

SAPPHIRE

GROUP

QUARTERLY REPORT



SAPPHIRE

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December 31st, 2025
Quarterly Report:
Sapphire Group, LLC

Sapphire Group Investors,

We appreciate your continued partnership and confidence in Sapphire Group. As we close out the fourth quarter and year-end 2025, the commercial real estate market continues to face several challenges; however, we are encouraged by meaningful progress across the portfolio and several positive developments happening just recently. Below is a summary of market conditions, portfolio activity, and our outlook heading into 2026.

Market Overview

The commercial real estate environment remains difficult, with elevated interest rates, cautious lenders, and conservative tenant decision-making continuing to impact transaction volume. While these headwinds persist, we are seeing steady improvement in activity levels and sentiment compared to earlier in 2025. Leasing inquiries have increased, and select buyers and tenants are re-engaging as they position for 2026.

Key Developments & Highlights

Ennis Land Sale Completed

During the fourth quarter, Sapphire successfully closed the sale of the Ennis property. This transaction was a significant milestone for the portfolio and was the primary driver behind a positive overall return for the year. The sale reduced ongoing carry costs and meaningfully strengthened Sapphire's year-end financial position.

Leasing Activity & Tenant Momentum

We continue to see encouraging activity from new and expanding tenants, including:

Execution of a new lease with Envision Imaging at Westwood Village

A strong, active lead with a medical spa tenant for available space at the Anna building

Several additional smaller tenants currently in advanced discussions and nearing LOI stage

While leasing timelines remain longer than historical norms, the level of engagement and deal flow has improved, providing optimism as we move into 2026.

Heritage Court Progress

Heritage Court continues to make leasing progress, we are projected to start February 2026 with 73 out of the 100 units leased. That said, it has been a challenging environment due to a large volume of new residential rental units delivered to the market over the past year which has caused widespread concessions/rent reductions. Despite this increased competition, management remains focused on differentiating the property and steadily improving occupancy.

Land Holdings

Sapphire's remaining land holdings continue to be a drag on performance, with limited interest from potential buyers during the quarter. While these assets remain strategically located, the current market environment has limited the buyer pool. We will continue to work hard to attract potential buyers and manage carry costs on these properties.

Asset Sales & Contract Activity

The Walgreens property was formally listed during the quarter and is now under option contract, representing a positive step toward a potential sale.

We also executed a contract to sell 24 lots at Heritage Crossing to a single buyer which should close in February or March of 2026. This is another favorable development that improves liquidity and reduces exposure to land carry costs.

Strategy & Outlook

As we move into 2026, Sapphire's focus remains on executing leases, completing asset sales where market conditions allow, and continuing to enhance the value of the remaining portfolio. We are encouraged by the momentum generated through recent lease signings and contracts, and we hope this activity continues into the coming year.

While challenges remain, the progress achieved during the fourth quarter reinforces our long-term strategy and our belief in the underlying quality of Sapphire's assets. We believe that continued patience, disciplined execution, and improving market conditions will position the portfolio well as markets normalize.

Thank you for your continued trust and partnership. We look forward to updating you as we move forward into 2026.

Document Summary

The following pages will provide additional information for your review.

1. Current holdings list
2. Historical return summary
3. Specific project photos and details
4. Current Balance Sheet
5. Current P&L
6. Relevant market news

Note: Financial Statements are for general reference only. All items are presented pending the Sapphire accountant's year-end adjustments.

