



The Edge at Seabrook

Seabrook, Texas



NHK Capital Partners

NHK Capital Partners (NHK) was founded by the Hogan family with a focus on providing investment opportunities in commercial real estate that were, otherwise, traditionally reserved for institutional investors.

The NHK team has successfully raised over \$160 million to fund investment opportunities that span single-family rental communities (SFR), build-to-rent communities (BTR), multi-family, industrial and logistics, hospitality, and office.

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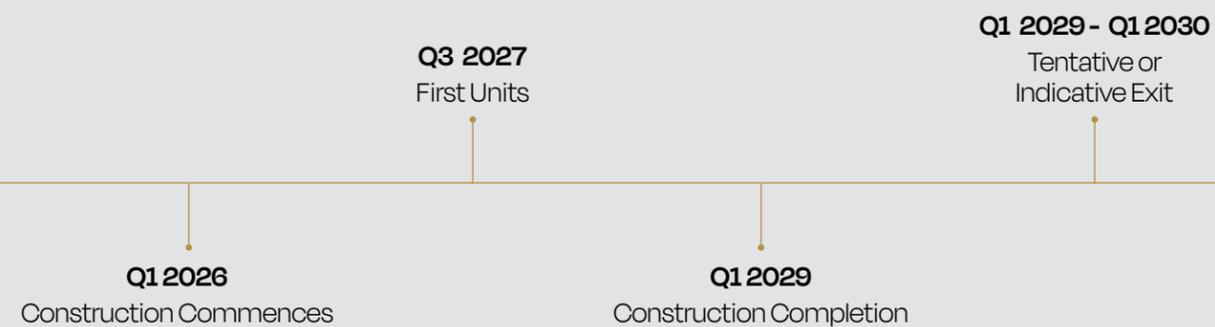
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The Project

Edge at Seabrook ("Project") will be a 320-unit, Class-A garden-style multifamily community located in Seabrook, Texas, approximately 35 miles southeast of downtown Houston.

The Project will offer exclusive amenities to residents, including two resort-style pools, a clubhouse, pickleball courts, two fitness centers and garage parking. Additionally, the Project will be developed within Seabrook Town Centre, a mixed-use development which, at completion, will include retail outlets and public greenspaces, providing residents direct access to shopping, dining, and entertainment. Seabrook Town Centre currently has two retail leases executed, Tropical Smoothie and Pomodoro's Cucina Italia, which will be developed at the same time as the Project.

Project Timeline



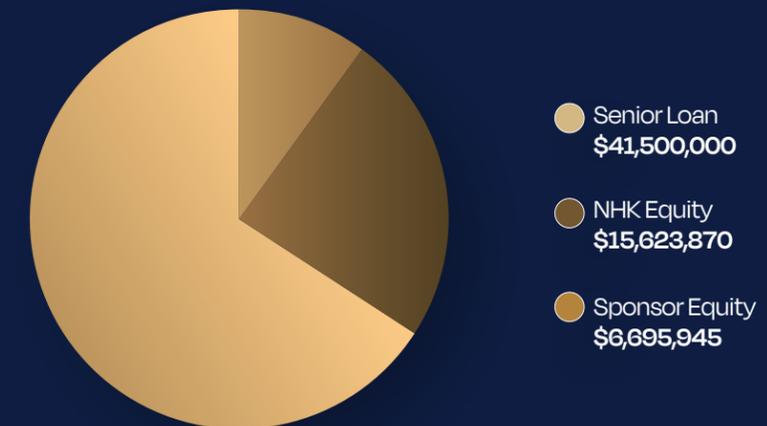
Investment Summary

This investment is structured as equity participation through a joint venture between HS Development Group and NHK Capital Partners.

