



## Investment Team



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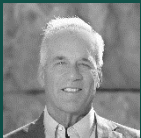


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**NXSTEP Opportunity Partners is a private equity firm specializing in real estate and operating businesses, primarily in Central Texas. Our opportunistic approach and diversified skill sets allow us to invest across a range of themes, structures, and asset types to capitalize on compelling investment opportunities**

## WHAT SETS NXSTEP OPPORTUNITY PARTNERS APART

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**In complexity we see opportunity:** Willingness to invest into complex situations and circumstances, and provide curated capital solution on a project-specific basis

**Speed and Certainty:** NXSTEP’s deep entitlement and development experience enables us to underwrite, structure, and invest with speed and certainty

**Project-specific evaluation:** Not focused on “rinse and repeat” investments; we evaluate each deal on its own merits – we love great opportunities even if they have features others can’t handle (e.g., sub-scale, led by emerging developers, require creative structuring, etc.)

## TARGET INVESTMENT CRITERIA

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### INVESTMENT SIZE

- \$2 - \$50 million per project (flexibility to provide smaller investment for pursuit & entitlement capital)

### STRATEGIES / TRANSACTION TYPES

- Self Development Projects
- LP Capital: Other developers’ projects
- Interim Capital: Projects in need of capital solutions
- Pursuit Capital: Front-end capital btw contract and close
- Operating businesses tied to underlying real estate

### EXAMPLE DEAL TYPES

- Large master-planned, mixed-use, land parcels
  - Neighborhood retail and regional pad site plays
  - Suburban, garden multi-family (market & affordable)
  - Single-family development land (all entitlement levels)
  - Manufactured home rental and for-sale communities
  - Industrial, medical office, self storage, assisted living
  - Special situations (i.e., complex and unique)
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# STRATEGIES AND INVESTMENT TYPES

<b>Self Development</b>	<ul style="list-style-type: none"><li>• <b>Description:</b> Identify, evaluate, buy, entitle, self-develop and build value</li><li>• <b>Why NOP:</b> Developed over \$130MM in construction costs since 2016; 20+ development/construction projects</li><li>• <b>Examples:</b> Numerous 1,000+ acre master planned communities, retail, SFR, industrial, self-storage, medical office, etc.</li><li>• <b>Other:</b> Willingness to conduct independent acquisitions or co-general partner with other developers</li></ul>
<b>LP Capital</b>	<ul style="list-style-type: none"><li>• <b>Description:</b> Identify, evaluate, and invest in others' projects; unique ability to be investors and value-added partners</li><li>• <b>Why NOP:</b> Can creatively structure investment to get deals done when others can't</li><li>• <b>Examples:</b> Projects which are proceeding despite economic conditions; creating unique structures for unique deals</li><li>• <b>Other:</b> Willing to invest behind both young and/or emerging sponsors as well as tenured developers</li></ul>
<b>Interim Capital</b>	<ul style="list-style-type: none"><li>• <b>Description:</b> Provide structured capital to projects when the existing capital structure does not fit economic conditions</li><li>• <b>Why NOP:</b> Creativity and flexibility to find the right capital structure solution for great projects</li><li>• <b>Examples:</b> Preferred equity with or w/out common warrants, 2<sup>nd</sup> lien bridge capital, common equity replacement</li><li>• <b>Other:</b> Capital to keep project afloat/advancing until economic conditions enable construction commencement</li></ul>
<b>Pursuit Capital</b>	<ul style="list-style-type: none"><li>• <b>Description:</b> Ability to provide the upfront "Pursuit" capital for compelling projects (diligence, entitlement, other pre-acquisition costs) in exchange for a portion of GP interest and ability to invest LP Capital into the project</li><li>• <b>Why NOP:</b> Deep development experience enables our willingness to invest high-risk "Pursuit Capital"</li><li>• <b>Example:</b> Capital to fund entitlement and pre-acquisition expenses</li></ul>
<b>RE Linked Businesses</b>	<ul style="list-style-type: none"><li>• <b>Description:</b> Businesses in which real estate is a primary driver of company value and core to business operations</li><li>• <b>Why NOP:</b> Our team has both real estate investors/developers and career private equity investors/business builders</li><li>• <b>Examples:</b> Car washes, HOA management businesses, self storage, etc.</li><li>• <b>Other:</b> We have spent much of our careers partnering with entrepreneurs to build best-in-class businesses</li></ul>
<b>Purely Opportunistic</b>	<ul style="list-style-type: none"><li>• <b>Description:</b> Opportunities to invest in great products, strong mgmt. teams, and businesses with explosive upside</li><li>• <b>Why NOP:</b> Team has deep experience in venture capital and growth equity investing</li><li>• <b>Examples:</b> Compelling business models, local start-ups, and co-invest with best-in-class venture/growth equity firms</li><li>• <b>Other:</b> While we focus on real estate, we will always remain open to exceptional opportunities regardless of industry</li></ul>