



THE ROUTE

The building everyone gave up on.

From the bank's books to a community's address



About PRC Equity Fund.

PRC Equity Fund I, LLC buys the housing that lenders have given up on, restores it to a standard the community needs, leases it to demand that already exists, and underwrites each investment to a defined exit — a buyer with a lower cost of capital. It is managed by PRC, Incorporated, the real estate investment arm of Pioneer Realty Capital, a Texas firm with three decades in commercial real estate lending, development and investment.

433 East Las Colinas Boulevard, Suite 1200, Irving, Texas 75039 · www.prcequityfund.com

WHAT WE ARE FOR

Monthly cash to the investor and a public purpose in every building. Class A Members receive a monthly return of their own capital while the pipeline is built, then a 10% cumulative Preferred Return and 70% of remaining cash flow when properties produce it. The properties serve voucher holders, seniors, the workforce and students at public universities — the same public purpose that lets a qualified nonprofit buy them with tax-exempt bonds.

WHO MANAGES IT



Charles Williams — President & CEO, PRC, Incorporated (Manager). About 30 years investing in commercial real estate. Founder of PRC, Incorporated and PRC CRE Investments; controls Pioneer Realty Capital and the Gates at PV project owner; chairman of the independent board of Project PRC Corporation. MBA, accounting and business finance.



J.C. Shelley — Vice President, Investor Relations, Pioneer Realty Capital. Investor relations for Pioneer's real estate offerings since 2022, working with RIAs, broker-dealers and accredited investors; previously Vice President and Banking Center Manager at First Horizon Bank and Branch Manager at Simmons Bank.

A note on disclosures. This booklet is a summary of a Rule 506(c) private offering to verified accredited investors and is qualified in its entirety by the Confidential Private Placement Memorandum dated October 11, 2026, which is the only authorized description of the offering. An investment is speculative and illiquid and may result in the loss of your entire investment; monthly payments before the Conversion Date are returns of your own capital, not earnings, and no return or exit is guaranteed. The Company's current position is stated on page 24, the principal risks on page 25, and the full Important Notices on pages 28–29. Please read them before you read anything else here.

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How to read this book: the story runs from the problem (pages 5–7) through two strategies (9–10), the solution (11–17) and the exit (18–19) to what it means for you (20–22). Everything adverse is stated once, on pages 24–25, with its context. The adviser's page (26) and the notices (28–29) carry the dense version.

From the bank's books to a community's address.

The whole model on one line. A carriage does not sprint; it carries something valuable along a known road, stop by stop — and it does not leave until the load is checked.



- 1

Buy

the building everyone gave up on — REO, from the bank, at a disciplined basis
- 2

Restore

to a Class B or housing-authority habitability standard; budgets rebuilt from zero
- 3

Lease

to demand already there: voucher holders, seniors 55+, students at public universities
- 4

Exit

to a buyer with a lower cost of capital — a qualified nonprofit financed with tax-exempt bonds, a DST or an institution
- 5

Impact

you can drive past: housing a community needed, with a public purpose that is also the legal basis for the exit

THE PLAN • NOT YET EXECUTED BY THE COMPANY • SEE PAGE 24

Monthly payments are your own capital, returned — and we call it that. Monthly return of capital at 1/12 of 10% a year until the Conversion Date (a return of capital, not income), then a 10% cumulative Preferred Return from Net Cash Flow and a 70/30 split, if and when the properties produce it. Mechanics and conditions on page 20.

The problem: the lenders own the buildings.

A decade of cheap debt built and bought apartments at prices today's rates cannot carry. The loans are coming due, the delinquencies are rising, and lenders are becoming owners of housing they were never built to run.

8.04%

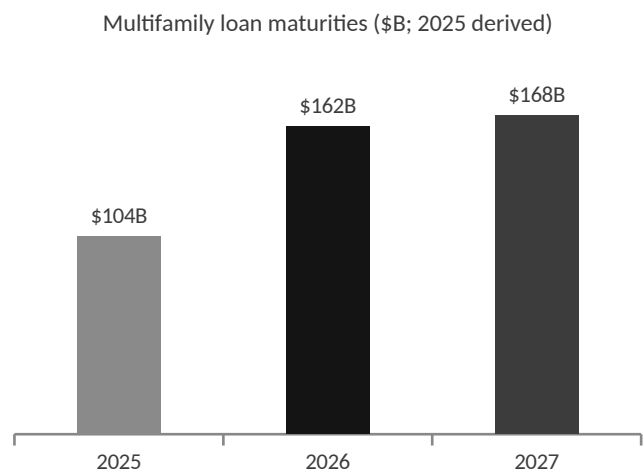
multifamily CMBS delinquency rate, September 2026 — up from 6.59% a year earlier and, for the first time since 2020, above the all-property rate (Trepp)

\$22.8B

of multifamily assets in distress at Q3 2025 — 18% of \$126.6B of distressed U.S. commercial property (MSCI data, as reported by CRE Daily)

\$875B+

of commercial and multifamily mortgages maturing in 2026 alone, by industry estimates — the “maturity wall” that may force sales

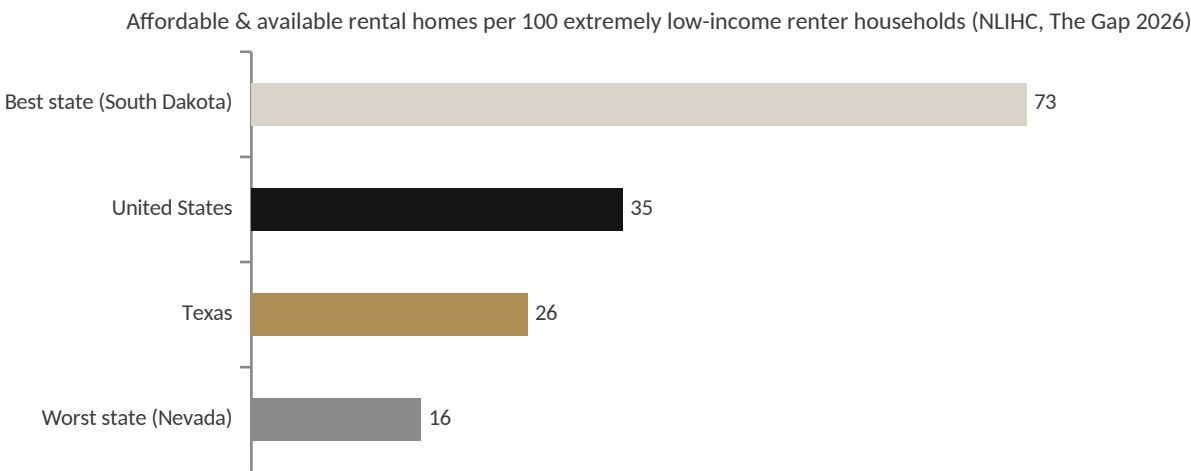


Why it matters to us. Banks and servicers that take back apartment communities are motivated sellers of exactly the asset we want: older, under-occupied, in need of capital, in markets where people still need a place to live. Bank-held multifamily loans are only 1.10% noncurrent (FDIC, Q2 2026) — but rising — while securitized loans are at 8.04%; the distress is concentrated where the Company is looking. The North Houston portfolio — 894 units, bank-owned through foreclosure, offered off-market and all-cash (non-binding LOI; may not close) — is what that looks like on the ground.

Sources: Trepp CMBS Delinquency Report, September 2026; MSCI Real Assets distress data for Q3 2025 as reported by CRE Daily; MMG Real Estate Advisors, “The 2026 CRE Refinancing Wall” (multifamily maturities ≈\$104B 2025 derived, \$162B 2026, \$168B 2027); industry maturity estimates for 2026 range from ≈\$875B to \$930B; FDIC Quarterly Banking Profile, Q2 2026. Third-party estimates, not the Company’s. See page 30.

The problem: the people are on the waiting list.

The same market that cannot refinance its apartments has a record number of renters who cannot afford one. The gap is widest where vouchers, seniors and the workforce are.



7.2M

shortage of affordable, available rental homes for 11 million extremely low-income renter households (NLIHC, 2026)

22.7M

cost-burdened renter households, a record 49% of renters; 12.1 million pay half or more of income for housing (Harvard JCHS, 2026)

2.5M

rental units under \$600 a month lost from the stock — the cheapest supply is vanishing fastest (Harvard JCHS, 2026)

576,000

senior housing units needed by 2030, over 1 million by 2035; starts down ~67% since 2021 (NIC MAP, Aug. 2026)

Why it matters to us. Demand for habitable, voucher-eligible and age-restricted housing is not something we have to create; it is a line that already exists at the housing authority. Our job is to put a renovated building at the front of it — subject to housing-authority cooperation, which is not committed.

Sources: NLIHC, The Gap: A Shortage of Affordable Homes (March 2026); Harvard JCHS, America's Rental Housing 2026; NIC MAP, Senior Housing Market Outlook (Aug. 2026); HUD/NYU Furman Center (2025) on voucher success rates. Third-party data; conditions vary by market. See page 30.

The problem: student housing follows the money.