Target Investment Term:	48 Months
Minimum Investment:	\$100,000
Target Internal Rate of Return (IRR)*:	16-18%
Target Equity Multiple (EM)*:	1.7x - 1.9x

Total Project Costs**

\$63,819,815

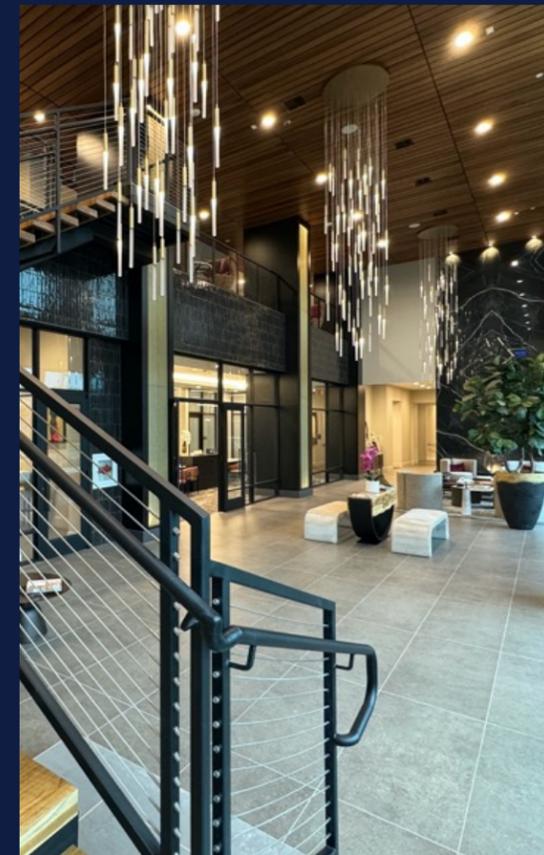


*Target IRR and Target EM are targeted fund-level returns. Actual investor-level returns are subject to further adjustments, including general partner fees and fund waterfall structure.

**Figure subject to change.

Broad Mix of Amenities

- Clubhouse
- Two Resort-Style Pools
- Two Fitness Centers
- Pickleball Courts
- Covered and Garage Parking
- 9-12' Ceilings
- Walk-In Closets
- Granite Countertops
- Stainless-Steel Appliances
- Wine Cooler available in select units
- Full and Stackable Washer/Dryers
- Stand-Up Showers

