

Westplan Quarterly Reports

Q4-2023

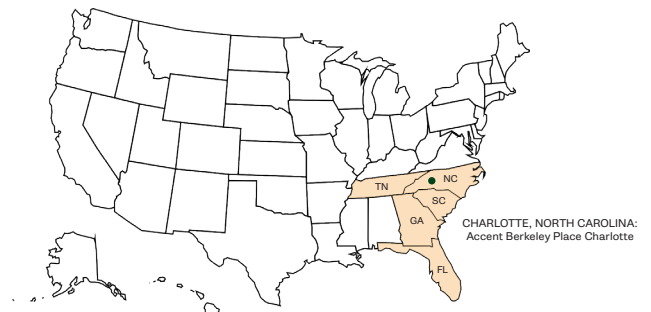
Table of contents

Westplan Developments

04	Accent Berkeley Place Charlotte
08	Accent Brier Creek Raleigh
12	Accent PIB Atlanta
16	Accent Springs Atlanta
18	Carl Bethlehem Road
20	Accent Woodlawn Park
24	Accent Woodlawn Townhomes Charlotte
28	Gateway Gardens
31	Westplan Residential Development Fund (WRDF) 2

Accent Berkeley Place Charlotte

Property Name:	Accent Skyline North
Location:	Charlotte, North Carolina
Developer:	Westplan Investors
Report Period:	Q4-2023
Closing Date:	February 19, 2021
Original Equity Multiple	
Projection:	1.5
Status:	Construction
Units:	198
Web Camera:	Westplan.com/underconstruction



Progress

- Westplan closed the land on February 19, 2021 using equity.
- Construction started in January 2022.
- C. Herman Construction is our General Contractor of this project.
- Overall, construction is approximately 78% complete.
- We closed the construction loan with Renasant Bank.
- Due to increased cost at the project, Renasant Bank increased the construction loan by \$2.6M, from \$23.75M to \$26.35M in Q1-2023.
- Westplan Investors provided an additional \$1.4M in the form of an investor note in Q4-2022.
- As reported last quarter, we expected that extra capital would be needed to cover rising (interest) costs and to maintain our cash reserves. Westplan raised another \$1.5M in the form of an investor note which will be called in February 2024.
- Delay at our power supplier Duke Power has had a negative impact on our construction schedule and caused a delay of about 2 months.

Current Outstanding Issues

- The recent rise of inflation has had an impact on our budgets. As a developer we are used to changing conditions and finding solutions to maintain the profitability of our investments. The current and future demand for housing in the Southeast U.S. form a solid base for our investments.

Projected Timeline

Year	2022	2023				2024				2025			
Quarter	1	1	2	3	4	1	2	3	4	1	2	3	4
Accent Berkeley Place													
	Construction Start						First Move In	Construction Complete		Stabilization/Sale			

Budget

Uses	Closing Budget	Total Budget Revisions	Current Budget	Paid to Date as of 12/31/2023	Projected Ammount to Complete
Land - Purchase Price	\$750,000	\$0	\$750,000	\$750,000	\$0
Westplan Intangible Land Contribution	\$2,640,000	\$0	\$2,640,000	\$2,640,000	\$0
Construction Hard Costs	\$26,300,000	\$4,509,893	\$30,809,893	\$22,734,498	\$8,075,395
Hard Cost Contingency	\$1,320,000	-\$1,320,000	\$0	\$0	\$0
Closing Costs	\$116,000	-\$47,641	\$68,359	\$67,759	\$600
Pre-Development	\$125,000	\$0	\$125,000	\$123,512	\$1,488
Architect	\$450,000	\$0	\$450,000	\$421,239	\$28,761
Civil Design	\$165,000	\$108,047	\$273,047	\$273,047	\$0
Engineering	\$125,000	\$158,288	\$283,288	\$283,288	\$0
Landscape Architect	\$51,500	-\$51,500	\$0	\$0	\$0
Survey	\$30,000	\$0	\$30,000	\$0	\$30,000
Inspections	\$145,000	\$21,387	\$166,387	\$166,387	\$0
Permits	\$481,000	\$69,037	\$550,037	\$521,985	\$28,053
Developer Fee	\$1,027,125	\$0	\$1,027,125	\$796,022	\$231,103
Legal	\$90,000	\$43,988	\$133,988	\$119,870	\$14,118
Operating Deficit	\$235,844	\$0	\$235,844	\$45,658	\$190,186
FF&E/Marketing	\$600,000	\$0	\$600,000	\$406,365	\$193,635
Soft Cost Contingency	\$250,000	\$128,526	\$378,526	\$4,939	\$373,587
Financing Fee to Lender	\$178,125	-\$20,025	\$158,100	\$158,100	\$0
Interest	\$746,406	\$400,000	\$1,146,406	\$354,285	\$792,121
Equity Fee & Fund Reserves	\$936,000	\$0	\$936,000	\$912,368	\$23,632
Property Tax	\$153,000	\$0	\$153,000	\$11,190	\$141,810
Property Insurance	\$435,000	\$0	\$435,000	\$324,776	\$110,224
Total Project Costs	\$37,350,000	\$4,000,000	\$41,350,000	\$31,115,288	\$10,234,712

Market Information

The tables below show a snapshot of market fundamentals in Charlotte and the UNC Charlotte Suburbs submarket in which the asset is located. It compares the primary statistics at the end of Q4-2023 to the previous quarter and previous year.

Charlotte, NC

	Vacancy	Effective Rents	Effective Rents PSF	Average Age
4Q23	6.8%	\$1,555	\$1.62	2005
Change From 3Q23	0.5%	-2.7%	-2.4%	2004
Change From 4Q22	1.2%	-1.2%	-2.4%	2003

UNC Charlotte

	Vacancy	Effective Rents	Effective Rents PSF	Average Age
4Q23	7.4%	\$1,451	\$1.47	2006
Change From 3Q23	0.7%	-2.9%	-2.6%	2005
Change From 4Q22	0.2%	-1.8%	-2.0%	2004

Source: Axiometrics

Note: Average age is shown here to demonstrate any changes that occur in the surveyed data. AXIO often adds additional properties to their data base, these properties do not necessarily represent new product.

Equity Information

Equity:	\$10,960,000
Equity Westplan:	\$2,640,000

Proforma Basis:	\$35,200,000 (\$178K/unit)
Projected Basis:	\$42,850,000 (\$216K/unit)
Proforma Sale Price:	\$42,397,573 (\$214K/unit)

Loan Information

Bank Loan

Lender:	Renasant Bank	Interest Rate:	SOFR+230bp
Loan Amount:	\$26,350,000	Current Balance:	\$16,115,228
Leverage:	63.7%	Maturity Date:	December 30, 2026
Extensions:	2 - 12 month		

Note that as of December 31, 2023 the SOFR rate was 5.38%.

There are 2 twelve-month extensions available subject to a minimum debt service coverage ratio of 1.35 for each extension as well as an appraisal requirement of a loan to value of 65% or less.

Investor Loan

Lender:	Investor Loan	Interest Rate:	6.0%
Loan Amount:	\$1,400,000	Current Balance:	\$1,400,000
Extensions:	2 - 12 month	Maturity Date:	December 8, 2024

The first of the 12-month extensions was exercised extending the maturity date to 12/8/2024.

Photos Accent Berkeley Place Charlotte



Construction progress



Disclaimer: This report has not been audited by an independent accountant.

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