Private developers crowd the flagship campuses. Public universities in smaller markets — and HBCUs, public and private — are growing without the beds, for students or for faculty.

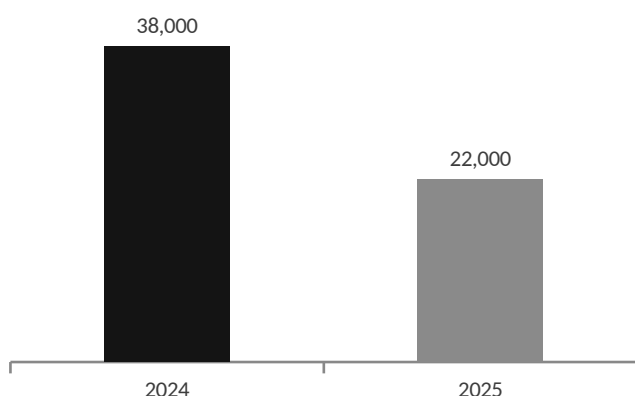
11,500 vs 5,423

undergraduates versus on-campus beds at Howard University, an HBCU (as reported)

7,151 → 12,477

Morgan State University enrollment, 2019 to 2026 (as reported) — a public HBCU growing faster than it can house

Purpose-built student beds delivered nationally (half of 2024's at 8 universities)



42 of 101

HBCUs grew enrollment 2019–2024 (federal IPEDS data as reported by Inside Higher Ed); Florida A&M and Coppin State report on-campus housing at or near capacity.

96.2%

occupancy of purpose-built beds at the 175 largest university markets — near a record, even after the 2024 delivery wave (RealPage, via PwC/ULI).

Faculty, too

Universities from San José State to Vermont are now developing employee housing because faculty and staff cannot find homes they can afford near campus.

Why it matters to us. Where on-campus beds are short and private developers are scarce, the barrier to entry is the relationship with the university — and that relationship is also what bond counsel needs to finance the exit. The Gates at PV, adjacent to Prairie View A&M, is where we learned it.

Sources: PwC/ULI Emerging Trends in Real Estate (student housing outlook); RealPage Analytics; Walker & Dunlop Student Housing Outlook 2026; Inside Higher Ed (Sept. 2026) and Capital B on HBCU enrollment and housing; EdTrust; Higher Ed Dive and The Chronicle of Higher Education on faculty housing. Campus figures as reported by the institutions. See page 30.

Three places we serve — where the line already exists.

We do not manufacture demand. We go where the Manager believes it already exists — and where the public sector can be a counterparty rather than an obstacle.



Workforce & affordable

WHO LIVES HERE

Working families, seniors and veterans whose rent is supported in part by housing-choice vouchers administered by the local housing authority.

WHY IT FINANCES THE EXIT

A property renovated to the authority's standard may qualify for the voucher program — and a recognized public purpose is what bond counsel looks for.



Senior, 55 and over

WHO LIVES HERE

Independent residents aged 55+, under the Housing for Older Persons Act — age-restricted housing, not licensed care.

WHY IT FINANCES THE EXIT

Senior housing is a stated public-policy priority; set-asides for it support tax-exempt financing of the purchaser.



University, where beds are short

WHO LIVES HERE

Students at public universities in tertiary markets and HBCUs, where on-campus beds are limited and private developers are scarce.

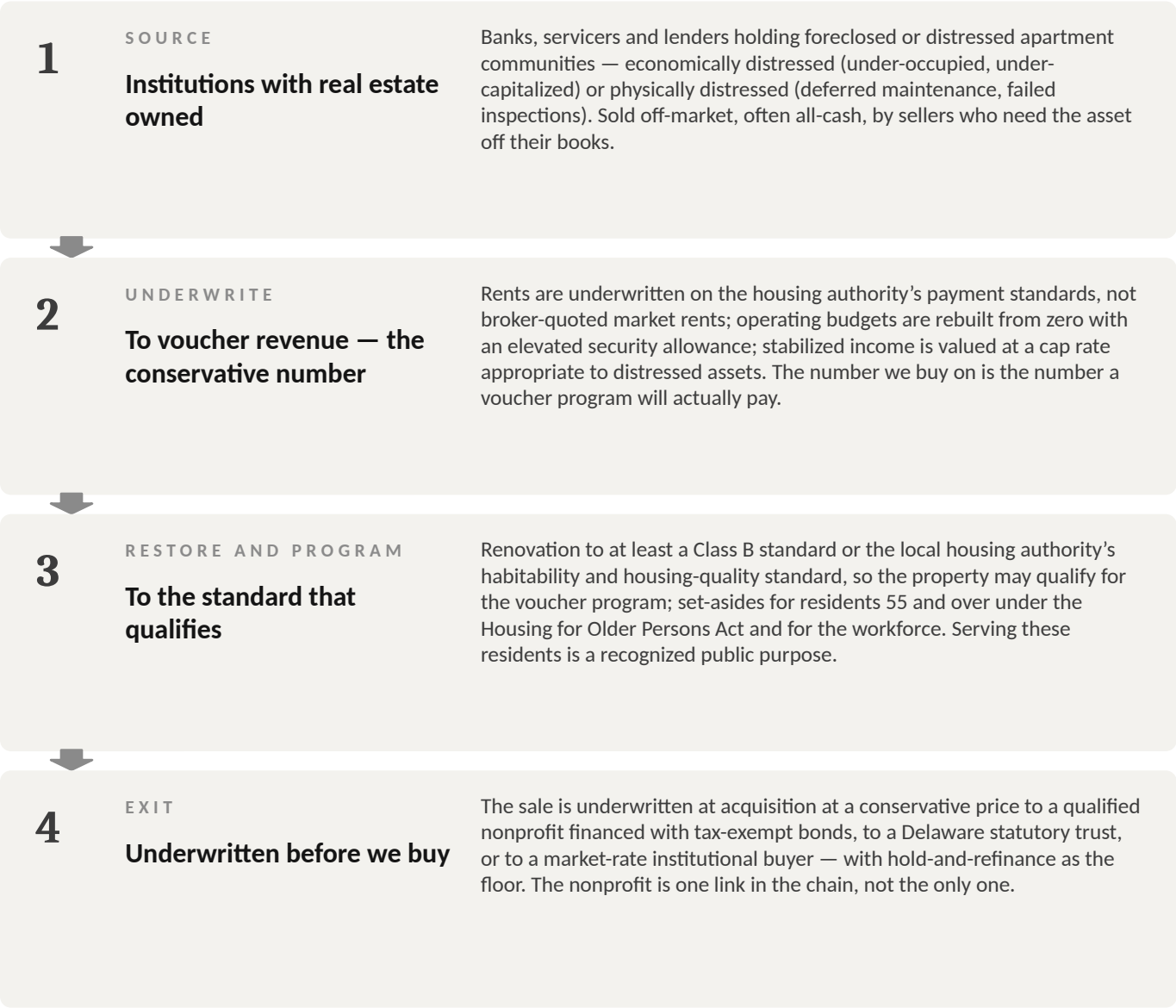
WHY IT FINANCES THE EXIT

The university relationship — affiliation agreement, letter of support or master lease — is both the barrier to entry and the showing bond counsel needs.

The Manager's view of market conditions, not a study. Program and market conditions vary; see page 25.

Strategy one: affordable, workforce and senior housing.

Buy it right from an institution that has to sell, underwrite to the most conservative revenue in the market, and sell to a buyer whose financing is already structured. Housing for voucher holders, seniors and the workforce reduces a burden of government by definition — which is what qualifies the exit.



