



74B Development – Waldo | Kansas City, MO Partner Update – Q4 2024

Project Name: Oberon

Location: NE corner of 74th Terrace and Broadway, Kansas City, MO 64114

Date: January 22, 2025

Executive Summary

We are pleased to provide our quarterly update on the progress of the 74B Development in Waldo. This update provides an overview of our progress and performance during these past three months, along with other pertinent information.

Project Progress

- **Construction Status:**
 - As of January 1, 2025, approximately **21%** of the project has been completed.
 - Key milestones achieved:
 - Production of the precast garage materials began
 - Began installation of the water main extension
 - Continuation of the building pad
 - Installation of the underground detention system
 - Completion of the vibratory stone columns
 - The existing billboard along Broadway was removed last month.
 - The cell tower modification design (raising the mast) remains with the City of KCMO for permit. Once approved, Crown Castle (owner of the cell tower) plans to mobilize and commence work to accommodate the project.
 - The City of KCMO's public streetscape/infrastructure project continues to advance and has now largely shifted south of 75th St.
- **Budget and Financials:**
 - The project remains within the allocated budget of approximately \$86,844,974. Total project costs spent to date are **\$18,014,724**. Equity funds in the amount of **\$18,014,724** have been deployed and as of this date the project has not drawn from the Capitol Federal construction loan.
 - We have tapped into our contingencies as needed, primarily for unforeseen subsurface conditions and will continue to closely manage the remaining balance moving forward.
- **Marketing and Branding:**
 - The marketing and branding effort is substantially complete, and we are excited to share the project name, **Oberon**. We wanted to build a story-driven, personality-filled brand that pays homage to Waldo – kickstarting its next chapter. Oberon carries connotations of elegance and sophistication, stemming from literary and mythological references giving it a regal, timeless quality. The name also evokes a sense of mystique and grandeur, making it a good fit for a high-end development in an eclectic/vibrant area like Waldo.

- Our intent is to go live with Oberon's splash page (initial website) and install construction fence marketing banners by the end of Q1 to reveal the brand. We plan to include this material within the next quarterly update.

Market Overview

- The Kansas City market remains robust. Property fundamentals performed well during the prior quarter, as rents continued to rise and vacancies went unchanged. Year over year, local rents trended higher by 3.3%; these gains are second nationwide, only behind New York City. According to Northmarq, the same multifamily property performance trends that have prevailed in the Kansas City metro through 2024 show no signs of letting up and will likely carry over into 2025. Inventory growth will likely begin to taper off in 2025 and into 2026, putting the project in a favorable position upon completion.

Timeline and Next Steps

- **Completion Date:** The project is on track for final completion by **January 11, 2027**, with tenant occupancy expected to align with the following estimated substantial completion dates; Phase I **August 13, 2026**, and Phase II **November 03, 2026**.
- **Next Quarter Milestones:**
 - Complete the following:
 - Building pad (low volume change layer)
 - Underground detention system
 - Watermain extension
 - Commence installation of:
 - Underground MEP
 - Cast-in-place concrete foundations
 - Storm and sanitary sewer line
 - Wood framing
 - Precast parking garage

Risks and Mitigations

- **Construction Delays:** To mitigate potential delays, we are maintaining close coordination with our contractors and suppliers, with contingency plans in place for any unforeseen disruptions. During Q4 there were **7 excess weather days** beyond the allotment specified within the GMP contract, primarily due to the unseasonably wet November. Additionally, the project experienced a **28-day delay** as the City did not release the Footings and Foundations permit until November 5, 2024, while the GMP contract showed the permit being received by October 15, 2024. Both delays have been addressed within the completion dates listed above and Brinkmann will continue to explore strategies to compress the balance of the schedule going forward.



Exhibit A: Construction Update from Contractor

For a detailed update on the construction progress, please refer to the attached Exhibit A, which includes the latest report from our contractor. This exhibit provides images of the current construction site. As we progress, we will continue to provide an in-depth look at the status, recent milestones, and the upcoming phases of construction.

Exhibit B: BUDGET Tracker

For a detailed update on the budget, please refer to the attached Exhibit B.

Exhibit C: Project Renderings

For the updated project renderings, please refer to the attached Exhibit C.

Conclusion

We are confident in the continued success of the 74B Development and remain committed to delivering strong returns for our partners. We will provide further updates as the project progresses and look forward to celebrating its completion with you.

Contact Information:

For any questions or further details, please feel free to reach out.

Thank you for your continued partnership.

Best regards,

A handwritten signature in blue ink, appearing to read "Austin Bradley". The signature is fluid and stylized, with a long horizontal stroke at the end.

