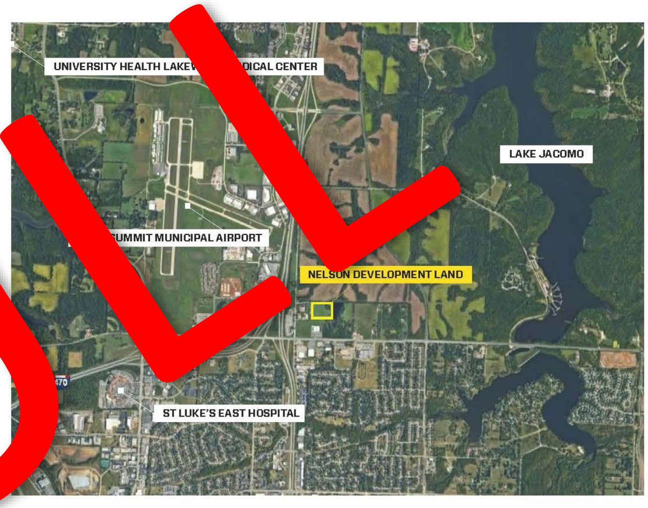
NELSON CONSTRUCTION & DEVELOPMENT

PRE-DEVELOPMENT NOTE
LEE'S SUMMIT INDEPENDENT LIVING

Nelson Construction and Development is expanding its senior housing portfolio with a 110 unit Independent Living facility in Lee's Summit, MO. The funds from these predevelopment promissory notes will be used to acquire the land, and to pay for entitlements and design work. Note holders will have the first right to convert to an equity investment in the project when the offering becomes available.

$4MM	12%	24 MONTHS
NOTE	CURRENT PAID QUARTERLY	

FULL



OVERVIEW

Nelson Construction & Development is advancing pl[illegible]r its 14th senior living community—an independent living (IL), assisted living [illegible] and memory care (MC) campus located at the corner of Do[illegible] Street an[illegible] Main Street in Lee's Summit, Missouri.

When the project was first envisi[illegible]he plan was to begin [illegible] the Assisted Living and Memory Care buil[illegible]elson closed on the land in [illegible]ember 2023 and, at the same time, secured [illegible]rtificate of Need (CON) fro[illegible]tate of Missouri, which is required to bu[illegible]sisted living b[illegible] in the sta[illegible]ever, economic conditions have shifted, [illegible]enders [illegible]re cautious a[illegible] assisted living and memory care pr[illegible]

By contrast, Independent Living has a[illegible]d stronger lending support. Nelson has seen this firsthand, having recently [illegible]d loans on IL communities in Cedar Rapids, IA and Bettendorf, IA. For this reas[illegible]e Lee's Summit project has been resequenced to begin with Independent Liv[illegible]st, followed by Assisted Living and Memory Care in the second phase.

The IL community will feature multiple dining ve[illegible] wellness and fitness spaces, underground parking, landscaped courtyards, fire pits and grills, a pool, library, and a rooftop lounge—creating a vibrant, community-centered lifestyle with high-quality finishes and hospitality-driven services.

PROJECT TIMELINE

Land Purchase	September 2023
IL Building Design Start	September 2025
IL Site Plan Approval	May 2026
IL Construction Start	July 2026
Construction Completion	May 2028
Refinance	September 2030

WHY LEE'S SUMMIT, MO?

By 2027, the Lee's Summit primary market area (PMA) is projected to show substantial unmet demand across all levels of care:

- Independent Living: 871 units
- Assisted Living: 462 units
- Memory Care: 129 units

Market performance is strong. Nearly all established communities in the area are operating at or near full occupancy, and new entrants are leasing quickly despite premium pricing. This demonstrates the area's capacity to absorb new, high-quality supply.

Pricing trends are favorable. Since 2023, monthly fees for independent living and assisted living have risen by roughly 10–15%, underscoring both pricing power and resilient consumer demand.

Demographics support growth. The 75–84 age cohort is expected to grow nearly 29% in the next five years within the Kansas City metro, providing a strong base of financially qualified households to support absorption.

STRATEGIC POSITIONING

By launching the Independent Living phase first, Nelson is aligning with current lending realities while directly addressing the area's most immediate undersupply. This approach establishes a strong brand presence in Lee's Summit, builds occupancy momentum, and creates a resident pipeline for the Assisted Living and Memory Care phases that will follow.

Ultimately, the project delivers on Nelson's commitment to offering a continuum of care—allowing residents to age in place within the same trusted community as their needs evolve. With strong demographics, high occupancies, and proven demand fundamentals, Lee's Summit is positioned to support a flagship senior living community.

VIEW THE FULL NELSON PORTFOLIO AT:
NELSONCONSTRUCT.COM

INTERESTED?

Contact David Siegel at david@nelsonconstruct.com
Cell: 562-522-9277