Kyle Boothe

President, Principal

Bluestone Partners, LLC

Operating Manager for Sapphire Group, LLC

Cell: 903-819-1835 | Office: 903-813-1415

kyleboothe@bluestone.ws

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Holdings - 12/31/25	Sapphire %	Market Value	Loan Balance	Purchased	Notes
Cash (All entities)	100.00%	\$3,187,300	\$0	-	Available Cash (all entities) - prior to property tax payment and 2025 distribution
Guarantees committed to ongoing projects	100.00%	\$1,241,600	\$1,241,600	-	Investor guarantee balance committed to ongoing projects
Guarantees available to invest	100.00%	\$17,060,750	\$17,060,750	-	Additional Investor guarantee balance for new projects
Dermatology Building/Future Development - Sherman, TX	100.00%	\$1,823,100	\$1,005,550	2024, 2nd Q	1.62+/- Acres in two commercial lots, one fully leased Professional Office
Storage/Retail land - Gun Barrel, TX	100.00%	\$826,400	\$389,600	2023, 2nd Q	7+/- Acres, retail, storage & industrial land in Gun Barrel, Tx
Progress St. Light Industrial Building - Sherman, TX	75.00%	\$9,823,000	\$5,718,100	2022, 4th Q	9+/- Acres, light industrial development next to the new TI plant in Sherman, Tx
Multi-family/Commercial land - Longview, TX	100.00%	\$1,536,200	\$1,100,000	2022, 3rd Q	8+/- Acres, multi-family zoned land in Longview, Tx
Anna TX Retail Center (Walgreens and Red River Title)	75.00%	\$7,428,600	\$5,232,300	2022, 2nd Q	20,000+/- sq. ft. retail center recently completed, 67% occupied
Westwood Village - Sherman, TX	100.00%	\$10,452,200	\$5,701,800	2022, 1st Q	100,000+/- sq. ft. retail center, renovations completed, 53% occupied
Bennett Road Land - Howe, TX	100.00%	\$675,800	\$400,000	2022, 1st Q	26+/- Acres for potential duplex rental community
Heritage Court - Sherman, TX	27.92%	\$8,260,300	\$4,210,300	2021, 2nd Q	100 unit rental community, recently completed, 67% occupied
Heritage Crossing Development - Sherman, TX	75.00%	\$2,256,700	\$1,000,000	2018, 1st Q	80 lot residential development in Sherman Tx (48 sold, 24 under contract)
Bear Creek Leftover Land - Cedar Hill, TX	100.00%	\$75,000	\$0	2017, 1st Q	Under 1 Acre of leftover land after TXDOT purchase (possible commercial use)
U of G/Edward Jones Building Note - Sherman, TX	30.00%	\$213,600	\$0	2013, 1st Q	Promisorry note on a 12,000+/- sq. ft. commercial building
Crescent Oaks - Sherman, TX	50.00%	\$120,000	\$0	2010, 3rd Q	1 Commercial lot remaining on Hwy 75 in Sherman, Tx
Mixed-use land - Ennis, TX	100.00%	\$0	\$0	Sold, 2025 Q4	Sold
Corporate Central - McKinney, TX	41.97%	\$0	\$0	Sold, 2024 Q4	Sold
Multi-family land - Pottsboro, TX	100.00%	\$0	\$0	Sold, 2024 Q4	Sold
Storage/Industrial land - Weatherford, TX	100.00%	\$0	\$0	Sold, 2023 Q4	Sold
SRS Distribution (Southern Shingles) - Lawton, OK	100.00%	\$0	\$0	Sold, 2023 Q4	Sold
Hagerman Acres - Sadler, TX	100.00%	\$0	\$0	Sold, 2023 Q4	Sold
Totals		\$64,980,550	\$43,060,000		

Current Loan-to-Value = 53.04%

Maximum Loan-to-Value = 66.27%

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General Investment Information

The purchase of one cash unit of Sapphire Group LLC will require \$450.

The purchase of one guarantee unit of Sapphire Group LLC will require a \$1,350 personal guarantee.

A minimum initial purchase of \$15,000 is required.

The maximum ratio of cash to guarantee is 1:5 (dollar value of cash invested to personal guarantee amount).

Personal financial statement and board approval will be required to acquire over 370 guarantee units.

Investment Examples and Returns

Example:	Cash Only	Guarantee 1:1.5	Guarantee 1:2	Guarantee 1:3	Guarantee 1:4	Guarantee 1:5
Cash Invested	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000
Guarantee Amount	\$0	\$67,500	\$90,000	\$135,000	\$180,000	\$225,000
Cash Units	100	100	100	100	100	100
Guarantee Units	0	50	67	100	133	167
Total Units	100	150	167	200	233	267
Target Return	10.00%	15.00%	16.67%	20.00%	23.33%	26.67%
2010 Return	4.10%	6.15%	6.83%	8.20%	9.57%	10.93%
2011 Return	7.20%	10.80%	12.00%	14.40%	16.80%	19.20%
2012 Return	7.60%	11.40%	12.67%	15.20%	17.73%	20.27%
2013 Return	8.50%	12.75%	14.17%	17.00%	19.83%	22.67%
2014 Return	8.90%	13.35%	14.83%	17.80%	20.77%	23.73%
2015 Return	12.43%	18.65%	20.72%	24.86%	29.00%	33.15%
2016 Return	3.22%	4.83%	5.37%	6.44%	7.51%	8.59%
2017 Return	5.12%	7.68%	8.53%	10.24%	11.95%	13.65%
2018 Return	18.03%	22.88%	24.50%	27.73%	30.97%	34.20%
2019 Return	5.32%	7.98%	8.87%	10.64%	12.41%	14.19%
2020 Return	4.56%	6.84%	7.60%	9.12%	10.64%	12.16%
2021 Return	23.72%	28.08%	29.53%	32.44%	35.35%	38.25%
2022 Return	7.58%	11.37%	12.63%	15.16%	17.69%	20.21%
2023 Return	23.63%	25.45%	26.05%	27.26%	28.47%	29.68%
2024 Return	2.24%	3.36%	3.73%	4.48%	5.23%	5.97%
2025 Return (%)	1.54%	2.31%	2.57%	3.08%	3.59%	4.11%
2025 Return (\$)	\$693	\$1,040	\$1,155	\$1,386	\$1,617	\$1,848

Cash-only units, compounded total return with reinvested earnings: **283.15%**

Cash-only units, annualized total return (15 years): **8.76%**

Fully leveraged, compounded total return with reinvested earnings: **1520.16%**

Fully leveraged, annualized total return (15 years): **19.01%**

Investment returns are not guaranteed. As with any investment, Sapphire Group, LLC carries the risk of nonperformance and/or loss of principal.