Austin Bradley
Executive Vice President
EPC Real Estate Group



EXHIBIT A

CONSTRUCTION UPDATE

74 Broadway

December 2024 Update



EPC
REAL ESTATE GROUP

Brinkmann
CONSTRUCTORS

Project Overview

Phase 1

Area 1 – East end (Grid 9.6 – 15) ■

Area 2 – Units Adjacent to Parking Garage and Clubhouse ■

Area 3 – Podium and Below ■

Area 3 – Parking Garage ■

Courtyard

Phase 2

Area 4 – Units on Podium and South Garage ■

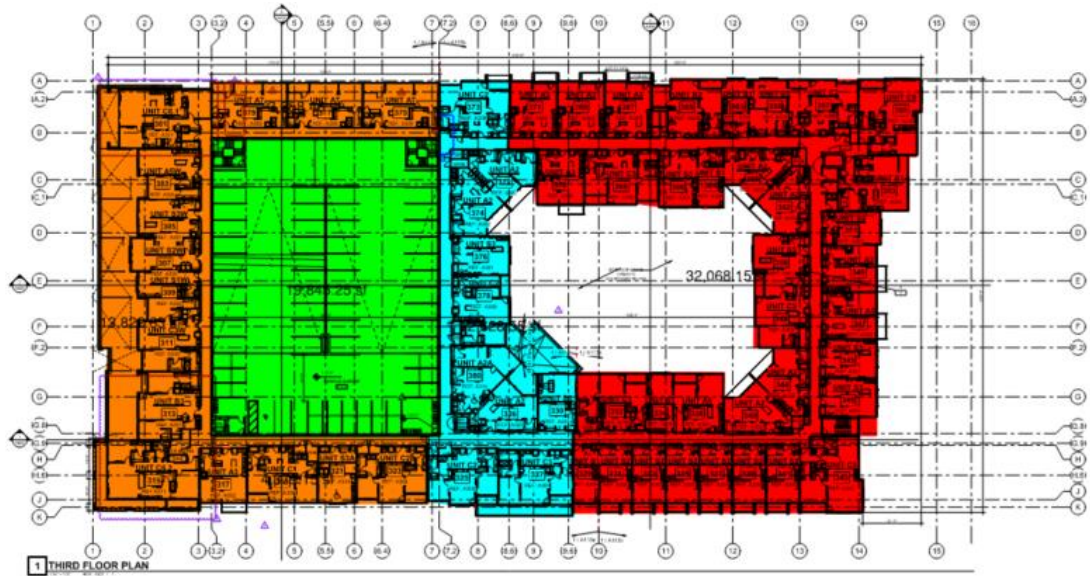
Phase 1 Estimated Substantial Completion – August 13, 2026

Area 1 Estimated Completion – March 2026

Area 2 Estimated Completion – August 2026

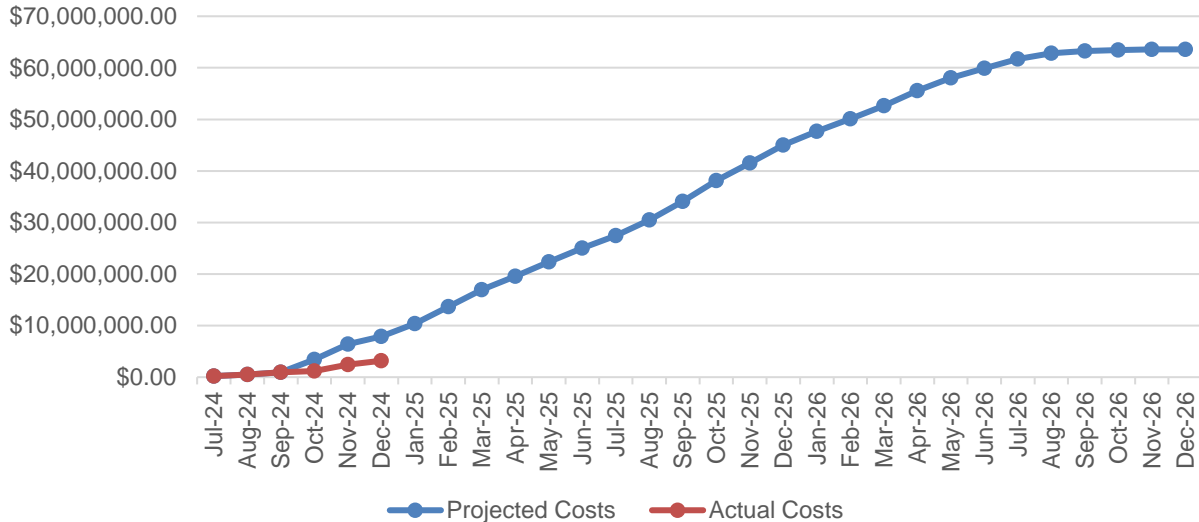
Area 3 Estimated Completion – September 2025

Phase 2 Estimated Substantial Completion – November 03, 2026



Project Costs

74 Broadway Cost Projections



Building GMP: \$59,934,525

Demo and Sitework: \$3,781,196

Total GMP: \$63,715,721

Percent Billed to Date (Through December 2024): 5%

Project Update

- Work In Progress/Completed December 2024
 - Began Production of Precast Garage Material
 - Began Watermain Extension
 - Continued Placement of Low Volume Change Layer for Building Pad
 - Continued Installation of Underground Detention System
 - Completed Installation of Vibratory Stone Columns
- Weather Days
 - 10 Weather Days to Date (7 Above Contractual Allowance)

Project Update

Q1 2025 Lookahead:

