800,000. Combined with 63 residential lots, gross projected sellout is \$7,336,000 at \$72,000 per residential lot, or \$7,714,000 at the \$78,000 residential benchmark. The commercial value is the sponsor-provided current input. The appraisal evaluates a different, reduced lot configuration.

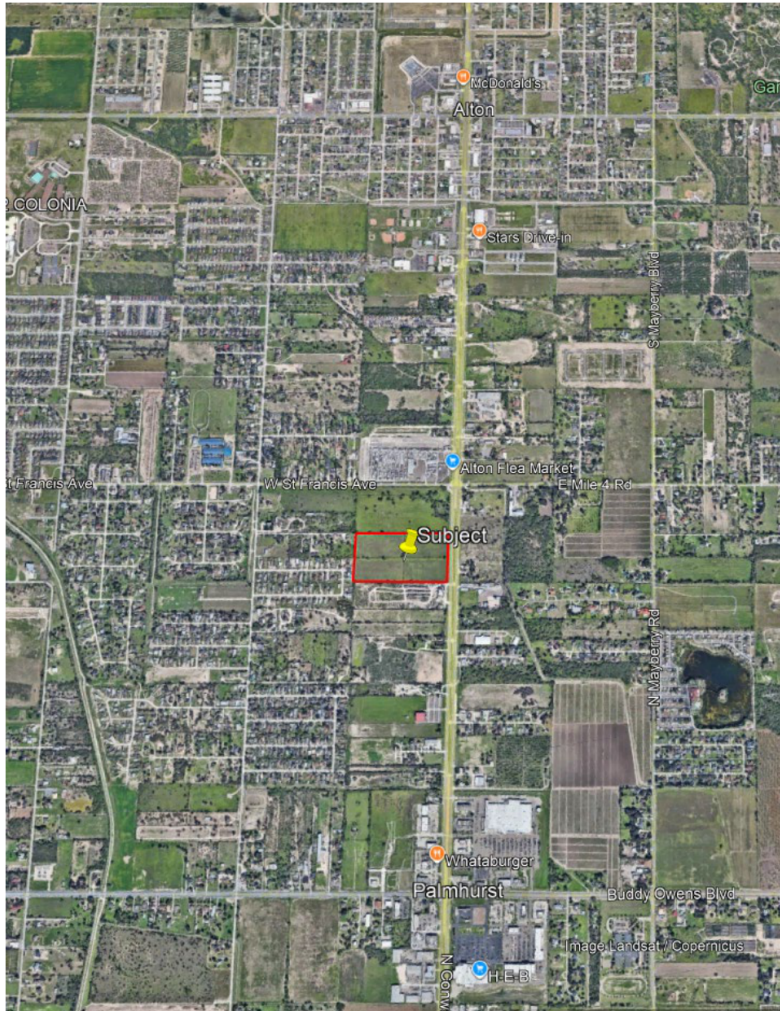
Investment terms: \$4.3M contemplated all-equity LP funding; target period of 24 months; LP capital returned first, then 55% of distributable profit to LPs and 45% to Capital Advisors. The deck targets **43.87% cumulative LP ROI** and approximately **1.44x total proceeds / invested capital**, before additional fees, taxes and unmodeled expenses. See the investment structure and waterfall on pp. 16-17. [D1 pp. 5, 9-19]

Assessment: The newer engineer letter strengthens support for the 63-lot program. Advance final plat approval and request an appraisal update reflecting that design, while validating buyer demand and the delivery schedule.

02 / LOCATION & FRONTAGE

Between established retail and growth

Conway Avenue links the Mission, Palmhurst and Alton trade areas.



SUBJECT LOCATION

West side of SH 107 / Conway, about 0.18 mile south of Mile 4 Road / St. Francis Avenue.

FRONTAGE

600+ feet

Appraisal: 660 feet.

Engineering concept: 659.85 feet on the Conway boundary.

DEPTH & AREA

Approximately 1,240 feet deep. Appraisal and feasibility identify 18.79 acres; deck uses 18.09 acres.

EXISTING ACCESS

Conway is described as a four-lane divided roadway in the appraisal.

Map reproduced from the appraisal, p. 30. Source imagery identifies the subject in red. It shows the local setting as presented in the appraisal, not a current boundary survey.

Why this position matters

The site sits north of the established Palmhurst retail node and south of Alton. The frontage offers commercial exposure while the deeper tract can accommodate residential streets. The combination creates two sales channels, but buyers will price each on its own access, usable area, utilities and delivery date. A highway frontage measurement does not itself guarantee curb cuts, signage rights or full turning movements.

03 / PROGRAM RECONCILIATION

Engineering support for 63 lots

The September 28, 2026 G&H letter provides newer design support than the September 23 appraisal, which models 53 lots.

Item	Current sponsor program	G&H letter: Sept. 28	Appraisal analysis
Residential yield	63 lots	62-lot layout; 63rd lot via 7,200-sf reallocation	53 lots in income model
Commercial yield / value	4 lots x \$700,000 = \$2,800,000	3 shown; Commercial Lot 2 may be subdivided	2 valued lots in appraisal configuration
Land area	18.09 acres in deck	Approximately 18.79 acres	18.79 acres
Commercial allocation	4.40 acres in deck	Lot 1 reduced by 7,200 sf for 63-lot option	107,054 sf / 2.46 acres valued
Design / timing	24-month target; Phase 2 funding from Jan. 2027	Conceptual; final approval not guaranteed	Completed value effective May 1, 2027

Written engineering confirmation: Jacob Garza, PE, Principal of Garza & Hernandez Engineering, signed the September 28 letter for project 26p018 at 5103 Conway. It states that the base layout accommodates at least 62 residential lots and three commercial lots; reducing Commercial Lot 1 by 7,200 sf creates a **63rd residential lot**. Commercial Lot 2 may be divided into smaller sites with negligible additional construction cost. [D5 p. 1]

WHAT THE LETTER ESTABLISHES

The letter supports the 63-lot design alternative and a route to additional commercial parcels. The sponsor retains four commercial lots at \$700,000 each. Lot 1 remains gas-line encumbered with reduced buildable area, and the attached concept is not a final approved plat. [D4-D5]

Reconcile the earlier appraisal to the newer design

The appraisal expressly reduces 63 residential lots to 53 based on the earlier feasibility constraints. Submit the newer letter and the final 63-plus-four layout for an appraisal update. Ten additional residential lots imply \$720,000-\$780,000 of gross revenue at \$72K-\$78K each, before costs; this is not an appraised value increase. Final parcel dimensions, usable commercial area and the 18.09 / 18.79-acre difference still require reconciliation.

