TERM SHEET
Sherman Junction Ltd.

Offering	A 97-acre tract located at 301 FM1417, Sherman, TX 75092. The parcel includes an existing 595,000 SF office/warehouse/manufacturing building occupied by LaCore Neutraceuticals.
Sponsor	Harkinson Development LLC (HD), 4560 Belt Line Rd #400, Addison, TX 75001. Phone: (972) 934-8414. Email: jharkinson@harkcorp.com
Partnership Entity	Sherman Junction LLC
Partnership Structure	The Partnership shall be operated by Harkinson Development, acting as the General Partner under the name Sherman Junction GP LLC. Investors shall join the Partnership as Limited Partners, with rights and duties enumerated in the Partnership Agreement.
Sale Price	$31.85 million
Equity to be Raised	$11 to $12.5 million
Deadline for Commitment	End of January, 2024
Deadline for Providing Funds	March 15, 2024
About the Location	Sherman is a town an hour north of Dallas that is now at the leading edge of development of the booming Interstate 75 commercial corridor. The growth in demand for additional retail/commercial, medical and industrial development in Sherman has been driven, in part, by the current $30 billion Texas Instruments semi-conductor manufacturing plant construction (only five minutes away) **plus** the new $5 billion GlobalWafers semi-conductor manufacturing plant construction (only two lots west on Hwy. 1417 from the subject property), both of which will open their first phase of operations in 2025.
The Opportunity	Harkinson Development has inside knowledge of pending commercial development adjacent to Sherman Junction. On a neighboring 130-acre parcel (see development plan), HD has a pending contract from a major grocery chain to acquire 22+ acres to construct an approximately 130,000 square foot grocery store, and a pending contract for the sale of 16.8 acres to develop an 80-bed, $185 million acute care hospital. Once these developments become public, they will immediately increase the value of Sherman Junction due to their ability to drive traffic to the site. Harkinson Development will subdivide the 97 acres and sell off the individual parcels for substantially more than the sum of the parts.

Financing	Harkinson Development, LLC ("HD") is working on two concurrent paths that will substantially reduce the total cash equity requirement for the purchase of the property. One is the simultaneous re-sale of the LaCore industrial building. A second option being pursued is based on not selling the LaCore building simultaneously with our closing on the 97-acres but obtaining a permanent non-recourse, assumable loan secured only by the LaCore building and related 33 acres of land. We are in advanced discussions with multiple lenders. Please see the Prospectus for more detail.
Projected Returns	Our conservative estimate is that the project will double the value of investor funds within 5 years. We believe that the existing building with the LaCore lease-back has a fair market value of $22.5-$25 million. After subdividing the LaCore building into a separately platted lot with the surrounding 33 acres, we will have approximately 60.5 "net" acres of land available for sale or development. Based on low-end of the value range for the LaCore building of $22.5 million, the cost basis of the remaining 60.5 acres will be only $9,350,000 or $3.55/SF. At the high-end of the value range for the LaCore building of $25 million, the cost basis in the remaining 60.5 acres drops to $6,850,000 or $2.60/SF. By means of comparison, the pending sale to the grocer of 22 acres next door is at a price of $9.50/SF. Other pad sales at Sherman Crossroads have ranged from $12.50/SF for interior sites to $35/SF for frontage sites. We believe the "most likely" value of the collective parts and parcels of Sherman Junction is approximately $53 million, resulting in a gross profit of $20 million.
Deal Structure	The limited partners will receive an annual cumulative preferred return on their investment of 8%. The limited partners will own a 70% interest in the partnership and HD will own a 30% interest in the partnership. However, HD's participation in cash flow will be subordinated to the limited partners' 8% cumulative preferred return, and HD's participation in profits will be subordinated to the limited partners receiving any unpaid cumulative preferred return and 100% return of their invested equity.
Deal Timeframe	Investors will be paid back as parcels are sold off. The first parcel sales will take place at least 1 year after the purchase date so as to avail the long-term capital gains tax rate. During the term that we hold the LaCore building, partners may earn dividends from net rental income. We anticipate that the investment principal will be returned within three years and double the principal will be returned within 5 years. The partnership will remain active until such a time that all holdings are sold off, or for 30 years, unless renewed by the partners.
Rights of Limited Partners	Except as otherwise expressly provided in the Partnership Agreement, the Limited Partners as such (a) have no rights or powers in the management of, or the transaction of, any business by the Partnership, (b) have no power to sign for or bind the Partnership, and (c) may not attempt to take part in the management of the business of the Partnership. The books and records of the