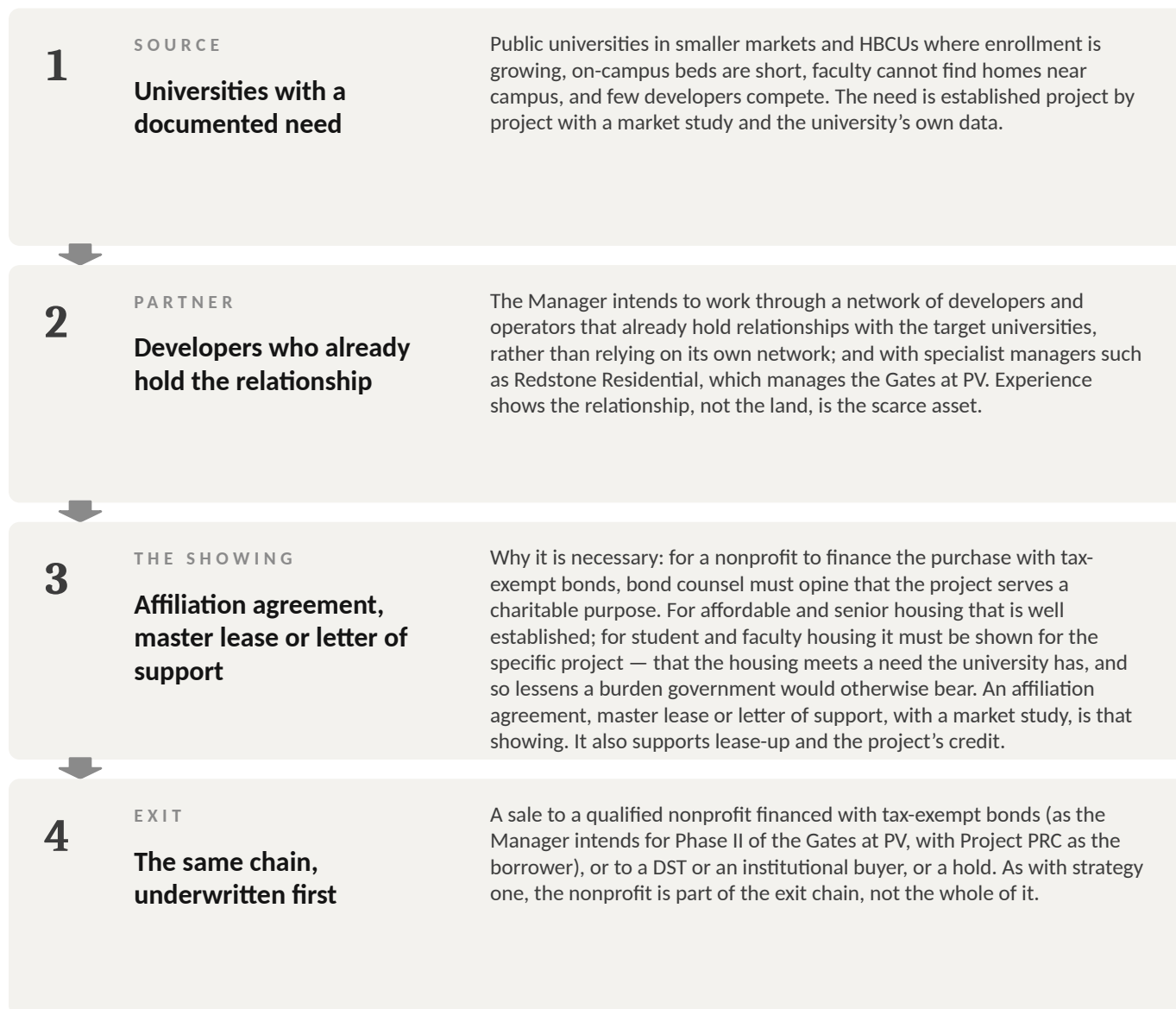
THE EXIT CHAIN — IN ORDER, NONE ASSURED



Statements of strategy and intent. Housing-authority cooperation, nonprofit purchasers, bond financing and DST or institutional buyers are not committed; the price a nonprofit can pay may be limited to what its bonds support. See pages 24–25.

Strategy two: student and faculty housing.

Public universities in tertiary markets and HBCUs need beds for students and homes for faculty that private developers are not building. The relationship with the university is both the way in and — because it shows the project reduces a burden of government — the way out.

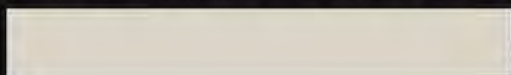


The exit chain is the same as strategy one, in the same order: qualified nonprofit with tax-exempt bonds → Delaware statutory trust → institutional buyer → hold and refinance. See page 9.

Our solution: buy it right, from someone who has to sell.

Basis, not appreciation. Returns are designed to come from the spread between a disciplined purchase from a motivated seller and what a financed buyer can pay for a stabilized, demand-backed property — not from betting that the market goes up.

DISCIPLINED BASIS — WHAT WE PAY THE BANK



the spread we work for

improve · lease to existing demand · sell to a buyer with a lower cost of capital · not assured

WHAT A FINANCED BUYER MAY PAY — APPRAISED, BOND-SUPPORTED



Bought from the bank, not the broker

Distressed and REO portfolios sold off-market by institutional lenders; a target basis below replacement cost and below the Manager's estimate of stabilized value.



Restored, not flipped

Renovate to a Class B or locally supported habitability standard; rebuild the operating budget from zero; lease to voucher, senior and university demand.



The exit is underwritten before the entry

A nonprofit, DST or institutional buyer — and for student housing, the university relationship — is part of the underwriting. No exit is assured.

THE SPREAD IS NOT ASSURED

Whether the spread is realized depends on execution, market conditions and the availability of exits. See page 25.

Our number, or we walk.

Six tests the Manager applies before committing capital — and a seventh that tells you who decides.

1 Voucher rents, not broker rents

Affordable acquisitions are underwritten on housing-authority payment standards, not broker-quoted market rents.

2 Budgets rebuilt from zero

Operating budgets are rebuilt line by line with an elevated security allowance. Nothing is inherited from the seller's pro forma.

3 Distressed-asset cap rates

Stabilized net operating income is valued at rates the Manager considers appropriate for distressed assets, with sensitivity cases.

4 Price discipline

Offers are made at the Manager's number. Most pipeline offers were substantially below asking; several require the seller to reprice first.

5 Exit identified

The nonprofit, DST or institutional exit — and the university relationship for student housing — is in the underwriting, not an afterthought.

6 Third-party diligence

Market studies, property-condition and environmental assessments, title and survey review before an acquisition closes.

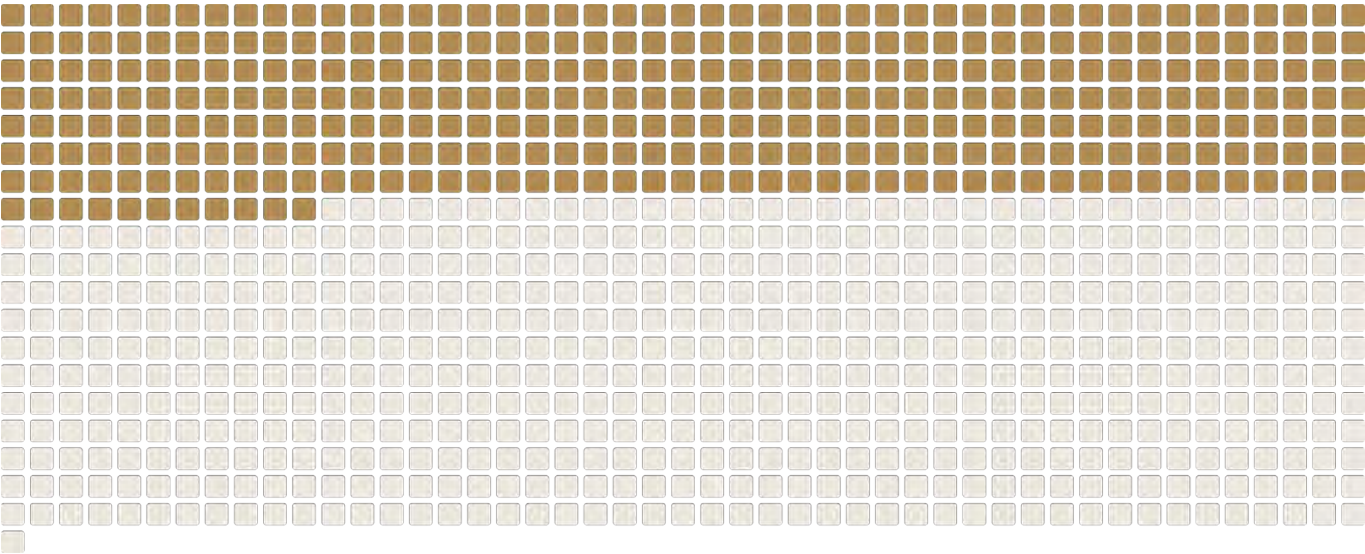
7 The Manager alone decides. No investment committee, no independent review; the Manager's judgment is the process, and its assumptions may prove incorrect. Related-party positions are described on page 24.

894 doors. 38% full. One bank.

PIPELINE ILLUSTRATION • NON-BINDING LOI • NO PURCHASE AGREEMENT • MAY NOT CLOSE

Three 1980s-vintage communities — Timbers of Cranbrook, Retreat on Rosslyn, La Esencia — owned by a bank through foreclosure and offered off-market, all-cash. Every bronze square is an occupied home. Every grey one is a vacant unit to be renovated and leased — the plan, and the risk.

