PART 1

In 2018, PSW’s growth plan aligned with recent investments for scale allowing us to post around 200 each for sales/starts/closings and surpass $113MM in revenue. On a simple lookback, PSW had $38MM in revenue in 2016, nearly doubling to $72MM in 2017. This compounded growth from 2016-2018 landed PSW at #4 in Builder 100 rankings of fastest growing private companies. It also helped us continue to outpace our urban infill competition further driving up shareholder value.

Sustaining this level of growth is never easy. Balancing the timing of capital outlays for land investments, general operations and quarterly distributions with capital inflows of home closings, bank financing and investment can prove difficult. Upcoming leadership hires in finance and commercial construction along with internal process changes will ensure cash management remains a top priority.

Financial results remain strong as our Urban Ecosystem model continues to evolve and our asset portfolio grows. Vertical integration continues to pay off as net margins remain high relative to the industry at 15% (see audit note). Inventory homes are at historically low levels of less than one-month supply. Sold backlog remains healthy with 100 homes, or 40% of annual 220+ forecasted closings. Based on delivery timing, closings are backloaded to the second half of 2019. On the asset management side, we made significant investments in the team and our HOA service offering throughout 2018. Our Thornton Flats apartment maintained a healthy occupancy rate of 98%, won a Kingsley Excellence in Service Award and delivered solid NOI. To date, PSW has developed and owns income-generating assets of approximately $30MM with another $20MM delivering in the next 12-18 months as part of larger mixed-use communities.

Our Urban Ecosystem approach has allowed us the first look at large multiacre sites where PSW controls all or the majority of product. Each “Urban Village”, as we are calling them, will be delivered
2018 Annual / Q1 2019

PERFORMANCE HIGHLIGHTS:

Q1 2019

- 27 starts: 7 single-family detached, 20 single-family attached/mixed use
- 48 home closings
- 36 new home sales
- $510,761 in Average Sales Price
- $25,250,285 in Total Revenue
- Sales team successfully closed out 6 communities

2018 ANNUAL

- 202 starts: 120 single-family detached, 82 single-family attached/mixed use
- 208 home closings
- 196 new home sales
- $533,762 in Average Sales Price
- New market investments in Denver with key personnel hires and our 1st land purchase (closed in 2019)

COMMUNITY CLOSE-OUTS:

CLAY STREET  EASTLINE (RESIDENTIAL)  FRANKLIN GROVE
LIGHTSEY RIDGE  PARKSIDE  EMERALD POINT (SINGLE FAMILY)

(CONTINUED)

in phases allowing for optimal sales absorption and product flexibility. Three Austin sites are directly adjacent to existing projects (900/Bouldin, Thornton Flats, Franklin Grove) that all performed well for PSW. Four sites are new assemblages purchased within the past five years in East Austin, the Five Points area of Denver, the Columbia City area of Seattle and the West Commerce area in Dallas. The time for boutique urban infill is now and we are better positioned than anyone to lead the charge.
MANAGEMENT DISCUSSION & ANALYSIS

PART 2

We remain long-term focused and are making significant investments in land, people and processes to position PSW well for the next decade. Several market factors underpinning the urban infill market point to sustained above average growth. The knowledge economy favors large, diverse tech-oriented cities and the urban core. Millennials, now entering the home buying market, along with aging Boomers both seek out vibrant urban environments. Overall GDP growth in our markets sits at 50-200% above the U.S. Metro average. No company is immune to market cycles; however, urban market fundamentals, vertical integration and our unique organizational structure combined with continued margin strength, an income-generating asset base and low debt levels (50% compared to long-term target of 60+%) have us well positioned for expanded growth or even a temporary market pull back.

REVENUE & SALES BACKLOG

We expect our short-term growth to level-out in 2019/2020 with a combined revenue of $250MM. Starting in 2021/2022+, PSW expects to surpass $200MM in total annualized turnover (homes sales revenue + new revenue generating assets). Each city continues to execute and make progress against our plan of $200MM per market backed by PSW’s +$1BN pipeline in owned and controlled urban infill land inventories. Today we feel confident we have the core personnel, capitalization and systems required to scale to exceed $200MM, taking advantage of our brand awareness among homebuyers and sellers. Business execution, corporate structuring and capitalization will position us for a liquidity event over the next decade including an IPO, sale or shareholder recapitalization to provide more urban infill living options, company career opportunities and aim to provide double-digit annual shareholder returns.