Sources: D5 pp. 1, 3; D4 sponsor update; D1 pp. 2, 4, 13; D2 pp. 6-9; D3 pp. 60, 66, 72. Letter supports a concept, not final plat approval.

04 / RESIDENTIAL DEMAND

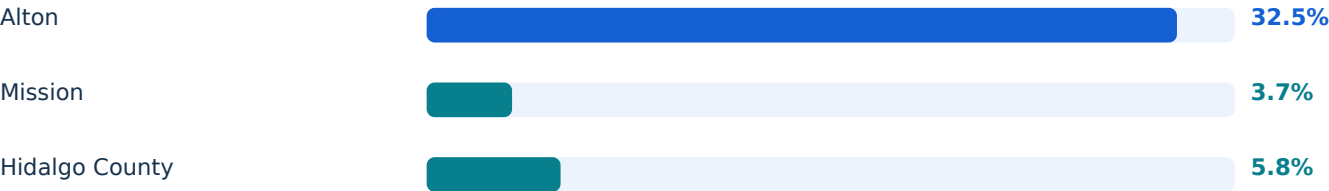
A larger household and consumer base

Population growth supports the market opportunity, while household purchasing power shapes the product.

Geography	2020 estimates base	July 2025 population	Growth
Alton city	18,223	24,138	+32.5%
Mission city	85,791	88,992	+3.7%
Hidalgo County	870,788	921,549	+5.8%

Census Vintage 2025 population estimates, retrieved October 8, 2026. Growth is relative to the revised 2020 estimates base, not the original decennial count. These are overlapping city/county geographies and must not be added together. [W1-W3]

Population growth, 2020 base to 2025



Demand consideration	Observed measure	Development implication
Household scale	Alton: 3.78 persons per household; Mission: 3.01	Family-oriented floor plans and practical lot dimensions warrant testing with local builders.
Purchasing power	Median household income: Alton \$52,715; Mission \$60,767	Finished-home affordability matters more than the lot price alone.
Construction activity	Hidalgo County: 7,301 housing units authorized by building permits in 2025	Evidence of development activity and competing supply; not proof of vacant-lot closings.

Demand conclusion

Growth in Alton supports a northern Conway catchment, but Reserva's address in the Mission ETJ does not make citywide statistics a precise trade-area forecast. A builder-led program should test finished-home prices, mortgage qualification, HOA costs and the practical buildable footprint of each lot. County permitting activity demonstrates a functioning construction market and also argues against assuming supply is scarce everywhere.

Sources: W1-W3, U.S. Census QuickFacts. Household and income measures are 2020-2024 ACS; permits are 2025.

05 / COMPETITIVE SUPPLY

Demand is present. Inventory is too.

Nearby project evidence supports buyer interest without supporting a blanket claim that competing subdivisions are sold out.

Project / market	Publicly reported evidence	How to use it
Gems Creek, Alton / SH 107	84 residential lots, 3 commercial pads; lots from \$65,000. Project page carries 45 available and 39 reserved or sold from a Sept. 15 flyer.	Direct corridor competition. Roughly 46% is labeled reserved or sold; the split and closings are not verified. [W10]
Laguna Heights, Mission	Project website reports 140 lots, 37 remaining and streets being paved.	Interest indicator, not a verified monthly closing rate. The website does not supply reservation dates or cancellations. [W11]
Laguna Oaks, Mission	Website describes 104 lots across two built phases and three lots still held by that developer.	Limited developer-held inventory does not establish subdivision-wide sellout. [W11]
Sonoma Ranch Phase 2	Appraisal records a \$77,000 lot closing in July 2026.	Completed-lot transaction support; compare lot size, utilities and community features. [D3]
Lantana Landing	Appraisal records two \$78,000 lot closings in July 2026, with 170 and 238 days on market.	Pricing is supported, but some comparable inventory required extended marketing. [D3]

PRICING POSITION

Reserva's \$72,000 base is \$7,000, or 10.8%, above Gems Creek's advertised starting price and 7.7% below the appraisal's \$78,000 per-lot conclusion. The comparisons differ in lot size, completion status, features and transaction terms.

Interpretation: Use the \$65,000 competing starting price to test the entry product and the actual \$77,000-\$78,000 closings to test delivered-lot pricing. Secure builder feedback on standard lots separately from corners, larger lots and easement-affected parcels. Public marketing counts do not establish an area-wide lot shortage or a defensible annual absorption rate.