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PROJECT INFORMATION

SAPPHIRE PROJECT INFORMATION



Dermatology Building/Future Development Sherman, Texas

This 1.62+/- acre property on Loy Lake Rd. in Sherman Texas was a great off-market find that was purchased by Sapphire in the 2nd quarter of 2024. The east half of the property contains a 5,250 sq. ft. Dermatology office whose lease will end towards the end of 2026. Eventually we believe this building will be demolished to make room for a new commercial development for this prime location.

The Dermatology group recently moved into a new building down the street, and we have approached them to negotiate an agreeable amount to terminate the lease early.

We are actively marketing the property to national credit tenants and have received strong initial interest for both build-to-suit and land lease options.



Land for Development Storage, Retail and Light Industrial Gun Barrel, Texas

This 7+/- acre property in Gun Barrel Texas is a great piece of land ready for development with an approved site plan for Boat/RV storage along with two additional pad sites for Retail, Flex or Light Industrial uses. Gun Barrel Texas is located on Cedar Creek Lake which has become very popular for full time residents as well as weekend homes. This property will be great to provide services to the quickly growing population.



Progress St. Light Industrial Building and Additional Development Land Sherman, Texas

Construction was completed in August of 2025. This 9-acre property on Progress Street in Sherman Texas is situated between Texas Instruments' \$30 billion chip plant to the south and Globitech's \$5 billion chip plant to the north. The property contains an existing 13,000 sq. ft. building with excess land to develop four additional buildings. The surrounding properties consist of other major employers and the remaining Sherman Economic Development (SEDCO) land. We were very fortunate to lease the existing building shortly after our purchase to a quality tenant named Audio Engine. We continue to have discussions with prospective tenants on a regular basis, but no leases at this time.



Ennis Texas Mixed-Use Land for Development Self storage, Flex Space and Retail Ennis, Texas

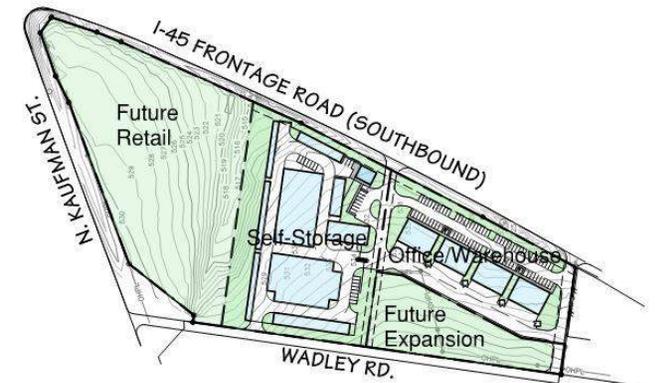
This 15+/- acres of land is located in an opportunity zone on I-45 in Ennis Texas. We were able to sell the property a few days before the end of 2025.



