



WILDHORN CAPITAL

We appreciate your participation in our BTR project in Lockhart, TX—The Wonderyard at Lockhart. Since we shared the opportunity, there have been some exciting developments in the deal and recent economic news we wanted to share with you:

- We are finalizing our GMP Contract with our homebuilding partner. A Guaranteed Maximum Price (GMP) contract is industry standard for a project of this size, and in essence caps the construction costs the project will pay—any overages are to be covered by the builder.
- Canyon (our building partner) has already hired a construction manager who will be onsite in Lockhart on a daily basis. They have a long history with this employee and are glad to have him back on their team managing this project.
- Our project costs have been finalized. Overall, costs increased slightly but return projections remain in line with what was earlier projected.
 - We've added additional revenue generating costs, which will create additional value for the asset. These include owning our own fiber internet infrastructure, adding smart home devices in the homes and including Washer & Dryers in our units. We project these additions will add ~\$2mm to the value in Yr 1.

Latest Central Texas Economic Developments

- The Austin Business Journal recently reported the "1,800-acre "megasite" near Lockhart — once considered by Micron Technologies Inc. for a factory — is a national standout that is being looked at by several search firms" ([ABJ](#)).
- Tesla announced it will be leasing another huge warehouse facility, this time in Kyle, Texas. This facility will be approximately one million square feet and will be a 28 minute drive of Wonderyard ([ABJ](#))
- Lockhart is attracting a crop of new restaurants. There's been a remarkable rise in new food and beverage businesses in Lockhart's downtown business district ([Eater](#))
- Austin Opportunity Fund has announced its latest five year strategic plan to lure more international businesses, build out industries like life sciences, and improve quality of life in the area ([ABJ](#))