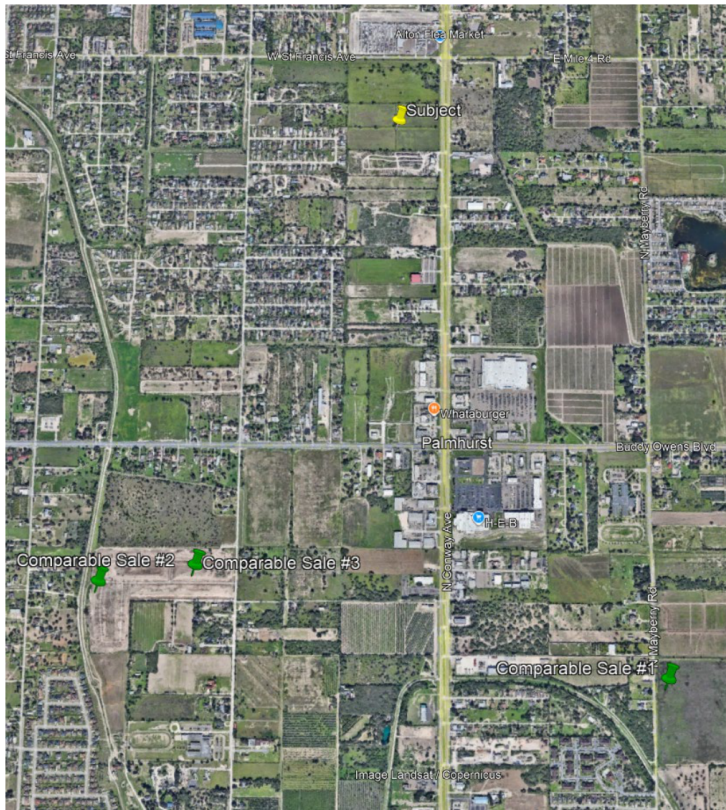
Sources: W10-W11, retrieved October 8, 2026; D3 pp. 67-69. Public inventory can change; reservations are not closings.

06 / SOLD RESIDENTIAL COMPARABLES

Three nearby closed lot transactions

Exact sale prices and dates below are as reported by Aguirre & Patterson in the supplied September 2026 appraisal.

Property / subdivision	Sale date	Lot sf	Sale price	\$/sf	DOM
804 Dorado Drive Sonoma Ranch Phase 2	Jul. 15, 2026	7,312	\$77,000	\$10.53	5
3909 Red Lantana Street Lantana Landing	Jul. 14, 2026	7,762	\$78,000	\$10.05	170
904 Azalea Street Lantana Landing	Jul. 17, 2026	6,615	\$78,000	\$11.79	238



WHAT THE COMPS SHARE

Residential zoning, available city utilities, intended construction use and HOA obligations. Dorado and Red Lantana are corner lots; Red Lantana and Azalea are within a gated community.

PRICING SUMMARY

Mean: \$77,667
 Median: \$78,000
 Range: \$77,000-\$78,000
 Median DOM: 170

The sample is small and concentrated in July 2026. It supports price discovery, not a complete market turnover estimate.

Map: appraisal p. 70. Markers 1, 2 and 3 match the table order. The source provides relative locations; this report does not represent surveyed distances.

Verification trail: MLS 505962 / deed 3770522; MLS 494542 / deed 3771137; MLS 483946 / deed 3771148, respectively. The appraiser reports agent/MLS/deed verification. This report did not obtain closing statements or direct MLS access. Public portals showed inconsistent or stale dates, so their last asking prices were not substituted for closed consideration.

07 / PRICING & ABSORPTION

Price the buildable lot, then test the pace

A lower price per lot can still be a higher price per square foot on a smaller parcel.

Lot-size illustration	At \$72,000 / lot	At \$78,000 / lot
6,000 sf standard lot	\$12.00 / sf	\$13.00 / sf
6,500 sf lot	\$11.08 / sf	\$12.00 / sf
6,975 sf appraisal average	\$10.32 / sf	\$11.18 / sf
Sold comparable range	\$10.05-\$11.79 / sf	Unadjusted sale evidence

Many lots on the preliminary concept are approximately 6,000-6,600 sf, while several are smaller or affected by the pipeline. The appraisal concludes \$78,000 per lot after its own comparison analysis. A new lot-by-lot matrix should consider the actual building envelope, not only gross parcel size. Premiums for corners and larger lots should not be applied to every lot. [D2 p. 9; D3 pp. 67-73]

63-lot sales pace after lots become deliverable

Monthly closings	Sellout duration	Residential gross sales / month at \$72K
2 lots	31.5 months	\$144,000
3 lots	21.0 months	\$216,000
4 lots	15.8 months	\$288,000
5 lots	12.6 months	\$360,000

THE 24-MONTH TARGET NEEDS A CONSTRUCTION-TO-SALES BRIDGE

If approvals and construction consume 6, 9 or 12 months, selling 63 lots inside a 24-month total period requires 3.5, 4.2 or 5.25 monthly closings during the remaining period. Commercial sales must be modeled separately. These are arithmetic requirements, not observed demand.

Mission's August 2026 housing data provides a caution on end-buyer speed: Redfin reports a \$262,826 median sale price, down 4.4% year over year, and 99 median days on market versus 66 a year earlier. This is home-market context, not a vacant-lot statistic. A \$72,000 lot equals 27.4% of that home price before the builder incurs construction, selling costs and profit. [W4; report calculation]

Sources: D2 p. 9; D3 pp. 60, 67-73; W4. Scenarios assume steady closings and ignore seasonality and bulk takedowns.

08 / CONWAY COMMERCIAL CATALYSTS

National retail is extending the corridor

Announced projects and an executed lease strengthen the commercial story. Their timing and exact locations still matter.