Aerial View



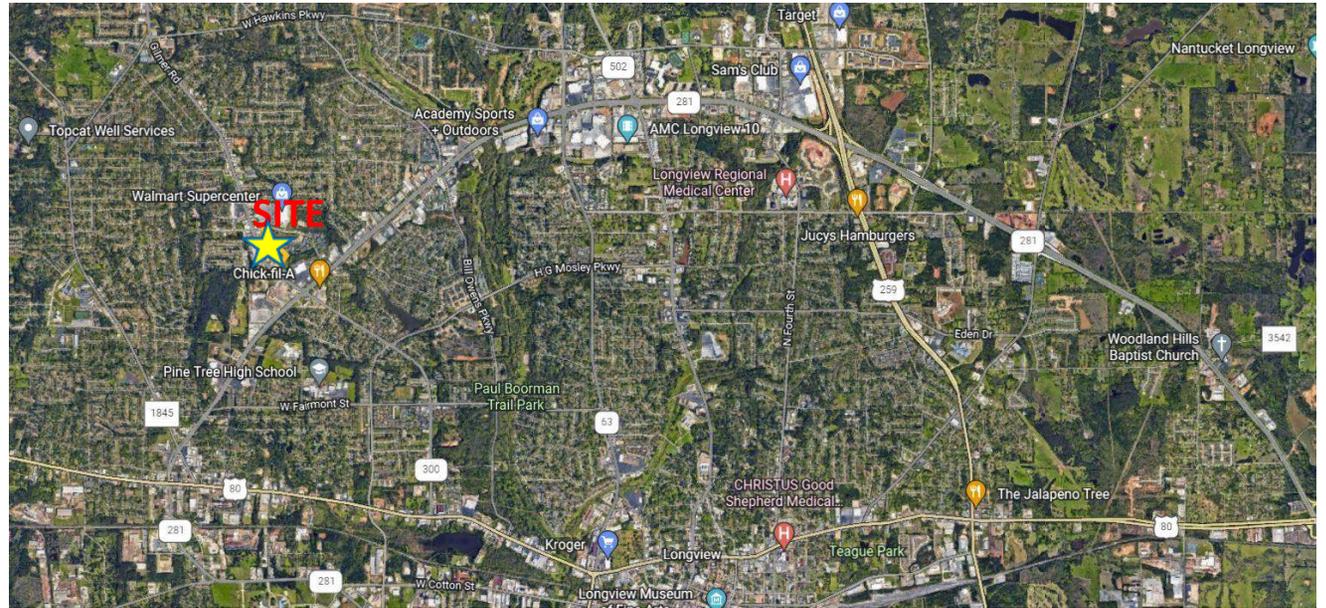
Self-Storage Concept



Site Plan

Longview Texas Land for Development Multifamily and Commercial Longview, Texas

This property consists of approximately 8 acres zoned for a multifamily development in Longview Texas. Located close to Walmart, Chic-fil-a and other key retail services this will be a great property for a higher density/moderate income rental community. The property is well suited for completing the development in multiple phases. In addition, we are pursuing the option to utilize half of the property for a climate-controlled storage development. We were under contract to sell half of the property to a multi-family developer but they decided terminated the contract during the feasibility period.



Location



Concept





Anna Texas Retail Center Walgreens and Red River Title Anna, Texas

We have leases with Walgreens and Red River Title at our prime retail development in Anna Texas. The overall development is just under 20,000 square feet and has approximately 6,000 square feet available for future tenants. Construction is now complete, but we have not been able to finalize any additional leases with tenants. The interest from potential tenants is steady but nothing finalized yet. We were excited to lock in a very low interest rate on this development loan prior to rate increases.



Current Photo



Location

Westwood Village Shopping Center Sherman, Texas



This property consists of just under 100,000 square feet of older retail space. The property location and the “bones” of the buildings are great. There are very few properties like this that are available in North Texas, especially at this price point. With the recent improvements and active management, we believe a ton of value will be created from this project. Ace Hardware, Sculpt Pilates, Pet Wants, Tea and Tales, Rxell Pharmacy, and Back Nine Golf are all open for business and traffic is picking up. We also just signed a lease for 6,500 sq. ft. to a popular regional imaging center. As the momentum builds, we are hoping for a great leasing year in 2026.



Before (Drone Photo)



After (Drone Photo)



Current Leasing Plan
(Green=Available)

Howe Texas Land for Development Acre Lots or RV Park Howe, Texas

Sapphire purchased 14 acres in Howe, TX just a few miles from the new TI and Globitech plants. This property could be great for an acre lot development, another RV park, or a new duplex rental concept we are considering. A third-party developer was under contract but decided to back out of the contract. We are progressing nicely with the planning and due diligence for the duplex rental concept, but will also start marketing the property for sale.

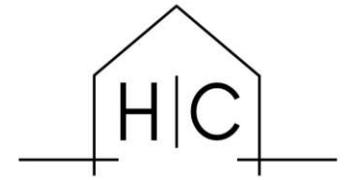


Aerial View



Duplex Rental Concept

Heritage Court Development Hwy 1417 Sherman, Texas



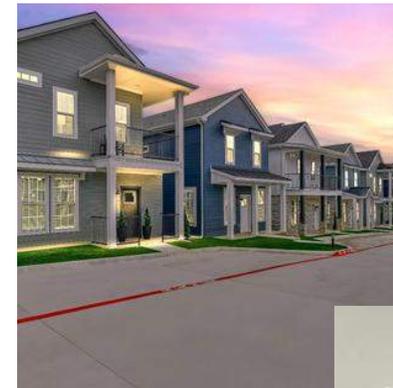
Current Update –

- All 100 units are now able to be leased
- We closed out 2024 with 24 units leased and now have 67 units leased.
- Interest from tenants is strong compared to our competition, but there are many new multi-family properties available now in the Sherman area.
- We hope to see continued momentum as we close out the year.

Description – 100-unit townhome rental community on Hwy. 1417 in Sherman, TX. Beautiful neighborhood and townhome designs. Great amenities and borders a future city hike/bike trail that will connect to the nearby Baker Park/Lake.



Site Plan



Photos

Heritage Crossing Development Sherman, Texas



This is a 45-acre tract of prime residential development land in West Sherman that is platted into 80 lots and development is progressing. Unfortunately, our buyer for Phase II backed out of the contract in the Spring of 2024, but we have made good progress selling lots individually. Currently we have sold 48 lots, and 24 additional lots under contract, leaving 8 lots available for sale. Several additional houses are about to break ground and the neighborhood is building momentum.



Aerial Photos

University of Gymnastics & Edward Jones Building Office/Retails Building Sherman, Texas

Sapphire owns a promissory note on this building located at 400 E. Taylor from the owner occupant (University of Gymnastics). The second tenant is an Edward Jones office, with a lease guaranteed by Edward Jones, Inc. This note is structured with multiple personal guarantors.



Crescent Oaks Commercial Land Development Southeast Corner of Hwy 75 and Taylor Street Sherman, Texas

One professional office lot remaining in this development located on Hwy 75 in Sherman, Texas close to the intersection of Taylor Street.



Completed Buildings on Sold Lots



Full Development Overhead View

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SOLD PROPERTIES



Corporate Central Flex Space/Light Industrial Property McKinney, Texas

NOTABLE PAST
SOLD PROPERTIES

Sapphire elected to sell this property in the 4th quarter of 2024 for a profit.