TODAY — 38% OCCUPIED (JUNE 2026) • BRONZE = OCCUPIED



≈\$35,800

per unit at the \$32.0M price the Manager reports the seller has accepted; LOI issued by Pioneer on behalf of Project PRC

94–96%

occupancy at comparable stabilized communities; the Manager's target is ~95% within about 24 months

≈554

vacant units to renovate to a voucher-qualifying standard (\$8.6M budget including contingency; the Manager indicates an expanded scope would not exceed \$20M)

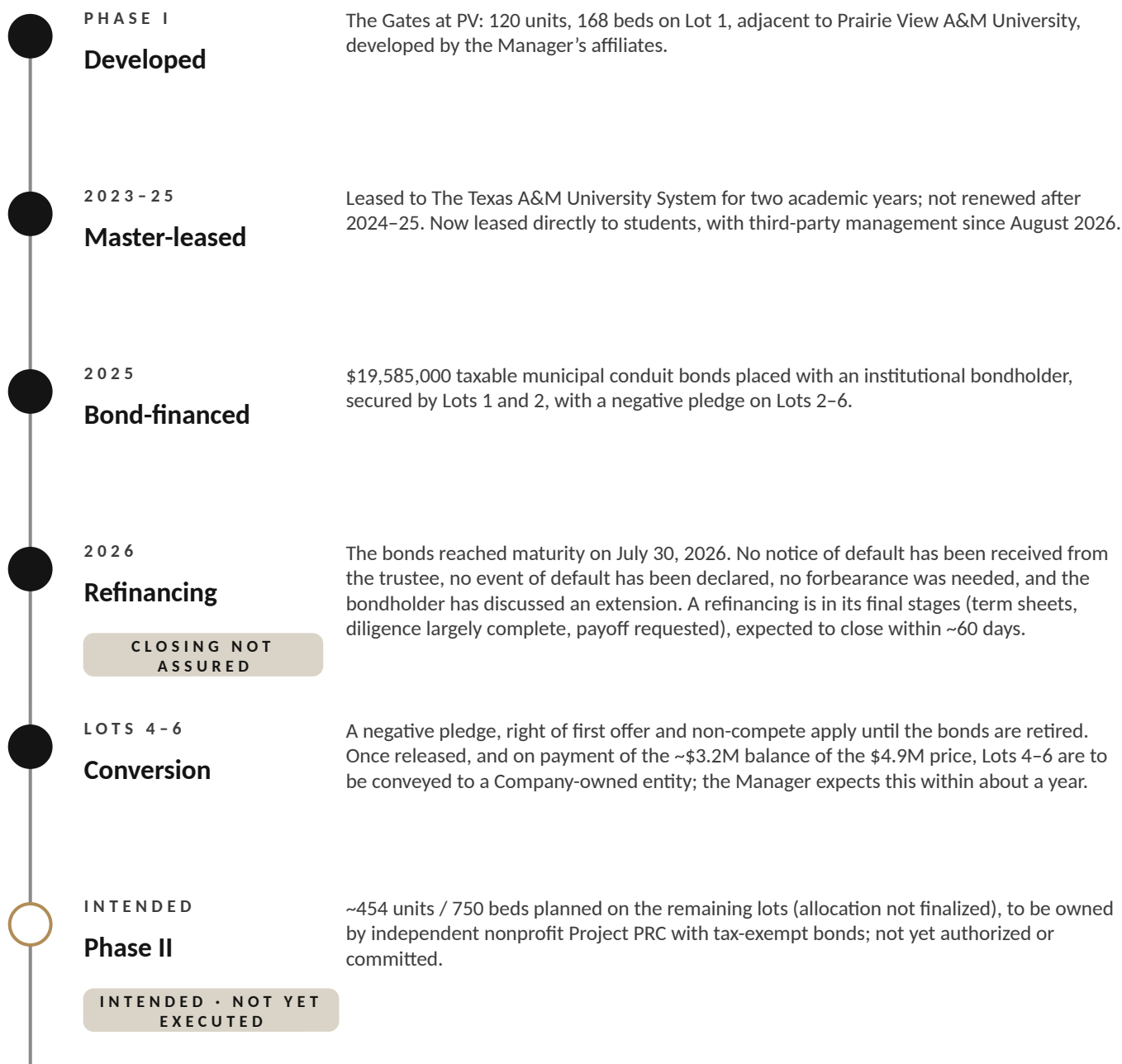
\$56.3M

Manager's pro forma total capitalization, including renovation, interest reserve and Pioneer's 15% sponsor fee

Manager's operating forecast (June–July 2026 materials): stabilized net operating income of about \$6.05 million. Not independently reviewed; not a projection of investor returns. No purchase agreement or financing exists and the Company may not complete this acquisition; the Company's commitments and the Memorandum's value cases are described on page 24 and in the Memorandum.

The relationship is the underwriting.

At public universities in tertiary markets and HBCUs, student housing is a supply problem few developers can solve. The relationship that solves it — an affiliation agreement, a letter of support, a master lease, obtained with developers and operators who already hold it — is the same showing bond counsel needs for the exit. Our first project, in plain order:



Next, preliminary and non-binding: student housing serving the University of North Texas and Alcorn State University. No agreement, site, financing or endorsement exists for either. No university has endorsed the Company, the Manager, Project PRC or this offering.

Why it is hard to copy.

Most developers build it, fill it, and wait for the market to give them an exit. We start at the other end.



Exit first

The buyer, the financing it can obtain, and — for student housing — the university showing that supports it are part of the underwriting before the Company commits capital. The exit is designed in, not hoped for.



Basis second

We buy from sources that need to sell — banks, servicers, distressed owners — at the Manager's number, and walk when the seller will not reprice. Several pipeline sellers have been asked to do exactly that.



Operators third

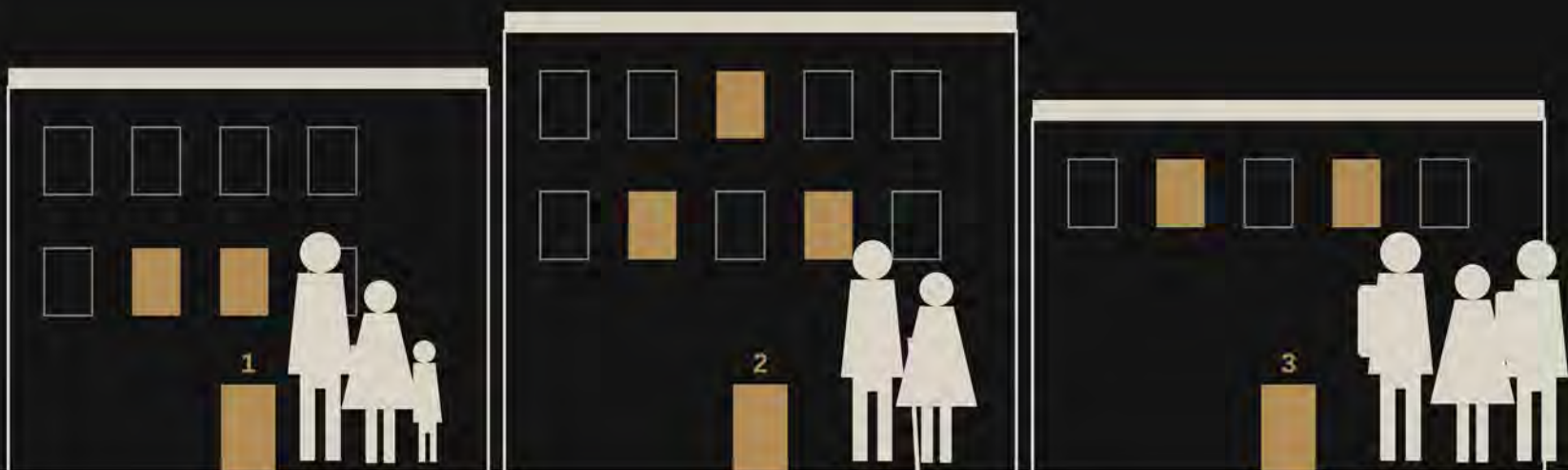
The Manager intends to pursue student-housing projects with developers and operators that already hold university relationships (affiliation agreements, master leases, letters of support), rather than relying on its own network, and with specialist managers: Redstone Residential, a student-housing manager, manages the Gates at PV. The 2025 taxable bond closing established working relationships with an investment bank, institutional investors, a trustee and bond counsel; a taxable financing does not involve the tax-exempt requirements the exit depends on.

Statements of the Manager's approach and intent. No developer, university, housing authority, issuer or purchaser has committed to any transaction with the Company; see pages 24–25.

PRC Equity Fund I, LLC · Rule 506(c) private offering · Accredited investors only · Offered only by the Confidential Private Placement Memorandum · See "Important notices" (p. 28)

Who lives here.

The business plan is a building with the lights on. These are the people it is for — and the reason a qualified nonprofit can buy it with tax-exempt bonds.



1 A family with a voucher and nowhere to use it

Voucher holders — working families, seniors, veterans — whose rent is covered but who cannot find a unit that will take the voucher and pass inspection.

2 A couple of 55 who want to stay in their town

Independent, age-restricted housing under the Housing for Older Persons Act, in the community they already live in.

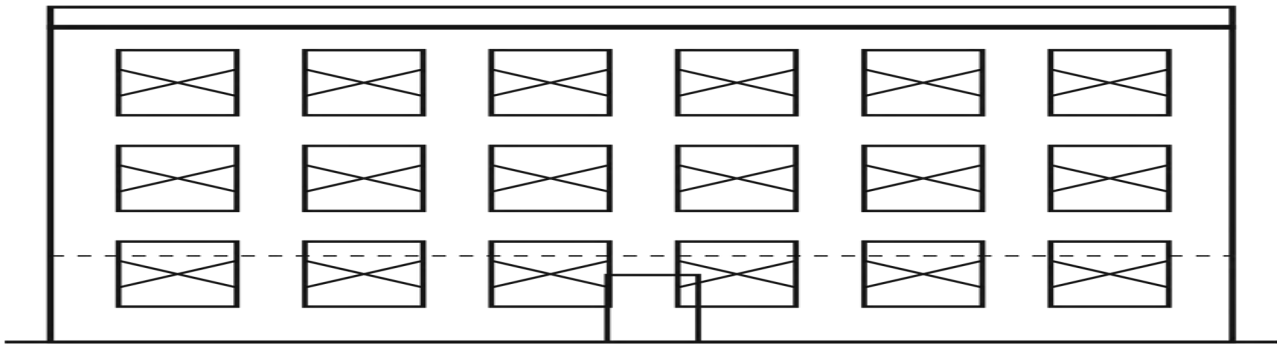
3 Students at a public university with no beds

Students and faculty at public universities and HBCUs where enrollment outruns housing and private developers do not build.