Catalyst	Verified public evidence	Reserva relevance
Academy Sports + Outdoors	Mission mayor's announcement identifies Academy, Boot Barn and Burlington at SH 495 / Conway. A Merit leasing plan also labels Academy. No opening date was verified. [W6-W7]	An announced retail destination south along the same corridor; not immediately adjacent and not a Reserva tenant.
Shops at 495	Mission EDC's Aug. 26, 2026 release describes a \$27M, roughly 100,000-sf retail development on more than 20 acres, with a planned fall groundbreaking. [W5]	Third-party capital deployment supports corridor relevance; competing pad sites also attract similar buyers.
Starbucks in Alton	The Alton Chamber's Oct. 1 announcement reports an executed lease between Dunn Development and Starbucks. Opening date and exact address were not established in the sources reviewed. [W8-W9]	An additional nearby-market coffee location is confirmed at lease stage. Its exact relationship to the site remains unverified.
Existing Starbucks	Mission EDC identifies Starbucks already operating at Shops at 495. [W5]	Supports the narrative of another location in the broader corridor market, but not the claim of exactly two stores on Conway.
Six-lane SH 107 widening	State filing for Mile 3 to Mile 5 identifies six divided lanes and a 2030-2033 schedule. [W14-W15]	Longer-term accessibility investment; excluded from assumptions of completion within the 24-month sponsor horizon.

REPORT-READY WORDING

Academy Sports + Outdoors has been announced for Shops at 495 along Conway south of Reserva Del Sol. An additional Starbucks is advancing in Alton under an executed lease. Planned six-lane widening of Conway adds a longer-term infrastructure catalyst; the public schedule extends beyond the project's target investment period.

The sponsor's description of a “second Starbucks coming” is included as an additional nearby-market location, with the exact address and ordinal count unverified. Neither announcement is treated as a signed lease, purchase contract or traffic guarantee for Reserva.

Sources: W5-W9, W14-W15. Announcement, lease execution, construction and opening are distinct milestones.

09 / ROAD EXPANSION & COMMERCIAL ACCESS

600+ feet of exposure, with access to prove

The frontage is a meaningful physical advantage. Its value depends on what buyers can build and how customers can enter.

660 ft
Frontage reported in appraisal

6 lanes
Planned divided urban section

2030-33
Public filing schedule

TDLR registration TABS2025010336 identifies TxDOT project **0528-01-113**, from FM 1924 / Mile 3 Road to FM 676 / Mile 5 Road. It describes reconstruction from a four-lane divided rural section to a six-lane divided urban roadway with a raised median, at an estimated \$28.14M cost. Listed dates are November 1, 2030 to January 1, 2033. A TxDOT preliminary contract-time document also shows a November 2030 start and January 2033 finish. Schedules remain subject to change. [W14-W15]

Access questions that influence commercial pricing

Issue	Why it matters for the four-pad plan
Driveways and median openings	Written TxDOT feedback is needed on spacing, turning movements, shared access and any right-in/right-out restrictions.
Buildable frontage	Two proposed residential street connections, easements, setbacks and possible right-of-way impacts reduce usable commercial frontage.
Traffic counts	Obtain a dated TxDOT count at the subject segment and intersection turning counts. Counts at SH 495 should not be represented as traffic at Mile 4.
Cross-access and utilities	Independent parcel sales may require shared drives, utility easements and maintenance agreements acceptable to all buyers.
Retail format	Pad buyers need fit tests for parking, drive-through queues, delivery access, detention, fire access and building area.

TIMING RECONCILIATION
The feasibility study states that the planning map reviewed did not then show an expansion. The separately verified state project establishes a planned widening, not current completion. Update the engineer's access review against the current TxDOT design and avoid relying on widened capacity to support near-term lot sales.

Sources: D2 p. 3; D3 p. 31; W14-W15. Commercial access implications are report analysis, not agency determinations.

10 / SOLD COMMERCIAL COMPARABLES

Closed commercial land sales

These are closed vacant-land sales in the appraisal, not asking prices or stabilized retail-building valuations.

Property	Sale date	Land sf	Price	\$/sf	DOM
405 W. Griffin Parkway Mission	Jun. 17, 2026	90,169	\$710,000	\$7.87	258
1007 S. Shary Road Alton ETJ	Nov. 25, 2025	50,965	\$345,000	\$6.77	186
4500 N. 29th Street McAllen	Jun. 30, 2026	59,242	\$600,000	\$10.13	175

The first transaction lists McDonald's Real Estate Company as purchaser, providing a concrete example of a national operator buying land in Mission. That sale does not establish interest in Reserva or a proposed McDonald's at the subject. All three transactions were reported as cash to seller. [D3 pp. 61-63]

Appraiser adjustments and conclusion

Comparable	Adjustment in source	Adjusted indication
Griffin Parkway	+20% for inferior location	\$9.44 / sf
South Shary Road	+40% for inferior location	\$9.48 / sf
North 29th Street	-5% for superior corner access / exposure	\$9.62 / sf
Subject conclusion	Appraiser's reconciled unit value	\$9.50 / sf

The adjusted indications are the appraiser's judgments. They have not been independently re-estimated here. All three comparable marketing periods span roughly six to nine months; therefore, the existence of transactions supports liquidity but does not support immediate four-pad sellout. Each closed below its original asking price.

COMMERCIAL DEMAND ASSESSMENT

Retail expansion and documented commercial acquisitions justify active buyer outreach. No corridor-wide vacancy, rent, net absorption or subject-specific buyer LOI was available in the reviewed material. Accordingly, tenant demand is qualitatively supported, while the size and timing of Reserva's commercial exit remain to be validated.

Verification trail: MLS 459581 / deed 3762403; MLS 471581 / deed 3705841; MLS 489086 / deed 3765938. Retain these identifiers for a broker-led comparable refresh.

11 / COMMERCIAL LOT VALUES

Four commercial lots. \$2.8 million.

Current sponsor valuation: \$700,000 per commercial lot, applied consistently in the revised project underwriting.

4

Commercial lots

\$700K

Value per commercial lot

\$2.8M

Total commercial value

Commercial lot*	Value per lot	Total contribution
Commercial Lot 1	\$700,000	\$700,000
Commercial Lot 2	\$700,000	\$700,000
Commercial Lot 3	\$700,000	\$700,000
Commercial Lot 4	\$700,000	\$700,000
Total: four commercial lots	\$700,000 each	\$2,800,000

*Numbering is for this value schedule; final legal parcel designations follow the recorded plat. Values are supplied by the sponsor in the October 8, 2026 correction. [D4]

Contribution to the mixed-use project

At \$72,000 per residential lot, residential revenue of \$4,536,000 plus \$2,800,000 of commercial value produces **\$7,336,000 of gross projected sellout**. At \$78,000 per residential lot, \$4,914,000 plus the same commercial value produces **\$7,714,000**. Commercial value represents approximately 38.2% and 36.3% of those respective totals.