This property is in a Class A location near Highway 75 and 380 in McKinney Tx. Walmart and Sam's are located around the corner and several other large employers located in the same development. This property was on our radar since purchasing the building at 1627 Bray Central, as it is located directly south (behind) this facility. The site plan is apportioned for 53,000 SF in two buildings. The buildings are complete, 100% occupied, and tenant's leases have commenced. The four tenants are: Sherwin Williams, Crawford Electric, Hybrid Manufacturing, and Premier Badminton.



Pottsboro Multifamily Land for Development Multifamily Pottsboro, Texas

NOTABLE PAST
SOLD PROPERTIES

Sapphire elected to sell this property in the 4th quarter of 2024 for a profit.

After the purchase of this 2.15-acre property in Pottsboro Texas we were able to change the zoning to Multifamily and create a plan for 25 units that are similar to our Heritage Court residential rental product in Sherman. After much thought, we decided to sell the property for a profit.



Weatherford Texas Industrial Land for Development Self Storage and Flex Space Weatherford, Texas

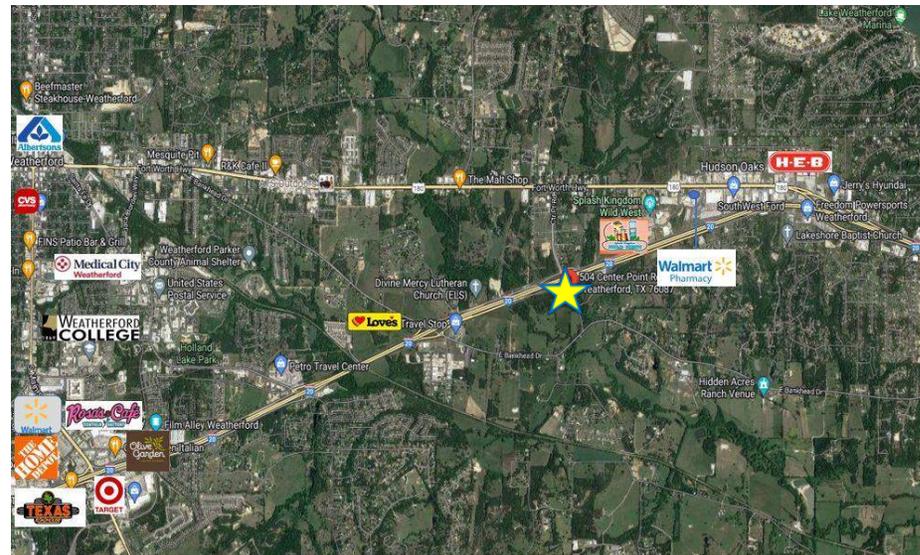
NOTABLE PAST
SOLD PROPERTIES

Sapphire elected to sell this property in the 4th quarter of 2023 for a profit.

The property consists of approximately 7 acres between the rapidly growing towns of Weatherford and Hudson Oaks just west of Fort Worth. This property was a great find for another flex office/warehouse development but could also support self-storage.



Aerial View



Location

**SRS Distribution (Southern Shingles)
Retail/Light Industrial Property
Lawton, Oklahoma**

**NOTABLE PAST
SOLD PROPERTIES**

Sapphire elected to sell this property in the 4th quarter of 2023.

This property was purchased in the 4th quarter of 2018. It contains 18,300 sq. ft. of renovated warehouse and office. This property branches just outside of Texas, in Lawton, Ok, but was a great find with a strong long-term tenant and consistent cash flow. Earlier this year we were able to negotiate a very favorable lease extension.



Project Photos



Sadler Texas Acre Lot Development
 Platted Lots for Sale
 Sadler, Texas

NOTABLE PAST
 SOLD PROPERTIES

The last remaining lot was sold in the 4th quarter of 2023.

Sapphire purchased 15 acres north of Sadler Texas to divide into 10 lots for single family houses. The road frontage on this property is a valuable amenity as it will dramatically decrease the cost of development. We were able to remove the easement on the final lot and have it replated into two lots. This property was a great find and has already turned into a solid investment.



Aerial View



Plat

Shadow Pines Townhome Property Denison, Texas

NOTABLE PAST SOLD PROPERTIES

Purchased 3rd Quarter 2019. This property consists of 29 individually platted townhome units. Sapphire was able to purchase 24 of the 29 units. After some time of leasing the units it was decided to renovate and sell the units individually. The units were renovated in 2022 and all 24 units have been sold!!