- January 2025
 - Complete Placement of Low Volume Change Layer for Building Pad
 - Complete Installation of Underground Detention System
 - Complete Watermain Extension
 - Continue Production of Precast Garage Material
 - Begin Installation of Underground MEP
 - Begin Installation Cast-In-Place Concrete Foundations
 - Begin Installation of Storm and Sanitary Sewer
- February 2025
 - Continue Production of Precast Garage Material
 - Continue Installation of Underground MEP
 - Complete Installation Cast-In-Place Concrete Foundations
 - Complete Storm and Sanitary Sewer Installation
 - Begin Installation of 1st Floor Wood Framing

Project Photos

NOVEMBER 2024

DECEMBER 2024



Project Photos

NOVEMBER 2024

DECEMBER 2024



EXHIBIT B

DESCRIPTION	PROJECT BUDGET	DRAW REQUESTS	BALANCE TO FUND
			(Incl. Retainage)
	REVISED	TOTAL	
LAND:			
01-001 Land	6,600,000.00	\$6,600,000.00	\$0.00
01-002 Misc	50,000.00	\$46,497.54	\$3,502.46
01-003 Land - Origination Fee	275,000.00	\$275,000.00	\$0.00
SUB TOTAL LAND	6,925,000.00	\$6,921,497.54	\$3,502.46
HARD COSTS:			
02-001 Building & Site	63,721,963.00	\$3,087,386.69	\$60,634,576.31
02-002 Abatement/Unforeseen	30,000.00	\$0.00	\$30,000.00
02-003 Utility Relocate	25,000.00	\$18,904.12	\$6,095.88
02-004 Cell tower	500,000.00	\$175,000.00	\$325,000.00
02-005 Hard Cost Contingency	1,572,817.73	\$0.00	\$1,572,817.73
SUB TOTAL HARD COSTS	65,849,780.73	\$3,281,290.81	\$62,568,489.92
SOFT COSTS:			
03-001 Arch/Eng	1,892,550.00	\$1,570,052.95	\$322,497.05
03-002 Rendering	35,000.00	\$32,800.00	\$2,200.00
03-003 Geotech	4,500.00	\$4,500.00	\$0.00
03-004 Environmental	22,983.00	\$22,983.00	\$0.00
03-005 Special Inspections	149,891.50	\$18,197.45	\$131,694.05
03-006 Misc Owner Inspections	15,000.00	\$0.00	\$15,000.00
03-007 Funding & Bond Issuance	222,331.00	\$218,012.67	\$4,318.33
03-008 FF&E	725,000.00	\$72,186.72	\$652,813.28
03-009 Government Fees	523,796.00	\$254,048.69	\$269,747.31
03-010 Operating Deficit	41,884.00	\$0.00	\$41,884.00
03-011 Market Study	8,000.00	\$8,000.00	\$0.00
03-014 Startup Expense	209,030.00	\$0.00	\$209,030.00
03-015 Legal	626,861.67	\$626,861.67	\$0.00
03-017 Marketing	75,000.00	\$10,161.71	\$64,838.29
03-018 Leasing Costs	992,314.00	\$0.00	\$992,314.00
03-019 Taxes	227,490.00	\$163,037.83	\$64,452.17
03-020 Insurance	970,097.16	\$970,097.16	\$0.00
03-021 Construction Loan Interest	2,744,543.00	\$0.00	\$2,744,543.00
03-022 Origination Fee	283,942.00	\$283,942.00	\$0.00
03-023 Guaranty Fee	567,883.60	\$567,883.60	\$0.00
03-024 Equity Raise Fee (Prevail)	262,884.00	\$262,884.00	\$0.00
03-025 Pref Raise Fee (JLL)	354,382.00	\$354,382.00	\$0.00
03-026 Appraisal	5,000.00	\$4,750.00	\$250.00
03-027 Pref Orig Fee (Marble)	95,157.00	\$95,157.00	\$0.00
03-028 Closing Costs	206,639.60	\$206,639.60	\$0.00
03-029 Soft Cost Contingency	(12,024.16)	\$81,477.14	\$69,452.98
03-030 Dev/CM Fees	2,820,058.00	\$2,146,834.24	\$673,223.76
SUB TOTAL SOFT COSTS	14,070,193.37	\$7,811,935.15	\$6,258,258.22
TOTAL PROJECT COSTS	86,844,974.10	\$18,014,723.50	\$68,830,250.60
SOURCES OF FUNDS:			
Borrower Equity	17,368,994.82	\$17,368,994.82	\$0.00
Pref Equity	12,687,619.28	\$645,728.68	\$12,041,890.60
Construction Loan	56,788,360.00	\$0.00	\$56,788,360.00
TOTAL SOURCES OF FUNDS	86,844,974.10	\$18,014,723.50	\$68,830,250.60
DIFFERENCES	-	\$0.00	\$0.00



EXHIBIT C
PROJECT RENDERINGS



OBERON

TAVERN

TAVERN

RETAIL

PARKING

Capital



O
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OBERON

CREATURE COMFORTS
NO MATTER THE CREATURE

OBERON











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