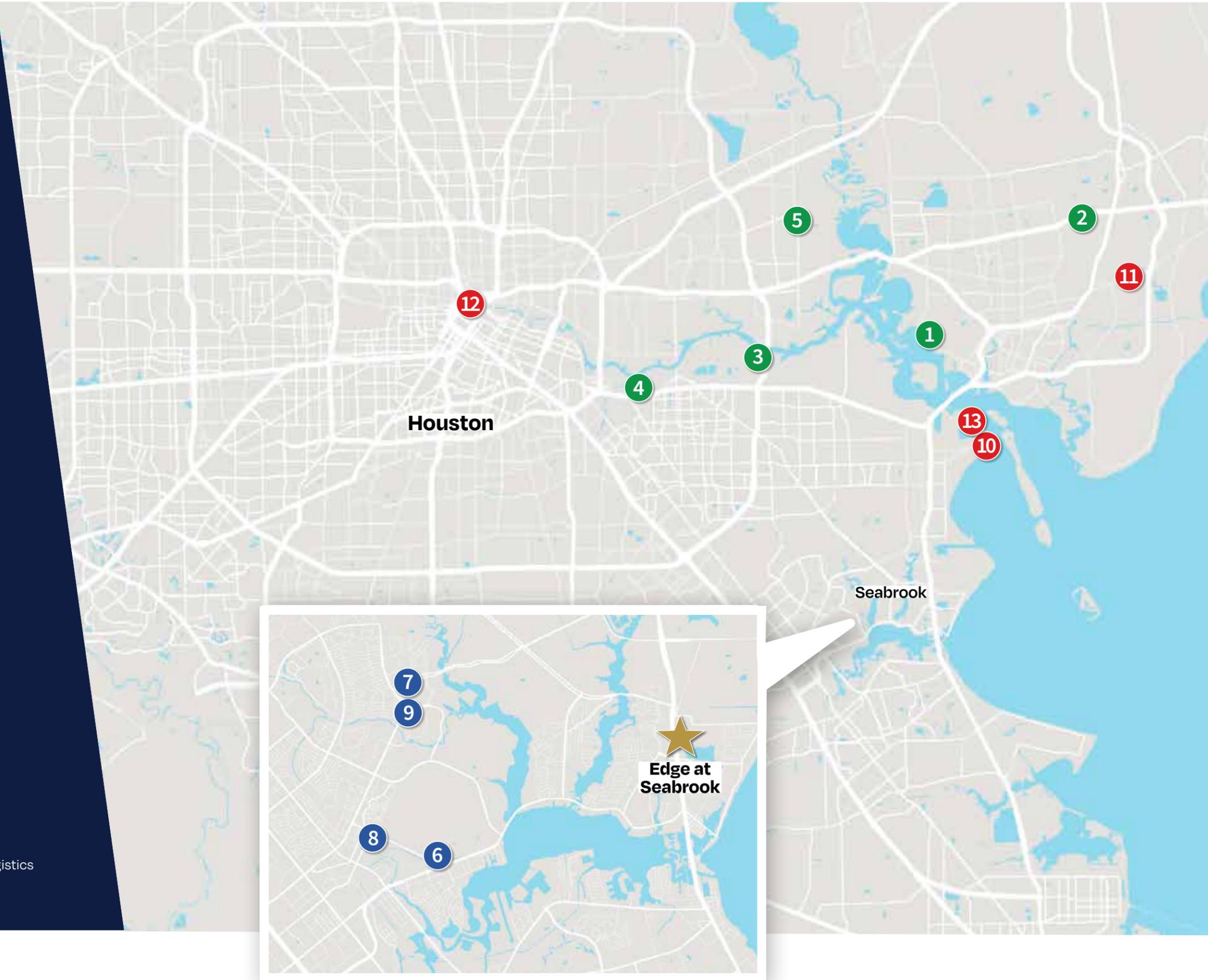


Top Employers in the Area

The Edge at Seabrook is strategically located within a reasonable driving distance to a diverse set of large-scale employers in the area, offering residence the convenience of an easy commute in addition to the onsite amenities.

- 1 ExxonMobil Baytown Complex**
17 miles from project site
- 2 Chevron Phillips Chemical**
23.5 miles from project site
- 3 INEOS**
13.3 miles from project site
- 4 LyondellBasell Industries**
11.4 miles from project site
- 5 Covestro**
20.3 miles from project site
- 6 Nasa Jonson Space Center**
5.1 miles from project site
- 7 Boeing**
5.6 miles from project site
- 8 Axiom Space**
8.4 miles from project site
- 9 Intuitive Machines**
5.9 miles from project site
- 10 Port Houston Authority**
25.4 miles from project site
- 11 Katoen Natie**
10.3 miles from project site
- 12 Kinder Morgan**
32 miles from project site
- 13 Barbours Cut and Bayport Terminals**
9.5 miles from project site

● Energy/Petrochemical ● Aerospace/Research ● Maritime/Logistics



The Developer

HS Development Group

HS Development Group is a Houston-based, vertically-integrated real estate development firm bringing experience in the development of a range of asset classes, including mixed-use, multifamily, senior living and student housing projects across the U.S.

To date, the firm's principals have facilitated the development of over 49 projects, totaling more than 15,000 multifamily units and approximately \$480 million in capitalized development costs.

The principals of HS Development Group, Steve Helm and Harold Sowell, founded Excelsior Partners, a specialized development group focused on build-to-rent (BTR) communities across Texas while continuing to utilize HS Development's construction and management team. NHK Capital Partners partnered with Excelsior Partners in 2023 to develop Edge at Conroe, a 109-unit build to rent community in the northern Houston MSA. Edge at Seabrook reflects NHK's second partnership with Harold and Steve.

**NHK is not a direct affiliate of HS Development Group*



Past Collaboration HS & NHK

EDGE at CONROE

Conroe, TX

Upon completion, Edge at Conroe will be a 109-unit BTR community located near Loop 336 and Interstate 45 in a northern suburb of Houston.

The development has already delivered initial units for lease with initial move-ins beginning imminently. The community is expected to be completed by the end of 2026, with Q2 2026 as the target for stabilization.

Why Invest in Multifamily?