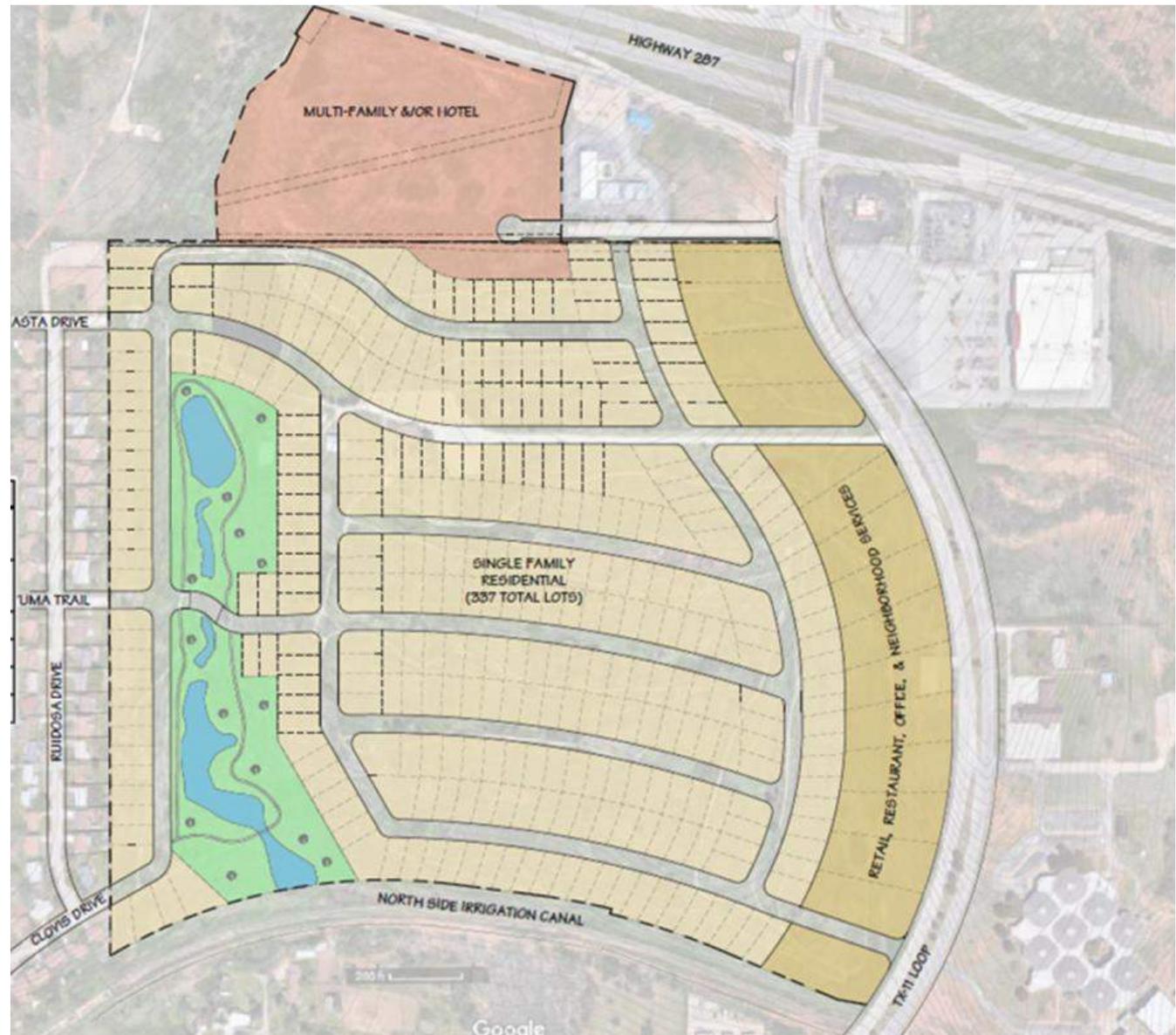


Project Photos

Chisholm Estates Multi-Use Development Wichita Falls, Texas

NOTABLE PAST
SOLD PROPERTIES

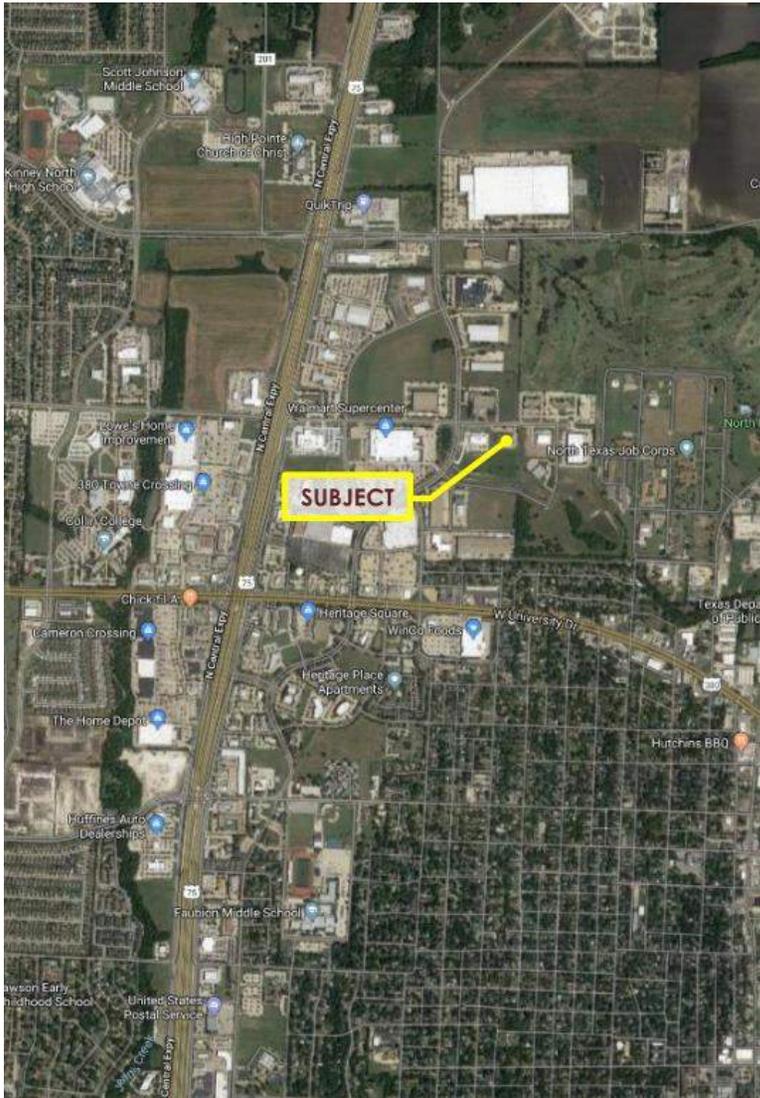
We acquired this 105-acre property, previously a golf course, from a bank in Wichita Falls Texas at an attractive price. We started the master planning process but then went under contract to sell the property to a developer out of Dallas. That developer completed a significant amount of planning, engineering and city approvals but ultimately defaulted on the contract and did not close. In early 2023, we were able to sell the property to a different buyer from Dallas.