VALUATION BASIS

The \$700,000-per-lot figure is the current sponsor-provided value used in this report. The supplied appraisal values a different two-commercial-lot configuration; its \$1,017,013 subtotal is historical source context and is not the commercial value applied to the current four-lot project.

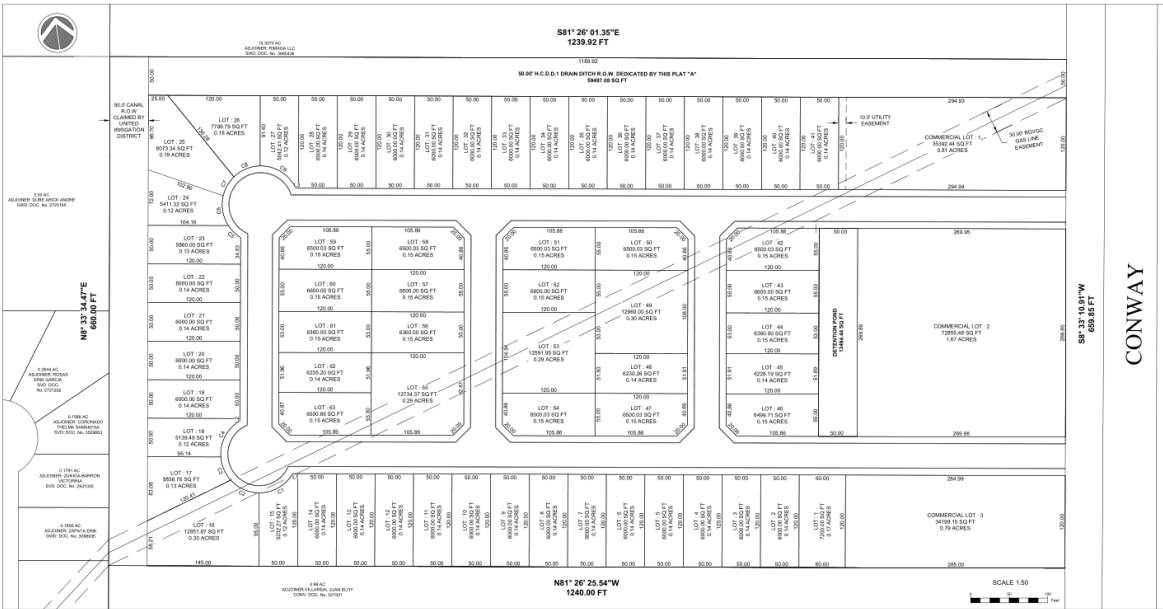
The September 28 engineer letter describes splitting Commercial Lot 2 and reallocating 7,200 sf from Lot 1 for a 63rd residential lot. Lot 1 has a gas-line constraint. Reconcile the four-site schedule and net usable area to the deck's 4.40 commercial acres; \$2.8M across that allocation implies \$14.61 per sf. The letter does not assign commercial values. [D5]

Sources: D4 sponsor correction; D5 p. 1; D1 pp. 4, 13-16; D3 p. 66 for comparison. Calculations use four lots at \$700,000 each.

12 / ENGINEERING FEASIBILITY

Feasible, subject to defined design conditions

Garza & Hernandez considers development feasible with moderate development risk and potentially significant design and cost impacts.



Earlier feasibility concept, Appendix A p. 9. G&H's September 28 letter subsequently supports a 63-lot option and splitting Commercial Lot 2; its attached concept also remains subject to approval. [D5]

System / constraint	Study finding	Required resolution
Water / fire protection	12-inch waterline east of Conway; model not yet reviewed; hydrant maintenance responsibility unresolved.	Written SWSC capacity and fire-flow approval; enforceable ownership and maintenance arrangement.
Sewer / drainage	Mission sewer line along west side of roadway; northern drainage dedication and internal detention contemplated.	Confirm capacity, connections, outfall, detention volume and final drainage ROW.
Gas / irrigation	30-foot diagonal gas easement; western 50-foot irrigation ROW; private irrigation line to be addressed.	Approved crossing details, usable lot envelopes, and written relocation / reconstruction obligations.
Flood / grades	Zone C reported; estimated BFE 163.1 ft NAVD88; site grades about 163-169 ft.	Final floodplain and drainage review; confirm required finished-floor elevations and fill cost.
Jurisdiction / utilities	Concept assumes private subdivision and ETJ exit; study also references Mission plat approval. Electric provider differs between sources.	Confirm current platting authority, recorded status, HOA duties and actual electric service provider.

Sources: D2 pp. 1-7, 9; D3 pp. 31-36; D5 pp. 1, 3. September 28 engineering letter reviewed; no independent technical certification performed.

13 / BUDGET & CAPITAL

The engineering total largely explains the model

The remaining gap is small, but several excluded costs can be material.

Feasibility budget category	Amount
Construction: general, erosion, water, sewer, storm, paving, amenities	\$2,009,504
County and municipal review fees	\$343,294
Engineering and survey fees	\$247,650
Power and lighting	\$95,700
Subtotal	\$2,696,148
Construction contingency included in study	\$284,236
Engineering conceptual development total	\$2,980,384

Reconciliation to current deck	Amount
Deck acquisition allocation + engineering total	\$1,300,000 + \$2,980,384
Combined basis from those two figures	\$4,280,384
Current deck total modeled project cost	\$4,284,420
Unexplained difference above combined basis	\$4,036
Deck equity pool / excess over deck modeled cost	\$4,300,000 / \$15,580

The deck's \$2.9M Phase 2 allocation is \$80,384 below the engineer's development estimate; its separate \$84,420 balance broadly bridges that difference, leaving \$4,036 to reconcile. This is an analytical reconciliation, not a certified sources-and-uses statement. No additional construction contingency is added to the base case here.