Texas Multifamily Overview

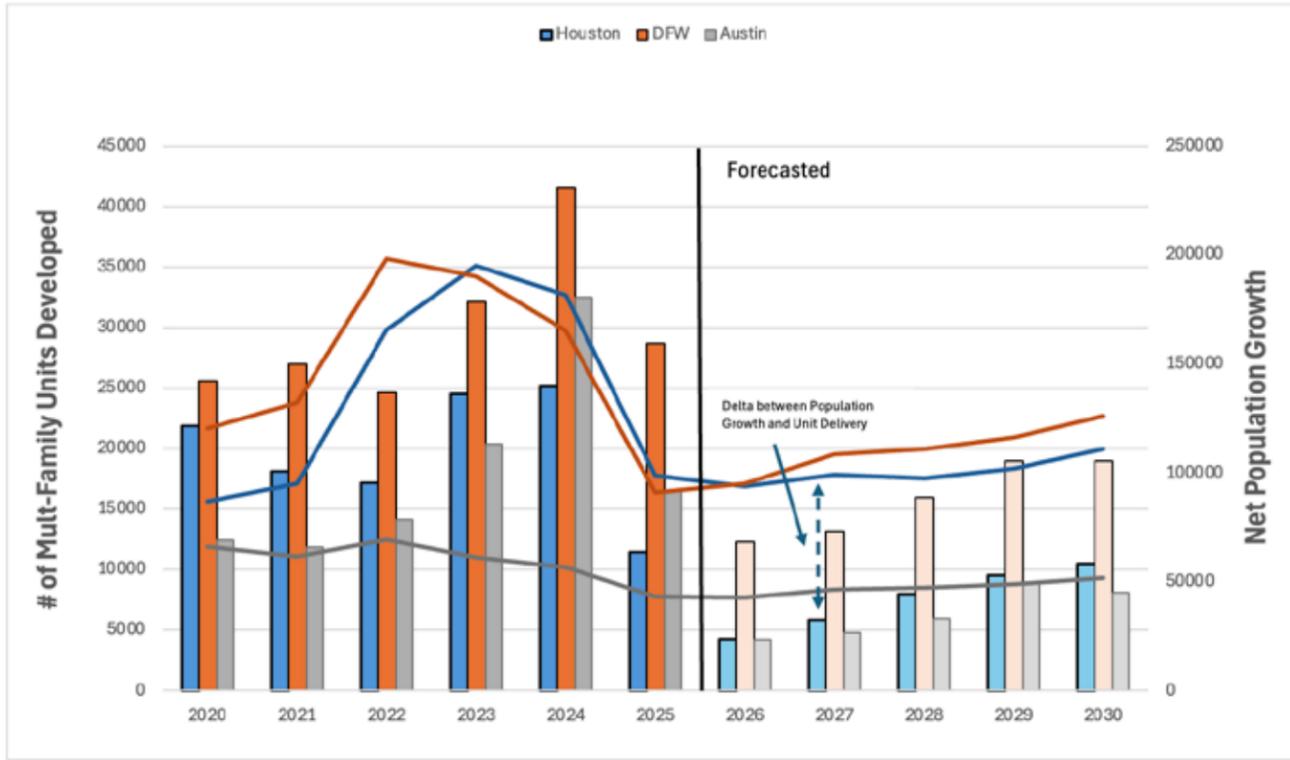
Metric	Austin	Houston	Dallas/Fort Worth
Population (Q1 2025)	2.5M	7.2M	7.6M
Population 10-Year Avg % Growth	2.6%	1.7%	1.9%
Population 5-Year Avg % Forecast	1.7%	1.2%	1.3%
Vacancy Rate	14.7%	11.8%	11.8%
12-Month Deliveries	20,709 units	16,716 units	35,780 units
Under Construction	14,226 units	9,630 units	27,541 units

Over the past 12 months accounting for deliveries and under construction units, Austin will have provided 1.4% of total population, DFW .88% of its total population, and Houston only .36% of its total population. Further bolstering the recent lack of multi-family developments in Houston MSA.



Percentage of Multi-Family Units Delivered on Net Population Growth											
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Houston	25.16%	19.08%	10.40%	12.58%	13.87%	11.63%	4.52%	5.91%	8.22%	9.34%	9.48%
DFW	21.26%	20.42%	12.41%	16.90%	25.08%	31.48%	12.93%	12.13%	14.37%	16.34%	15.04%
Austin	18.81%	19.31%	20.41%	33.29%	57.16%	38.20%	9.76%	10.38%	12.73%	18.11%	15.73%

Forecasted



Since 2022, Houston has been an underserved market from a multi-family development viewpoint. Per Co-Star data Houston is anticipated to deliver less than 1 unit per every 10 net-migration individuals. This for the next 5 forecasted years, which is much less than markets such as DFW and Austin.