* Profit Distribution A/B/E is after Class A Preferred Return (Dividend) is paid and all LP returns are accounted for.
** Based on 1/1/2019 forecast.
*** Year-end sold backlog inventory.
### QUARTERLY DASHBOARD

<table>
<thead>
<tr>
<th></th>
<th>Q2 2018</th>
<th>Q3 2018</th>
<th>Q4 2018</th>
<th>Q1 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>51</td>
<td>38</td>
<td>36</td>
<td>35</td>
</tr>
<tr>
<td>Starts</td>
<td>105</td>
<td>30</td>
<td>36</td>
<td>26</td>
</tr>
<tr>
<td>Closings</td>
<td>68</td>
<td>42</td>
<td>50</td>
<td>48</td>
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<tr>
<td>Revenue</td>
<td>$36,955,580</td>
<td>$23,100,392</td>
<td>$27,363,527</td>
<td>$25,250,285</td>
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<tr>
<td>Profit</td>
<td>$5,638,804</td>
<td>$3,524,734</td>
<td>$4,175,217</td>
<td>$3,745,950</td>
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<td><strong>Profit Distribution A/B/E</strong></td>
<td><strong>$4,423,906</strong></td>
<td><strong>$2,418,354</strong></td>
<td><strong>$2,764,669</strong></td>
<td><strong>$2,186,654</strong></td>
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<tr>
<td>Sales Backlog</td>
<td>124</td>
<td>120</td>
<td>106</td>
<td>93</td>
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<tr>
<td>Revenue Backlog</td>
<td>$60,760,000</td>
<td>$58,800,000</td>
<td>$51,940,000</td>
<td>$41,850,000</td>
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### 2016 - 2020 NUMBER OF HOMES/UNITS

- **Dallas**: 26%
- **Austin**: 36%
- **San Antonio**: 13%
- **Seattle**: 6%
- **Rental Units**: 19%

### ANNUAL DASHBOARD

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<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019**</th>
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<tbody>
<tr>
<td>Sales</td>
<td>89</td>
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<td>196</td>
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<td>Starts</td>
<td>159</td>
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<td>202</td>
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<tr>
<td>Closings</td>
<td>94</td>
<td>139</td>
<td>208</td>
<td>229</td>
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<tr>
<td>Revenue</td>
<td>$38,701,251</td>
<td>$72,786,245</td>
<td>$113,717,241</td>
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<tr>
<td>Profit</td>
<td>$6,067,250</td>
<td>$10,454,107</td>
<td>$17,351,352</td>
<td>$17,700,000</td>
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<td><strong>Profit Distribution A/B/E</strong></td>
<td><strong>$2,918,587</strong></td>
<td><strong>$6,915,721</strong></td>
<td><strong>$13,107,916</strong></td>
<td><strong>$13,275,000</strong></td>
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<tr>
<td>Sales Backlog***</td>
<td>82</td>
<td>113</td>
<td>107</td>
<td>134</td>
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<tr>
<td>Revenue Backlog</td>
<td>$32,219,404</td>
<td>$50,796,610</td>
<td>$50,466,415</td>
<td>$67,000,000</td>
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</table>
WE THANK YOU...

For your contributions toward making us successful, profitable and sustainable. We look forward to many more years of working together to build internal and external communities that enrich the lives of everyone with whom we work and live.

AUDIT NOTE

An unqualified opinion of PSW’s consolidated financial statements as of and for the years ended December 31, 2018 and 2017 was issued by independent auditors on April 29, 2019. The income statement for 2018 and 2017 reported net income of $12,087,556 and $12,350,572 on revenues of $113,717,241 and $72,786,245 respectively.

The information herein provides a non-GAAP estimate of income to eliminate certain items to better illustrate the performance of our communities and company. Material items include inter-party transactions related to PSW limited partnerships and employee profit share booked as a GAAP operating expense. All profit distributions reflect the capitalization waterfall depicted in PSW Real Estate, LLC operating agreement.

PSW OFFICE LOCATIONS:

AUSTIN, TX
2003 SOUTH 1ST STREET
AUSTIN, TX 78704

SAN ANTONIO, TX
222 AUSTIN HIGHWAY, SUITE 2
SAN ANTONIO, TX 78209

DALLAS, TX
512 W. DAVIS STREET
DALLAS, TX 75208

SEATTLE, WA
5506 6TH AVE. S, SUITE 206
SEATTLE, WA 98108