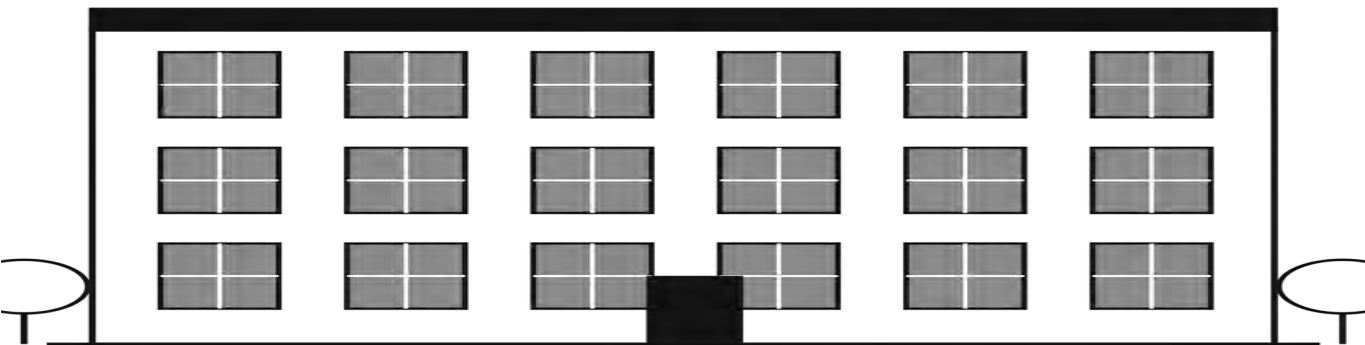
Illustrations, not photographs of residents or properties of the Company. Social outcomes are not measured or guaranteed.

Impact you can drive past.

The same features that qualify a property for public-purpose financing make it a better place to live. That is not a coincidence; it is the design.



BEFORE — BANK-OWNED, BOARDED



AFTER — CODE-COMPLIANT, OCCUPIED



Housing authorities

Voucher-qualifying renovation so working families, seniors and veterans with vouchers can live there.



Habitability standard

At least Class B, or the local government's habitability and housing-quality standard — safe, durable, code-compliant.



55+ and workforce set-asides

Independent senior housing under HOPA; homes for the workforce the community depends on.



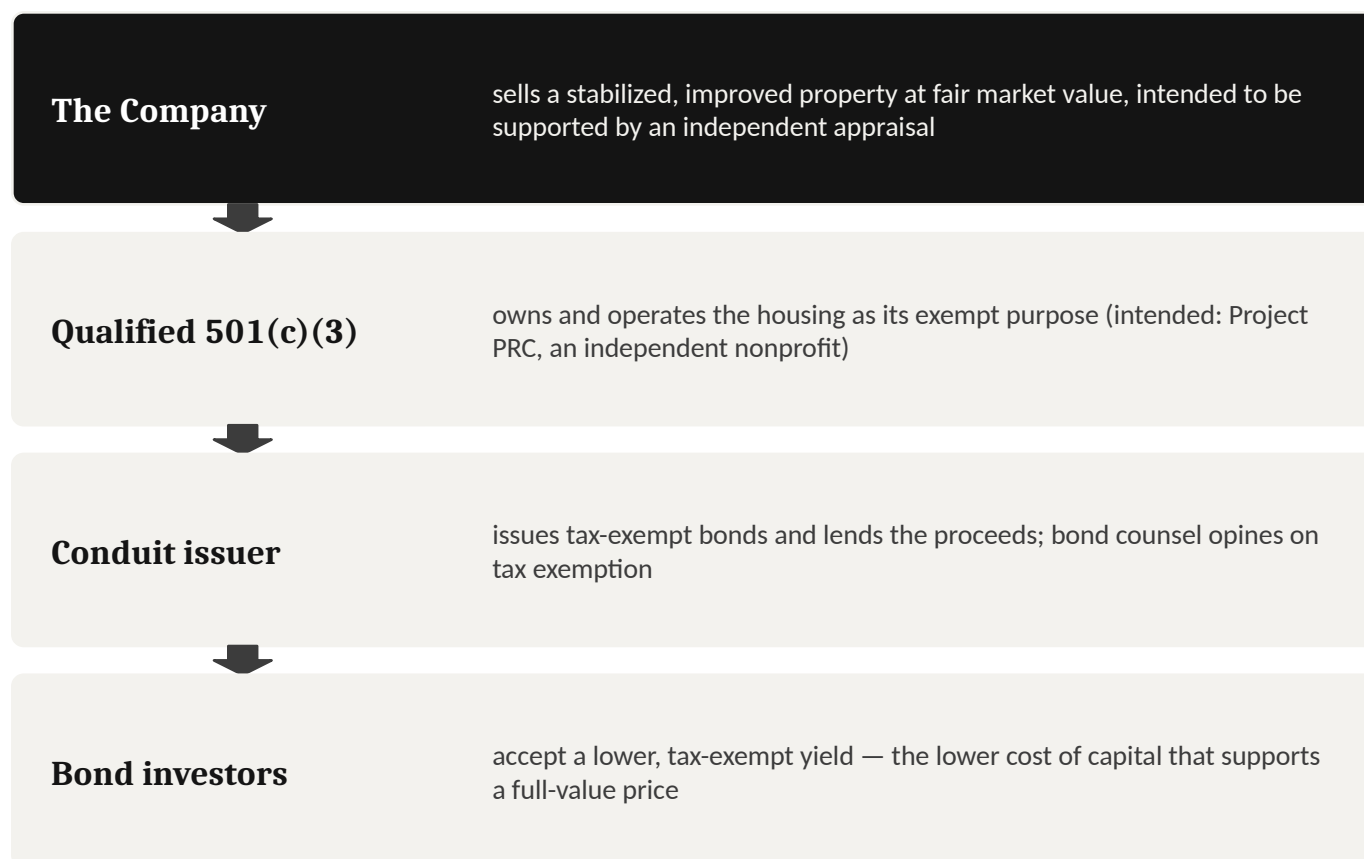
University communities

Beds that let public universities in under-served markets house and retain students.

The public purpose — housing a burden government would otherwise bear — is also the legal basis for the tax-exempt exit. Social outcomes are not measured; no housing authority has agreed to any transaction; illustrations are schematic.

A buyer with a lower cost of capital.

An exit built on a lower cost of capital. A qualified nonprofit can finance a purchase with tax-exempt municipal bonds; its bond investors accept a lower yield, so it can pay a price a taxable buyer often cannot.



Two conditions, underwritten at acquisition

1 A bona fide purchaser. A 501(c)(3) organized to own and operate that type of housing, paying no more than fair market value (intended to be supported by an independent appraisal), approved by its own independent board.

2 Bond counsel's opinion. That the project serves a charitable purpose — routinely available for affordable, workforce and senior housing; for student housing, a demonstrated university need (affiliation agreement, letter of support or master lease).

Project PRC is an independent nonprofit; Charles Williams chairs its board without governing control, so a sale to it is a related-party transaction. No transaction is committed; see page 25.

Four exits, in order.

The return, if any, comes at the exit — so a defined exit is part of each investment’s underwriting, though none is assured. Where most real estate waits for a buyer, this plan is built around buyers whose capital is already in the market.

1

Qualified nonprofit, financed with tax-exempt bonds

A \$4.5 trillion municipal bond market (SIFMA, 1Q 2026) that issued a record ≈\$580 billion in 2025 — of which nonprofit housing bonds are a small portion. A 501(c)(3) owner with a lower cost of capital can pay a full-value price within the limit of what its bonds can carry; the price is intended to be supported by an independent appraisal and bond underwriting.

2

Delaware statutory trust (1031 exchange capital)

DST sponsors raised \$8.4 billion in 2025, up 49%, and \$6.5 billion through August 2026, up 33%; 58% of offerings are multifamily (Mountain Dell Consulting). A DST sponsored for the property buys with its investors’ exchange money and closes only if its offering succeeds; the Manager or an affiliate may sponsor it and earn additional fees (a related-party transaction).

3

Institutional buyer at market

A stabilized, voucher-supported or university-anchored property is a conventional sale to an institutional owner — likely at a lower price than a bond-financed nonprofit could pay, with a broader buyer pool, though no sale is assured.

4

Hold and operate

Bought at a disciplined basis and renovated correctly, the property may be held and refinanced while market conditions improve — if cash flow and lenders permit; the Company may also be unable to sell or refinance.