CASH COVERAGE NEEDS ATTENTION

The feasibility estimate excludes land, rollback taxes, easements, debt, interest and legal costs, among other items. Confirm sales commissions, property taxes, insurance, HOA / detention maintenance, pipeline crossings and any sponsor or vehicle fees. The \$15,580 deck cushion is only 0.36% of modeled cost and is separate from the construction contingency already embedded.

14 / UPDATED UNDERWRITING

63 residential + 4 commercial lots

Both pricing cases use four commercial lots at \$700,000 each. The supplied deck's \$4.3M equity pool and 55% LP / 45% sponsor profit split are retained.

Metric	Residential base case	Target case / deck
Residential lots / price	63 / \$72,000	63 / \$78,000
Residential gross sales	\$4,536,000	\$4,914,000
Commercial lots / value	4 / \$700,000	4 / \$700,000
Commercial total value	\$2,800,000	\$2,800,000
Gross projected sellout	\$7,336,000	\$7,714,000
Modeled project cost	\$4,284,420	\$4,284,420
Gross project profit	\$3,051,580	\$3,429,580
LP profit at 55%	\$1,678,369	\$1,886,269
Sponsor profit at 45%	\$1,373,211	\$1,543,311
LP total proceeds, including capital	\$5,978,369	\$6,186,269
Targeted cumulative LP ROI on \$4.3M	39.03%	43.87%

These calculations incorporate the current sponsor commercial value and preserve the supplied cost and capital structure. They remain before additional fees, taxes and unmodeled expenses. The \$15,580 above modeled project cost is assumed unspent and returned within original LP capital. No construction debt is assumed. [D1, D4]

Appraisal reference: a different lot configuration

The appraisal reports **\$1,305,000 as-is raw-land value** effective September 17, 2026, and **\$4,365,000 prospective completed bulk value** effective May 1, 2027. Its 53-residential / two-commercial model produces \$5,151,013 gross retail revenue. The newer September 28 G&H letter supports a 63-residential-lot option; the current sponsor model uses four commercial lots. An appraisal update is needed to value that configuration. [D3-D5]

RETURN TIMING

The updated residential base case produces 39.03% cumulative LP ROI; the deck target remains 43.87%. If all capital were invested at inception and proceeds received exactly 24 months later, these would imply approximately 17.91% and 19.94% annualized. Actual IRR depends on dated contributions, distributions and all fees.

15 / INVESTMENT STRUCTURE

A \$4.3M all-equity capital plan

Project-level economics from the supplied Reserva Del Sol deck, with current commercial values of four lots at \$700,000 each.

\$4.3M

Contemplated LP equity pool

24 mo.

Target investment period

55 / 45

LP / Capital Advisors profit split

Term	Investment structure based on the deck
Investment strategy	Acquire the site, complete horizontal infrastructure, then sell finished residential lots and commercial sites. Vertical construction and rental income are excluded.
Equity capitalization	\$4,300,000 full LP capital pool. No project-level construction debt is contemplated in the supplied deck.
Phased use of proceeds	\$1.3M acquisition allocation; \$2.9M Phase 2 construction allocation, with construction funding not applicable until January 2027. Remaining cost and cash bridge appear on p. 14.
Target horizon	24 months. The deck does not establish a dated capital-call or interim distribution schedule.
Distribution priority	First return contributed LP capital, subject to available distributable cash. Then distribute 55% of remaining profit to LPs and 45% to Capital Advisors.
Investor allocation	Each investor receives a pro rata share of the LP allocation based on capital invested within the \$4.3M pool.
Targeted LP return	43.87% cumulative ROI over the target 24-month period; approximately 1.44x total proceeds, including returned capital. Based on 63 residential lots at \$78K and four commercial lots at \$700K.

Two participation routes described in the deck

Capital Advisors High Growth Fund I	Project-specific Reserva Del Sol SPV
Exposure through the Fund, subject to its allocation decisions, PPM, operating agreement, subscriptions, fees and distribution terms.	Exposure through a project-specific special purpose vehicle, subject to its operating agreement, subscriptions and project-specific economics.

The deck does not specify a minimum investment, fixed preferred return, formal investor classes or a complete fee schedule. Applicable Fund or SPV documents govern final terms. Targeted returns shown here precede additional fees, taxes and unmodeled deductions; capital and returns are not guaranteed.

16 / TARGETED ROI & WATERFALL

43.87% targeted cumulative LP ROI

The deck target uses \$7.714M of gross sellout: 63 residential lots at \$78,000 plus four commercial lots at \$700,000.

1.44x targeted LP equity multiple | 24-month target horizon

Target-case cash available for the modeled distribution is **\$7,729,580**: \$7,714,000 gross sale proceeds plus \$15,580 assumed unspent cash from the \$4.3M capital pool. This illustration excludes additional expenses beyond the retained model. [D1, D4]

Distribution step	Amount	Recipient / treatment
1. Return contributed LP capital	\$4,300,000	LP investor pool, subject to available cash
2. Remaining modeled project profit	\$3,429,580	Amount subject to the 55% / 45% split
3. LP share of profit: 55%	\$1,886,269	LP pool, allocated pro rata by investment
4. Capital Advisors share: 45%	\$1,543,311	Sponsor profit participation
Total LP proceeds	\$6,186,269	\$4.3M capital + \$1,886,269 profit

Illustrative investor outcomes at the deck target

Capital invested	Targeted profit	Total proceeds incl. capital
\$100,000	\$43,867	\$143,867
\$250,000	\$109,667	\$359,667
\$500,000	\$219,334	\$719,334
\$1,000,000	\$438,667	\$1,438,667

Examples are rounded using the unrounded ratio \$1,886,269 / \$4,300,000. They are pro rata illustrations, not stated minimum investment amounts. The updated \$72,000 residential base case generates 39.03% cumulative LP ROI before additional expenses; the 43.87% target retains the deck's \$78,000 residential assumption.