Site Plan

Magnetic Technology, Inc.
1627 Bray Central Drive
McKinney, Texas

NOTABLE PAST
SOLD PROPERTIES



Brown Commercial Property
Hwy. 75 Frontage at Pecan Street
Sherman, Texas

NOTABLE PAST
SOLD PROPERTIES



NOTABLE PAST
SOLD PROPERTIES

SOLD: Villagio - College Station, Texas



SOLD: Bear Creek - Cedar Hill, Texas



SOLD: Heritage Row - Sherman, Texas



SOLD: Restaurant at HWY 75 & 82 - Sherman, Texas



NOTABLE PAST
SOLD PROPERTIES

SOLD: 30 Acres on HWY 82 - Bells, Texas



SOLD: Hillcrest Square- Sulphur Springs, Texas



SOLD: 4613 N FM 1417 - Sherman, Texas



SOLD: Villa Green Townhomes- Bryan, Texas



NOTABLE PAST
SOLD PROPERTIES

SOLD: O'Hanlon Ranch - Sherman, Texas



SOLD: Overland Offices - Sherman, Texas



SOLD: Vein Center of North Texas - Sherman, Texas



SOLD: Overland Crossing - Anna, Texas



NOTABLE PAST
SOLD PROPERTIES

SOLD: Traditions Senior Living - Sherman, Texas



SOLD: Terrace Oaks - Sherman, Texas



Sapphire Group LLC Balance Sheet

As of December 31, 2025

Dec 31, 25

ASSETS

Current Assets

Checking/Savings

11000 · SouthState/Independent Bank	13,345.31
11100 · AmeriState Bank	46,512.55
11205 · Encore Bank	2,944,117.87
11225 · Charles Schwab	789.69
11525 · Sapphire Group Escrow Account	60,000.00

Total Checking/Savings 3,064,765.42

Other Current Assets

26740 · Earnest Money	21,000.00
27002 · Due from Sapphire Retail One	13,526.20
27016 · Due from Crest Ventures	100.00
27051 · Due from Heritage Crossing HOA	700.00

Total Other Current Assets 35,326.20

Total Current Assets 3,100,091.62

Fixed Assets

24308 · Bear Creek Development	25,000.00
24525 · Land - Bennett Road - Howe	354,525.33
24526 · Westwood Village	6,344,736.73
24529 · Land - Longview	464,039.55
24530 · Land - Gun Barrel City	705,548.01
24532 · Cedar Creek Development	211,527.00
24531 · Longview Multi-Fam project	46,573.00
24534 · Dermatology Building	1,133,666.38
29000 · Accumulated Depreciation	<u>-1,938,764.00</u>

Total Fixed Assets 7,346,852.00

Other Assets

23513 · Derm Build - Closing Costs	19,646.35
23512 · Westwood Village - Closing Cost	21,871.70
26760 · Due from Univ of Gymnastics	213,600.00
26500 · Investment - Eminent Holdings	75,917.33
26763 · Investment - Heritage Ventures	1,298,642.18
26764 · Investment - Freedom Flex LLC	-4,791.48
26765 · Investment -Sapphire Retail One	1,993,913.28
26766 · Investment - Crest Ventures	2,768,793.49
26767 · Investment - Blue River Texas	37,134.21
27768 · Investment - Sapp Stockhome	<u>2,628,063.89</u>

Total Other Assets 9,052,790.95

TOTAL ASSETS 19,499,734.57

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Financial Statements are for general reference only. All items are presented pending the Sapphire accountant's year-end adjustments.