Sources: SIFMA US Municipal Bonds Statistics (Aug. 2026); The Bond Buyer / LSEG 2025 issuance; Mountain Dell Consulting DST data as reported by AltsWire and IREI. Market size is not a commitment to buy; nonprofit workforce-housing bonds have seen recent payment defaults and the price a nonprofit can pay may be limited to what its bonds support. Neither the Company nor the Manager has completed a tax-exempt bond-financed sale. See page 25.

Your own capital, returned monthly — and we call it that.

Built around a monthly payment to the investor. Phase 1 returns your own capital every month while the pipeline is built. Phase 2 pays a 10% Preferred Return and a 70/30 split from operating cash flow — if and when the properties produce it.

PHASE 1 — NOW

Monthly return of capital

1/12 of 10% of your initial contribution each month, paid about ten days after month-end. It reduces your Unreturned Capital; it is not earnings. Funded to date from offering proceeds; may be reduced or suspended if the reserve is exhausted.

THE CONVERSION DATE

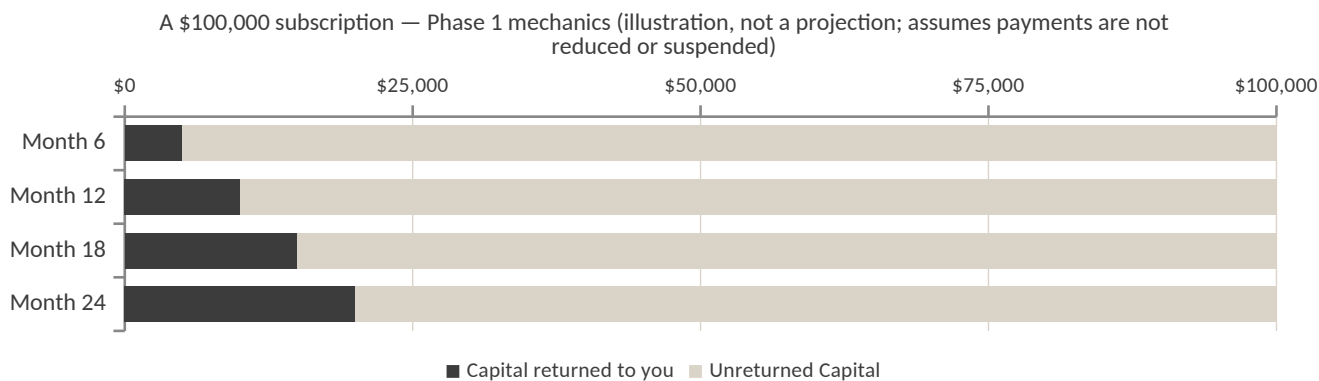
Cannot presently be determined

The first day of the month after 24 months following the final closing of the Regulation A offering, or earlier at the Manager’s election. That offering is suspended with no scheduled final closing, so the date may be years away.

PHASE 2 — AFTER CONVERSION

Preferred Return, then 70 / 30

Net Cash Flow goes first to Class A Members until the 10% cumulative, non-compounding Preferred Return on Unreturned Capital is paid, then 70% to Class A and 30% to the Manager. Sales and refinancings: accrued Preferred Return, then return of capital, then 70/30.



The Preferred Return is a distribution priority, not a guaranteed payment, and may never be paid. Because fees and offering costs are paid from contributed capital, the Company’s investments must earn substantially more than 10% on the capital actually invested for the Preferred Return to be paid in full. Tax distributions are required to the extent of taxable income.

What the Manager earns, waives, and is not paid.

Item	Terms under the Operating Agreement
Sales commissions	None currently: Units are offered by officers of the Manager and Pioneer who receive no commissions. If a broker-dealer is engaged, commissions may be paid and the Memorandum will be supplemented.
Asset Management Fee (2% of gross revenue)	Irrevocably waived for 2025 and prospectively by written waiver dated September 13, 2026; may be reinstated only prospectively.
Acquisition & Pre-Development Fee	3% of the purchase price of each Property.
Project Development Fee	3.5% of total project expenses of an improvement.
Disposition Fee	2% of the sale price of each Property.
Manager's Class B interest	30% of Net Cash Flow and Net Capital Proceeds, paid only after the Class A Preferred Return. 1,000 Class B Units for no capital contribution.
Reimbursements (no cap)	The Company's share of Pioneer personnel compensation (by time), the Manager's office rent, and offering and operating costs the Manager advances. 2025 reimbursements: \$508,513. Offering costs through 2025: \$1,084,859 on about \$2.96 million of subscriptions.
Project-level compensation	Pioneer, as sponsor, is separately compensated at the project level (e.g., a 15% acquisition and management fee on the North Houston plan), in addition to the Company's fees.

Governance: the Manager has sole authority and Class A Members vote only on limited matters; the Operating Agreement's fiduciary-duty provisions and the treatment of affiliate transactions are summarized on page 25 and in the Memorandum. Audited annual statements (FY2025 audited by Assurance Dimensions) and K-1s are required by the Operating Agreement.

Who this is built for — and who it is not.

Built for accredited investors who can hold an illiquid position for years, who value a monthly return of capital while the work is done, and who want their money to leave a neighborhood better than it found it.



Investors who want capital returned monthly

Payments are made monthly, about ten days after month-end, and may be reduced or suspended. Until the Conversion Date they are your own capital coming back, not income; after it, a 10% Preferred Return and 70% of remaining cash flow, if and when the properties produce it (mechanics and conditions on the economics slide). For retirees and others: only capital you do not need for living expenses or liquidity.



Impact-minded investors and family offices

Capital that turns a boarded building into code-compliant homes for voucher holders, seniors and students, working with housing authorities and public universities — with a financial exit built on that public purpose.



Self-directed IRAs and retirement plans

Permitted, subject to the Company's 25% limit on benefit-plan investors. Partnership income (including accrued, unpaid interest) can create unrelated business taxable income and phantom income; the Units are illiquid. Consult your tax and retirement-plan advisers first.



Not for

Anyone who needs liquidity, current income, a guaranteed return or principal protection; non-accredited investors; anyone who cannot bear the loss of the entire investment or has not read the Memorandum.

Suitability is an individual determination to be made with your own adviser. Nothing here is a recommendation.

Few people, many hats — disclosed.



Charles Williams

President & CEO, PRC, Incorporated (Manager)

About 30 years investing in commercial real estate. Founder of PRC, Incorporated and PRC CRE Investments; controls Pioneer Realty Capital and the Gates at PV project owner; chairman of the independent board of Project PRC. MBA, accounting and business finance. About 35% of his time to the Company.



J.C. Shelley

VP, Investor Relations, Pioneer Realty Capital

Investor relations for Pioneer's real estate offerings since 2022, working with RIAs, broker-dealers and accredited investors; previously Vice President and Banking Center Manager, First Horizon Bank, and Branch Manager, Simmons Bank. About 75% of his time to the Company.

PRC, Incorporated

the Manager — sole authority

CONTROLLED BY MR. WILLIAMS

Pioneer Realty Capital

sponsor, underwriter, service provider; employs the team

CONTROLLED BY MR. WILLIAMS

Gates of PV Apt I, LLC

project owner; borrower on the Company's note; land seller

CONTROLLED BY MR. WILLIAMS

Project PRC Corporation

independent 501(c)(3); intended purchaser and bond borrower

CHAIR • NO CONTROL

The Company has no employees; the same people serve all of these entities and dealings among them are not at arm's length (see page 25). Securities counsel: Dodson Robinette PLLC. Auditor: Assurance Dimensions. Transfer agent: Great Lakes Financial Services. No broker-dealer has been engaged for this offering.

Where we stand, stated once.

\$6.3M

raised from ~6,344 Class A Units under Regulation A (qualified Oct. 2024; first closing Mar. 2025)

\$2.8M

deployed: \$1.09M note to the Gates at PV owner at 12% (secured by a pledge of membership interests), \$1.68M Phase II land deposit, \$64,500 Kennedale interest

(\$603K)

2025 net loss; accumulated deficit ≈ \$1.07M at June 30, 2026; 2024 statements restated

\$22,227

cash at June 30, 2026 (total assets \$3.53M); monthly payments and pipeline commitments depend on this offering

WHAT HAPPENED

- Every monthly payment to date has been Members' own capital returned, funded from offering proceeds; the Company has not yet generated cash income.
- The FY2025 Form 1-K and the June 30, 2026 Form 1-SA were not filed when due; on counsel's advice the Regulation A offering was suspended in August 2026 pending the filings.
- The Gates at PV Phase I bonds (\$19,585,000) reached maturity on July 30, 2026. No notice of default has been received from the trustee, no event of default has been declared and no forbearance has been entered into; the bondholder has discussed an extension.
- The Company's positions are with entities controlled by the Manager's principal; the \$4.9M land price was set between related parties without an appraisal, and none is committed for that purchase. No cash interest was received on the note through June 30, 2026. The Company has committed ~\$1.5M of pursuit capital and a \$320,000 intermediary fee on North Houston.