ROI IS CUMULATIVE OVER THE INVESTMENT PERIOD

ROI = LP profit / LP capital. The 43.87% target is not an annual rate or a fixed interest payment. With a single initial contribution and one distribution exactly 24 months later, it equates to about 19.94% annualized. Actual IRR depends on cash-flow dates and all fees.

17 / UPDATED EXPENSE SENSITIVITY

Commercial value held at \$2.8 million

The standard cases retain four commercial lots at \$700,000 each. The combined stress case applies an explicit price reduction.

Expense screen: deduct 3% of gross sales, consistent with the appraisal's overhead / sales-expense allowance, plus \$95,939 of appraisal tax and maintenance allowances. These are provisional proxies from the smaller appraised program and may understate the current program. They exclude any still-unmodeled fees or taxes. Deduct them only if not already included in the final budget.

Illustration	Gross sales	Profit after screen	LP ROI*
63 residential at \$72K + 4 commercial at \$700K	\$7,336,000	\$2,735,561	34.99%
63 residential at \$78K + 4 commercial at \$700K	\$7,714,000	\$3,102,221	39.68%
Base sales prices -10%; added cost +\$298,038	\$6,602,400	\$1,725,931	22.08%

*55% of positive illustrative project profit / \$4.3M LP capital. The stress case lowers residential prices to \$64,800 and commercial prices to \$630,000 per lot, then adds a further 10% of the engineering development total to cost. It is a downside test, not the current valuation.

Residential yield sensitivity: four commercial lots retained

Residential yield at \$72K	Commercial value	Profit after same expense screen
63 lots / current program	\$2,800,000	\$2,735,561
53 lots / sensitivity	\$2,800,000	\$2,037,161
47 lots / sensitivity	\$2,800,000	\$1,618,121

These tests isolate residential yield while holding four commercial lots at \$700,000 each and modeled costs at \$4,284,420. The 53- and 47-lot rows are downside illustrations, not the current program or a reproduction of the appraisal. Actual cost and sale timing could change with lot yield.

COMMERCIAL CLOSING PACE

The four commercial lots contribute \$2.8M of gross proceeds when sold at the stated values. A value estimate does not determine when cash is received. Schedule each commercial closing separately from residential takedowns and update remaining cash needs if a buyer delays.

18 / SALES & DELIVERY STRATEGY

Translate market interest into contracted demand

Recommended milestones focus on the evidence needed to support pricing, timing and fundability.

Workstream	Proposed action	Evidence to collect
Residential builders	Approach active Mission / Alton builders with a lot matrix, home fit studies, utility specifications and a realistic delivery range.	Written feedback on \$65K / \$72K / \$78K price points; targeted house price; minimum takedown size.
Reservations to contracts	Track inquiry, qualification, reservation, executed contract, deposit hardening, cancellation and closing separately.	Aged buyer pipeline; verified funding; signed terms; monthly net closings rather than gross reservations.
Commercial buyers	Market four commercial lots at \$700,000 each to retail developers, owner-users, medical / service users and appropriate drive-through operators.	Parcel-specific LOIs, engineering contingencies, earnest money and due-diligence deadlines.
Phased release	Release lots according to tested demand and delivery capacity; negotiate builder batches with dated takedowns.	Net cash after concessions and closing costs; avoid counting one builder's entire option as sold.
Capital controls	Refresh bids and the monthly cash-flow forecast before commitments; tie funding to approved milestones.	Sources and uses, contingency log, remaining cost to complete and investor distribution forecast.

Suggested internal proof points

- Before final pricing:** Obtain at least three independent builder interviews and two commercial broker opinions covering net usable land.
- Before major construction funding:** Confirm the approved lot count, easement solutions, water / fire-flow responsibility and a priced construction scope.
- Before relying on a 24-month exit:** Build a dated schedule showing approval duration, infrastructure delivery, closings and the separate commercial exit path.

MONTHLY DASHBOARD

Track available lots, contracted lots, hard deposits, net cancellations, closed lots, achieved price after concessions, commercial LOI conversion, remaining contingency and cash needed to complete. The critical sales metric is cash-producing closings, not website reservations.

Recommendations are report analysis. They are suggested operating milestones, not existing contracts or approved company policy.

19 / RECONCILIATION PRIORITIES

From engineering support to final approval

The September 28 engineer letter supports the 63-lot alternative. Remaining work converts the concept into an approved, priced delivery plan.

Priority	Deliverable	Purpose
1 / Lot yield	Final plat and lot schedule implementing the September 28 letter	Carry the supported 63-lot option through approvals; map four commercial sites and net buildable areas.
2 / Survey & title	Current boundary survey, title exceptions and ROW overlay	Resolve 18.09 vs. 18.79 acres, 4.40 commercial acres, pipeline, irrigation and drainage burdens.
3 / Agency coordination	Written utility, hydrant, drainage, access and jurisdiction confirmations	Resolve capacity and responsibility; distinguish ETJ assumptions from current approvals.
4 / Pricing evidence	Builder indications, commercial LOIs and updated MLS comparable set	Validate individual-lot prices, bulk discounts and real closing pace.
5 / Updated appraisal	Appraiser addendum addressing the newer G&H letter	Reconcile 63-lot yield, four commercial sites, gross sellout, expenses and prospective bulk value.
6 / Complete budget	Current bids and dated all-in cash flow	Itemize selling, carrying, legal, easement and vehicle costs; verify adequacy of funded reserve.