12-Month Deliveries (Q3 2024-25)

16,716 units

12-Month Absorption (Q3 2024-25)

12,295 units

Vacancy Rate

11.8%

Under Construction (Q2 2025)

9,600 units (1.3% of inventory)

Starts (2025)

~2,200 units — lowest since 2010s



Houston Metropolitan Statistical Area (MSA) Multifamily Asset Class

Houston MSA absorption continued to improve during the first half of 2025, driving vacancy rates down by 50 basis points to 11.8%. Developers have responded to tighter financing and rising construction costs by pulling back, illustrated by only 9,600 units currently under construction, which represents the lowest pipeline since 2011, a 15-year low.

Market competition and concessions increased following the 57,000+ units delivered since 2023, but have recently stabilized and resume moderate growth as the supply pipeline thins. Suburban submarkets—particularly those near NASA, Baytown, and the Energy Corridor—are driving leasing momentum thanks to affordability, employment access, and infrastructure connectivity.

**Past performance is not a guarantee of future results*



Southeast Houston Multifamily Market Overview

Southeast Houston combines affordability, scale, and employment depth, supported by critical infrastructure and long-term job anchors in energy, logistics, and aerospace. With limited new supply, the submarket presents a favorable entry point for Class A multifamily investment.

Edge at Seabrook is strategically positioned to capture this growth as one of the first new developments approved under Seabrook's mixed-use zoning framework, integrating residential and retail uses within a walkable coastal environment.

Key Market Highlights

Submarket Size

76,000+ multifamily units, one of Houston's **largest** concentrations of rental housing.

5-Year Growth

Inventory up only **6.9%** since 2020, with median incomes near NASA exceeding \$100,000.

Pipeline

Only ~790 units under construction, the **lowest** since 2019.

Core Demand Drivers

NASA Johnson Space Center, Port of Houston, Bayport Industrial Corridor, and expanding petrochemical employment base.

Why Seabrook?

1

STRATEGIC COASTAL LOCATION

Seabrook, TX is a city positioned between major employment and lifestyle anchors, including NASA's Johnson Space Center, Bayport Container Terminal, and Houston Methodist Hospital in Nassau Bay—all within a 5–7 minute drive. The recently completed Highway 99 expansion has transformed regional access, reducing congestion from the old Highway 146 and increasing visibility and traffic flow to the site.

2

STRONG EMPLOYMENT BASE

The city benefits from a diversified employment corridor spanning aerospace, medical, logistics, and maritime industries. NASA and Bayport alone employ thousands of professionals, while nearby hospitals, universities, and port facilities sustain steady year-round demand for quality rental housing.

3

TOURISM & RECREATION ECONOMY

Seabrook shares a tourism ecosystem with Kemah Boardwalk and Clear Lake Marina, which attract thousands of weekend visitors for boating, dining, and entertainment. Clear Lake is recognized as the second-largest marina in the U.S., after Fort Lauderdale. This consistent weekend traffic supports robust retail and restaurant demand and reinforces Seabrook's reputation as a premier coastal destination within the Houston metro.

4

NEW ENTITLEMENT HURDLES AND BARRIERS

Adjacent Clear Lake City is fully built out with deed restrictions that prevent new multifamily development, making Seabrook one of the few remaining areas open for new construction. The city has seen virtually no new market-rate multifamily deliveries since 2016, with existing Class A product such as The Towers maintaining 95–99% occupancy and waiting lists.

City approvals increasingly require a mixed-use component for new multifamily projects. This added layer of complexity makes it more difficult for new projects to move forward and added complexity for limited future supply.

5

AFFLUENT DEMOGRAPHICS

The immediate area reports an average household income near \$140,000, surrounded by homes valued between \$400K and over \$1M. Residents are family-oriented, with strong public schools, active youth programs, and low crime levels. The submarket appeals to renters seeking access to top schools and proximity to major employers without entering Houston's urban core.

6

SUPPORTIVE CITY & INCENTIVES

The City of Seabrook actively partners with developers through the Seabrook Economic Development Corporation (SEDC), offering performance-based incentives and retail build-out grants typically ranging from \$700K to \$800K based on job creation, sales tax generation, and economic impact. The city also provides streamlined permitting, infrastructure coordination, and direct staff engagement to accelerate project delivery.



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