WHAT WE DID

- Said so — here and in the Memorandum, the same way every time.
- Prepared both reports; expected to be filed in October 2026, after which a post-qualification amendment will be filed to resume Regulation A sales.
- Refinancing in final stages: multiple lender term sheets, most third-party diligence complete, payoff requested; closing expected within ~60 days. Once the bonds are retired and the negative pledge is released, and on payment of the ~\$3.2M balance of the price, Lots 4–6 are to be conveyed to a Company-owned entity.
- \$78,000 of cash payments received on the note July–September 2026 (none before). The Manager intends to obtain an independent appraisal before any sale to Project PRC.

STILL OPEN

- The Conversion Date cannot presently be determined while Regulation A is suspended; the Preferred Return may be deferred, and payments may be reduced or suspended if the reserve is exhausted.
- Filings and the post-qualification amendment are not yet made.
- No refinancing or extension has closed and none is assured; until it closes the bondholder may exercise its remedies and the negative pledge on Lots 2–6 remains. The ~\$3.2M balance of the land price is to be funded from this offering.
- The \$1,000 Unit price does not reflect the accumulated deficit or capital already returned to earlier Members.

What could go wrong, in plain order.

A summary only. Read “Risk Factors” in the Memorandum in full before investing.

1 Loss of capital; nothing guaranteed. Speculative, illiquid; you may lose everything. No return, the Preferred Return, any distribution or any exit is guaranteed.

2 Returns of capital are not earnings. Monthly payments return your own capital, funded to date from offering proceeds; they do not indicate profitability and may be reduced or suspended.

3 Losses, late reports, suspended Reg A. Net losses since inception, restated 2024 statements, late Regulation A reports and a suspended offering, which may draw regulatory scrutiny.

4 Related-party concentration. Capital sits in entities controlled by the Manager’s principal; terms not at arm’s length; the note is not secured by real estate; the land price is not appraised.

5 Matured senior debt. The Gates at PV bonds matured unrefinanced; failure to refinance could impair the Company’s note and Phase II deposit; the bondholder could exercise remedies.

6 Pipeline is not committed. No acquisition is under binding agreement; North Houston and other opportunities may not close; forecasts may prove materially too high.

7 Exit depends on third parties. Tax-exempt financing needs a qualified nonprofit buyer, a bond-counsel opinion, an issuer, an underwriter, market conditions and, for student housing, university support — none committed; untested by the Company.

8 Programs and renovation. Voucher funding and housing-authority cooperation are outside the Company’s control; poor-condition acquisitions carry heightened renovation, code, lease-up and cost risk.

9 Conflicts and governance. The Manager has sole authority, eliminated fiduciary duties to the extent Nevada law permits, and earns fees and 30% of profits; Mr. Williams chairs the intended buyer’s board.

10 Regulatory and dilution. Officers selling cannot rely on Rule 3a4-1 (possible rescission rights); investment-company status depends on exclusions; the Conversion Date is indeterminate; the Unit price does not reflect the accumulated deficit.

For the adviser's file.

Topic	Summary — the Memorandum has the full terms
Issuer	PRC Equity Fund I, LLC, Nevada LLC formed May 22, 2024; Manager PRC, Incorporated (Charles Williams, 100% owner)
Security / price	Class A Units at \$1,000 (same Units, price, rights and Operating Agreement as the Regulation A offering); up to 68,000 offered; ~6,344 sold; 70% Class A / 30% Class B. Price does not reflect the accumulated deficit or capital already returned (total assets \$3.53M at June 30, 2026)
Minimum / investors	\$100,000 (100 Units); verified accredited investors only (Rule 506(c)); formed-to-invest entities need all-accredited owners
Exemption	Rule 506(c), concurrent with a suspended Tier 2 Regulation A offering of the same Units. Counsel has confirmed in writing its view that the offerings are not integrated under Rule 152 (not binding on the SEC or any court). Officers selling cannot rely on Rule 3a4-1
Verification	Minimum-investment method (\$200,000 individuals / \$1,000,000 entities), income, net worth, or third-party letter from a broker-dealer, RIA, attorney or CPA
Economics	Monthly return of capital at 1/12 of 10%/yr until the Conversion Date (not determinable; may be reduced or suspended); then 10% cumulative non-compounding Preferred Return from Net Cash Flow, then 70/30; same priority on capital proceeds after return of capital; not guaranteed
Fees	3% acquisition / 3.5% development / 2% disposition; 2% asset-management fee waived; uncapped reimbursements; Pioneer project-level fees; no commissions unless a broker-dealer is engaged
Reporting / tax	Forms 1-K (audited), 1-SA, 1-U under Regulation A (FY2025 1-K and June 2026 1-SA late; expected Oct. 2026); audited statements (Assurance Dimensions); K-1s by March 31; partnership taxation; phantom income possible; UBTI for IRAs; 25% benefit-plan limit
Liquidity / closings / hold	None — no redemption, transfers only with Manager consent, restricted securities. Rolling closings, no minimum, no escrow; accept/reject within ten business days. Target hold 3–7 years per investment
Use of proceeds (at \$68M)	≈ 4% offering and organizational costs; 10% return-of-capital reserve; 46% real estate equity; 22% real-estate-backed loans and pursuit advances; 18% working capital and reimbursements
Documents / counsel	Confidential PPM (Oct. 11, 2026); Subscription Agreement; Investor Questionnaire; Operating Agreement (May 22, 2024) and First Amendment (Aug. 14, 2026); audited FY2025 and interim June 30, 2026 financials. Dodson Robinette PLLC, Denton, Texas

Let's talk.

The right next step is a conversation — with your adviser in the room if you like. We will walk the route, answer the hard questions on pages 24 and 25 first, and send the Memorandum so you can read it all before you decide.

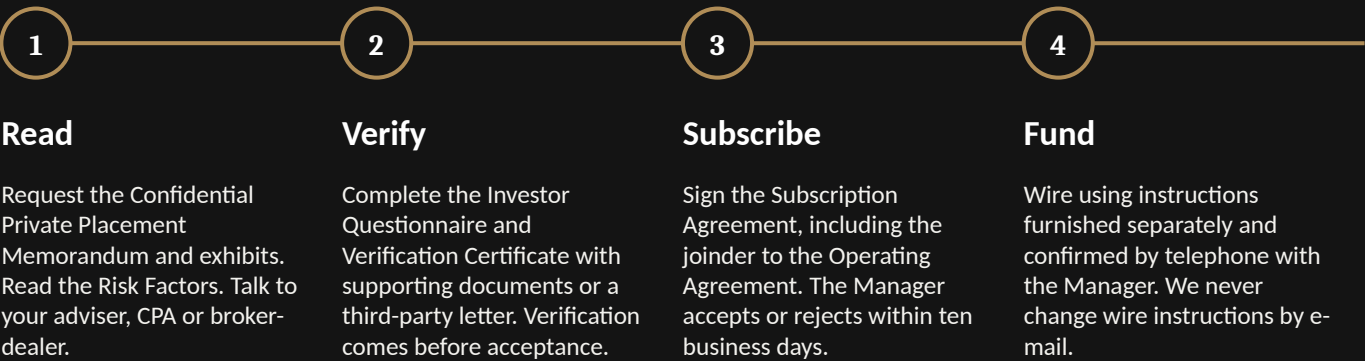


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WHAT HAPPENS NEXT



A conversation is not an offer, and nothing in this booklet is a recommendation. Only verified accredited investors may invest, and only after receiving and reading the Confidential Private Placement Memorandum. See pages 28–29.

Important notices.

Please read these notices in full. They qualify everything else in this booklet.

- This booklet is a summary and is qualified in its entirety by the Confidential Private Placement Memorandum of PRC Equity Fund I, LLC dated October 11, 2026, including its Risk Factors and exhibits (the “Memorandum”). An investment may be made only by executing the Subscription Agreement after receiving and reading the Memorandum. If anything here differs from the Memorandum, the Memorandum controls.
- The Class A Units are offered under Rule 506(c) of Regulation D only to investors whose status as “accredited investors” the Company has verified. The Units are not registered under the Securities Act of 1933 or any state law, are restricted securities, may not be transferred without the Manager’s consent, and have no public market. No federal or state securities regulator has approved or passed upon this offering or these materials.
- An investment in the Units is speculative and illiquid and involves a high degree of risk, including loss of the entire investment. Monthly payments before the Conversion Date are returns of capital, not earnings; to date they have been funded from offering proceeds, and they may be reduced or suspended if the return-of-capital reserve is exhausted. Because the Regulation A offering is suspended with no scheduled final closing, the Conversion Date cannot presently be determined. The Preferred Return is a distribution priority payable only from Net Cash Flow after the Conversion Date; it is not guaranteed and may never be paid. No return, distribution or exit is guaranteed.
- The Company has incurred net losses since inception, did not file certain Regulation A reports when due, has suspended its Regulation A offering pending those filings, and holds investments in entities controlled by its Manager’s principal whose senior debt matured on July 30, 2026 and is being refinanced. See “Where we stand, stated once.” and “What could go wrong” in this booklet and “Risk Factors” in the Memorandum.
- Statements about plans, pipeline, forecasts, exits, financing and returns are forward-looking, are based on the Manager’s assumptions, have not been reviewed by any independent party, and may prove wrong. Pipeline opportunities are not binding commitments. No university, housing authority, bond issuer, underwriter or purchaser has endorsed the Company or committed to any transaction. This is not investment, tax or legal advice; consult your own advisers, including on the appropriateness of an illiquid investment for a retirement account.
- Investment Company Act and regulatory status. The Company does not expect to be considered an investment company under the Investment Company Act of 1940 and may rely, if necessary, on the exemption provided by Section 3(c)(5)(C) and/or Rule 3a-2. The Manager is not registered as an investment adviser and does not intend to register. Charles Williams and J.C. Shelley, who offer the Units, participated in the Company’s Regulation A offering within the past twelve months and cannot rely on the Rule 3a4-1 safe harbor; no broker-dealer has been engaged for this offering or has conducted due diligence on it. If a broker-dealer is engaged, commissions may be paid and the Memorandum will be supplemented.