Sapphire Group LLC Balance Sheet

As of December 31, 2025

Dec 31, 25

Other Current Liabilities	
40318 · Due to Sapphire Retail One	473.49
40312 · Due to Bluestone Prop Mgmt	45,912.89
Total Other Current Liabilities	<u>46,386.38</u>
Total Current Liabilities	46,386.38
Long Term Liabilities	
49338 · Spades 99 Note Payable	1,500,000.00
49336 · First United Bank - Derm Bldg	1,005,550.00
49335 · Go Land Invest - Gun Barrel	389,601.79
49332 · Ameristate - WWV Development	5,701,833.70
Total Long Term Liabilities	<u>8,596,985.49</u>
Total Liabilities	8,643,371.87
Equity	
34031 · Members Equity	9,762,694.20
Net Income	<u>1,093,668.50</u>
Total Equity	<u>10,856,362.70</u>
TOTAL LIABILITIES & EQUITY	<u><u>19,499,734.57</u></u>

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Sapphire Group LLC
Profit & Loss
January through December 2025

Jan - Dec 25

Ordinary Income/Expense	
Income	
50000 · General Rental Income	439,250.36
51000 · Interest Income	15,710.29
54001 · Ordinary Income - Partnerships	
54562 · Income from Sapphire Stockhome,	-34,541.75
54560 · Income from Crest Ventures LP	-6,863.16
54558 · Income from Sapphire Retail	41,351.28
54554 · Income Heritage Ventures	23,264.18
Total 54001 · Ordinary Income - Partnerships	<u>23,210.55</u>
56000 · Miscellaneous Income	69,277.58
Total Income	<u>547,448.78</u>
Gross Profit	<u>547,448.78</u>
Expense	
60100 · Marketing/Development Fees	3,165.61
60400 · Bank Service Charges	3,622.70
61000 · Interest Expense	156,827.33
61250 · Loan guarantee fees	5,024.99
64900 · Office Supplies	58.08
66000 · Professional Fees	13,711.54
66500 · Meeting Expenses	15,240.57
67000 · Property Taxes	11,047.97
67200 · Repairs and Maintenance	29.90
67250 · Management Fees	2,394.92
67500 · Insurance	2,747.68
67600 · General Upkeep	1,469.55
68400 · Rental Interest Expense	489,729.68
68450 · Rental Professional Fees	699.49
68460 · Rental Property Taxes	63,975.91
68551 · Rental Make Ready	45,751.00
68570 · Rental Insurance Expense	123,613.24
68575 · Rental Other Expenses	31,120.81
68577 · Rental Repairs	34,933.68
69000 · Rental Utilities Expense	17,616.34
70000 · Rental Management Fees	26,795.51
71000 · Rental General Upkeep	18,599.47
Total Expense	<u>1,068,175.97</u>
Net Ordinary Income	<u>-520,727.19</u>
Other Income/Expense	
Other Income	
74576 · Gain on sale of Ennis land	1,264,395.69
55250 · Capital Gain - U of G	350,000.00
Total Other Income	<u>1,614,395.69</u>
Net Other Income	<u>1,614,395.69</u>
Net Income	<u><u>1,093,668.50</u></u>

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December 31st, 2025
Market News

Community Hospital Corporation Announces \$400 Million Heritage Regional Medical Center in Sherman, Texas

Innovation

SHERMAN, Texas, Aug. 12, 2025 /PRNewswire/ — Sherman’s health care landscape is poised for transformation, as Community Hospital Corporation (CHC) proudly announces plans for a state-of-the-art, \$400 million nonprofit acute care hospital. The newly planned facility, Heritage Regional Medical Center (HRMC), will set a new benchmark for modern health care delivery by combining advanced technology, thoughtful design, and compassionate patient care for the Sherman and surrounding community. Heritage Regional Medical Center is planning to open to the public in early 2028.



Heritage Regional Medical Center Project

Initial Project Rendering

Anna, TX News

Upcoming Sherley Farms master-planned community, which will feature 3,000 homes. Other significant developments are the Liberty Hills community with 1,800 homes and The Reserve at Arden Park adding 142 rental homes. The city is also seeing major infrastructure improvements, like the Collin County Outer Loop, and new commercial projects like the Rosamond Corners retail center.

Major housing developments

- Sherley Farms: A new community planned by the Tellus Group on 970 acres, expected to include 3,000 homes, green spaces, and a working organic farm.
- Liberty Hills: A large master-planned community that will eventually have 1,800 homes. Phase one will feature 269 lots starting at \$500,000.
- The Reserve at Arden Park: This new development from Bridge Tower adds 142 single-family homes and townhomes, catering to the rental market.

Infrastructure and commercial projects

- Collin County Outer Loop: This major infrastructure project improves connectivity to the wider Dallas-Fort Worth area, making Anna more accessible.
- Rosamond Corners: A new retail center is planned for the corner of Rosamond and US 75, targeting a Q3 2026 opening.
- New Food & Entertainment Hub: The City of Anna has finalized an agreement for a new hub at Highway 5 and Seventh Street that will include restaurants like The Gin and Tenders Smokehouse, a beer garden, and live music space.

Market trends

- Anna's housing market is booming, with significant population growth and new construction permits being approved.
- New home prices are often more affordable than in nearby cities like Frisco and Prosper.
- While home prices have been rising, buying in the early phases of new construction communities can lead to potential equity gains as the community develops