Appraisal items to clarify with the appraiser

The report references 50 residential lots on p. 66, but its operative retail and cash-flow model uses 53. The first equation on p. 72 states $53 \times \$78,000 = \3.9M ; the correct result is $\$4.134\text{M}$, which is used later on that page. The narrative discusses a 5% entrepreneurial incentive, while the p. 77 cash-flow line is zero. These issues warrant clarification; this report does not alter the appraiser's signed value conclusion.

OVERALL CONCLUSION

G&H's September 28 letter supports the 63-residential-lot design option. With four sponsor-valued commercial lots at \$700,000 each, projected gross sellout remains \$7.336M-\$7.714M. Conway frontage, documented lot sales and corridor retail investment support the opportunity; final approvals, buyer conversion and closing timing determine realized results.

Scope: Desktop market and development review as of October 8, 2026. No site visit, direct buyer interview, MLS subscription search, title examination or independent appraisal was performed. No recorded final plat, construction acceptance, presales or commercial LOIs were supplied. Proposed returns are scenario outputs, not guaranteed outcomes.

20 / SOURCES & METHODOLOGY

Source register

Local source references use PDF page numbers, including cover pages. Public pages were researched on October 8, 2026.

D1 / Current sponsor investment deck

Reserva_Del_Sol_Expanded_Investment_Deck (8)(1).pdf; 28 pages. Key pages: 2-8 program and capital; 13-20 pricing, economics and metrics; 26 assumptions. Cost, capitalization and profit split are retained; current commercial values follow D4.

D2 / Garza & Hernandez Engineering feasibility study

26.018 - Feasibility Study FNL (1)(1).pdf; dated August 24, 2026; 40 pages. Key pages: 1-7 narrative and cost; 9 preliminary concept. Project 26p018, Meridian Conway.

D3 / Aguirre & Patterson appraisal

CAREG - Prop S-D Conway Avenue, W side, 0.18 Mi S of Mi 4 Rd, Mission ETJ(1).pdf; dated September 23, 2026; 91 pages. Key pages: 1-2 values; 31 site; 60 yield; 61-69 sales; 72-77 retail model.

D4 / Sponsor correction - October 8, 2026

Joshua Brown confirmed four commercial lots valued at \$700,000 each, totaling \$2,800,000. This current input governs the revised commercial schedule and standard underwriting cases; no new independent appraisal was supplied.

D5 / G&H Engineering - September 28 lot update letter

Lot Update Letter - 26p018 - Reserva de Sol.pdf; 3 pages; signed by Jacob Garza, PE. Page 1 supports a 63rd residential lot via 7,200 sf from Commercial Lot 1 and subdivision of Commercial Lot 2. Page 3 labels the layout conceptual, with approval not guaranteed.

W1 / U.S. Census Bureau - Alton QuickFacts [\[Open source\]](#)

Vintage 2025 population; ACS 2020-2024 household and income statistics.

W2 / U.S. Census Bureau - Mission QuickFacts [\[Open source\]](#)

Vintage 2025 population; ACS 2020-2024 household and income statistics.

W3 / U.S. Census Bureau - Hidalgo County QuickFacts [\[Open source\]](#)

Vintage 2025 population; 2025 building permits. Permits are housing units authorized, not vacant-lot transactions.

W4 / Redfin - Mission housing market [\[Open source\]](#)

August 2026 displayed metrics. Used for home-market context, not direct lot demand. The page includes differing summary windows; this report uses its August price and median-DOM panel.

W5 / Mission EDC - Shops at 495 [\[Open source\]](#)

August 26, 2026 release: project scale, investment and existing businesses. Expected impact is a projection.

21 / SOURCES CONTINUED

Public research trail

Links open the original sources. No outreach or verification calls were made for this review.

W6 / Mission mayor - Academy announcement [\[Open source\]](#)

Search-indexed public announcement identifies Academy, Boot Barn and Burlington at 495 / Conway. Direct post body was not retrievable; corroborated by the Merit plan.

W7 / Merit CRE - Shops at 495 leasing brochure [\[Open source\]](#)

Six-page leasing PDF; plan on p. 4 labels Academy. Older marketing collateral contains availability and size differences versus the newer EDC release; not evidence of a store opening.

W8 / Greater Alton Chamber - Starbucks Is Coming to Alton [\[Open source\]](#)

October 1, 2026 announcement of an executed lease with Dunn Development. No exact address or opening date stated.

W9 / RGV Business Journal - Alton Starbucks lease [\[Open source\]](#)

September 25, 2026 article; reports that exact location was not disclosed.

W10 / FEREST / M2 Engineering - Gems Creek project [\[Open source\]](#)

Project marketing page: 84 residential lots, 45 available, 39 reserved or sold, \$65K starting price and 3 pads. Sept. 15 availability flyer; year not separately printed in that inventory label.

W11 / FEREST - project portfolio [\[Open source\]](#)

Laguna Heights and Laguna Oaks inventory descriptions. Developer marketing, not verified closing data.

W12 / Zillow - 804 Dorado Drive [\[Open source\]](#)

Portal cross-check; retrieved page and search index showed different refresh states. Appraisal controls the reported closed consideration and date.

W13 / Redfin - 904 Azalea Street [\[Open source\]](#)

Portal cross-check with stale retrieved content. Not used to establish exact closed price.

W14 / TDLR - SH 107, TABS2025010336 [\[Open source\]](#)

Registered January 24, 2025; scope and listed November 2030-January 2033 dates for CSJ 0528-01-113.

W15 / TxDOT - SH 107 preliminary contract-time determination [\[Open source\]](#)

Preliminary plans for CSJ 0528-01-113 corroborate the 2030-2033 window. A planning schedule is not a guarantee of funding or delivery.