Important notices (continued).

- Concurrent offerings. This Rule 506(c) offering is conducted concurrently with the Company's suspended Tier 2 Regulation A offering of the same Class A Units. Counsel to the Company has confirmed in writing its view that the two offerings are not integrated under Rule 152 and that the Company remains eligible to use Regulation A; that view is not binding on the SEC or any court. Units sold under this offering are restricted securities. This booklet does not offer Units under Regulation A and is not part of the Regulation A offering circular.
- Related parties and conflicts. The Company's existing investments are with entities controlled by the Manager's principal; their terms were not negotiated at arm's length and the land price was set without an appraisal. Project PRC Corporation, the intended nonprofit purchaser, is independent of the Company, but Mr. Williams chairs its board, so any sale to it is a related-party transaction. The Operating Agreement eliminates the Manager's fiduciary duties to the fullest extent Nevada law permits and does not require independent review or appraisal of affiliate transactions.
- Third-party market data. Statistics on pages 5–7 and 19 are presented as published by their sources, listed on page 30, and have not been independently verified by the Company; methodologies and definitions differ among sources. Market statistics describe conditions, not the Company's results, and are not a projection of the Company's performance. Manager forecasts on page 13 are the Manager's own, not independently reviewed, and not a projection of investor returns.
- Tax and retirement accounts. The Company is taxed as a partnership; income (including accrued, unpaid interest) is allocated whether or not distributed, and tax distributions depend on available cash. Units held in retirement accounts may generate unrelated business taxable income and are subject to the Company's 25% limit on benefit-plan investors. Investors should consult their own tax, legal and financial advisers.
- Use and retention. This booklet is confidential and is furnished solely to the named recipient for the purpose of evaluating the offering. Please do not copy or forward it. Dated October 2026; the Company undertakes no obligation to update it.

THE UNITS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 OR ANY STATE SECURITIES LAW AND ARE OFFERED IN RELIANCE ON RULE 506(c) OF REGULATION D TO VERIFIED ACCREDITED INVESTORS ONLY. NO FEDERAL OR STATE SECURITIES REGULATOR HAS APPROVED OR DISAPPROVED THE UNITS OR PASSED UPON THE ACCURACY OR ADEQUACY OF THIS BOOKLET OR THE MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THE UNITS ARE SUBJECT TO RESTRICTIONS ON TRANSFER AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND APPLICABLE STATE LAWS PURSUANT TO REGISTRATION OR EXEMPTION. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

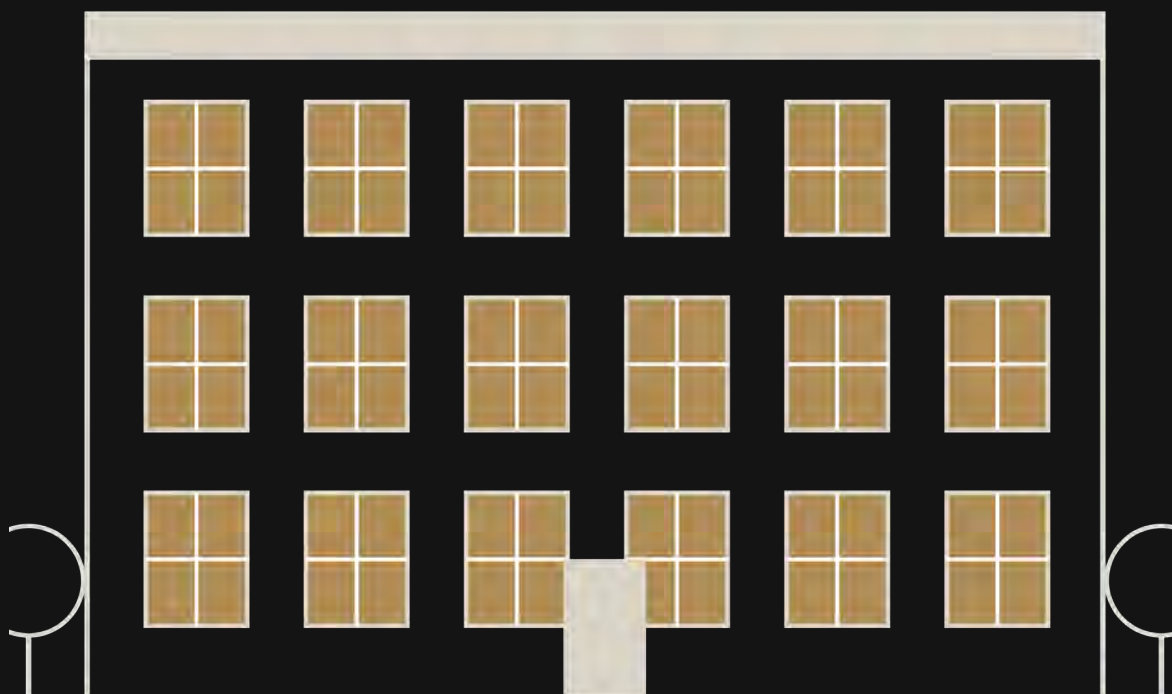
Sources for market data.

- Trepp, CMBS Delinquency Report, September 2026 (multifamily 8.04%; 6.59% a year earlier).
- MSCI Real Assets, U.S. distress data for Q3 2025 (\$126.6B total; multifamily \$22.8B), as reported by CRE Daily; MSCI Capital Trends, U.S. Distress Tracker.
- MMG Real Estate Advisors, “The 2026 CRE Refinancing Wall” (multifamily maturities ≈\$162B in 2026, ≈\$168B in 2027; 2025 derived from the reported 56% increase); industry estimates of ≈\$875B–\$930B of commercial and multifamily maturities in 2026.
- FDIC Quarterly Banking Profile, Second Quarter 2026 (multifamily noncurrent rate 1.10%).
- National Low Income Housing Coalition, The Gap: A Shortage of Affordable Homes, March 2026 (7.2M shortage; 35 per 100 nationally; Texas 26; Nevada 16; South Dakota 73).
- Harvard Joint Center for Housing Studies, America’s Rental Housing 2026, March 2026 (22.7M cost-burdened renters, 49%; 12.1M severely burdened; 2.5M units under \$600 lost).
- HUD PD&R / NYU Furman Center, Success Rates in the Housing Choice Voucher Program 2018–2022 (April 2025).
- NIC MAP, Senior Housing Market Outlook, August 2026 (≈576,000 units needed by 2030; >1M by 2035; starts down ≈67% since 2021; inventory growth 0.4% in Q1 2026).
- PwC/ULI, Emerging Trends in Real Estate — student housing outlook (38,000 beds delivered 2024, more than half at eight universities; ≈22,000 in 2025; 96.2% occupancy at RealPage 175 markets); Walker & Dunlop, Student Housing Outlook 2026.
- Inside Higher Ed (Sept. 17, 2026) and Capital B on HBCU enrollment (42 of 101 HBCUs grew 2019–2024; Morgan State 7,151 to 12,477; Howard 5,423 beds vs. 11,500+ undergraduates); EdTrust; Higher Ed Dive and The Chronicle of Higher Education on faculty housing.
- SIFMA, US Municipal Bonds Statistics (outstanding \$4.5T at 1Q 2026); The Bond Buyer / LSEG (record \$579.9B issued in 2025).
- Mountain Dell Consulting DST data as reported by AltsWire and IREI (\$8.41B raised in 2025, +49%; \$6.48B through August 2026, +33%; 58% multifamily).

Third-party data is presented as published by its sources and has not been independently verified by the Company; methodologies and definitions differ among sources. Market statistics describe conditions, not the Company’s results, and are not a projection of the Company’s performance.

Notes.

Questions for the conversation, and for your adviser.



Read it all. Then decide.

FROM THE BANK'S BOOKS TO A COMMUNITY'S ADDRESS



Where Opportunity Meets Impact

PRC Equity Fund I, LLC · Managed by PRC, Incorporated · 433 East Las Colinas Boulevard, Suite 1200, Irving, Texas 75039 · www.prcequityfund.com

This booklet is qualified in its entirety by the Confidential Private Placement Memorandum dated October 11, 2026, which contains the only authorized description of the offering, including Risk Factors. Rule 506(c) offering to verified accredited investors only. Not an offer where unlawful. Securities are not registered, are restricted, and may lose value. No regulator has approved this offering or these materials.