	Partnership, if requested by the Limited Partners, shall be audited at the expense of the Partnership by the Accountants. The Limited Partners have the right to remove the General Partner for "Cause," as defined in the Partnership Agreement.
Role of General Partner	The General Partner shall have the right and power (except for those matters set forth in Section 7.5 of the Partnership Agreement) and the duty, to take any and all actions the General Partner deems necessary or advisable in order to carry out the purpose of the Partnership, including: (a) to administer all matters pertaining to insurance with respect to Partnership property; (b) to institute, prosecute, defend and, except as provided in Section 7.5.14 of the Partnership Agreement, settle any legal or administrative actions or proceedings on behalf of or against the Partnership; (c) to pay from Partnership funds all acquisition, operations, brokerage, and maintenance costs and expenses of the Partnership, whether capital or otherwise; (d) to operate and maintain, or cause to be operated and maintained the Project, or any part or parts thereof; (e) to employ, terminate employment, supervise, and compensate out of Partnership funds all persons, firms, or corporations for and in connection with the business of the Partnership or the acquisition, improvement, operation, maintenance, management, leasing, financing, refinancing, sale, exchange, or other disposition of the Project, or any interest therein; (f) to acquire, repair and replace such tangible and intangible personal property as may be necessary to carry on the business of the Partnership; (g) to negotiate and execute leases for prospective tenants or other occupancy agreements with prospective concessionaires in the Project; (h) to collect all rentals and all other sums due to the Partnership and to enforce the obligations of tenants, concessionaires, and guests of the Project; (i) to negotiate and contract with all utility companies servicing the Project; (j) to apply for and maintain all licenses and permits required to be obtained and maintained by the Partnership; (k) to negotiate the amounts of all taxes, assessments, and other impositions applicable to Partnership Property with the proper authorities and, when appropriate, undertake any action or proceeding seeking to reduce such taxes, assessments, or impositions; (l) to deposit all monies received by the General Partner for or on behalf of the Partnership into such accounts as may be established or designated by the General Partner and to disburse and to pay all funds on deposit on behalf of the Partnership in such amounts and at such time as the same are required in connection with the ownership, maintenance and operation of the Partnership;

	(m) to engage in the leasing of space in the Project, and to perform accounting and other functions normally performed by management Partners; (n) to take such actions (and promptly thereafter, send written notice to the Limited Partners) as the General Partner, in its reasonable judgment, deems necessary for the protection of life or health or the preservation of the assets of the Partnership, notwithstanding that such action would normally require Approval by the Limited Partners, if, under the circumstances, there is insufficient time to obtain such Approval and any delay would materially increase the risk to life or health or the preservation of such assets; (o) to obtain Project financing; (p) to mortgage, pledge, hypothecate, for and on behalf of the Partnership, all or any part of the property of the Partnership, in order to secure any loans to the Partnership for Project financing or Working Capital Loans and to refinance the existing debt on the Property or any part thereof, irrespective of whether the proceeds of the refinancing are sufficient to repay in full: (i) the existing deed of trust or mortgage lien(s) on the Property; (ii) the reasonable costs associated therewith; and (iii) the Limited Partners' Capital Contribution (less revenues distributed to the Limited Partners); (q) to execute and to deliver, for and on behalf of the Partnership, any promissory notes, deeds of trust, mortgages, security agreements, financing statements, assignments of leases, “master leases”, or other instruments required or advisable in connection with any permitted loans, mortgages, pledges, or hypothecations; and (r) to take all actions, undertake such proceedings, exercise all rights and execute all documents not expressly described herein deemed necessary or advisable by the General Partner to perform any of the foregoing or any rights or obligations of the General Partner set forth elsewhere in the Partnership Agreement or to conduct or carry out the business of the Partnership.