

A RARE OPPORTUNITY

EXISTS IN WESTERN MONTANA



TETON LAND
& DEVELOPMENT GROUP



THE PROJECT

Michael Flynn came from Ireland and landed in the Missoula Valley in 1872. He bought land in the big valley west of town and homesteaded on 160 acres. When Michael died in 1910, the Flynn Ranch was 1,374 acres and a log house. His sons and grandsons managed the cattle ranch until the growth of Missoula reached their back door, when they began selling land to accommodate the demand for new communities.

Teton Land Development acquired 72-acres from the Flynn Family in late 2018, for the development of a Heron's Landing, a 347-lot master planned community, focused on families seeking entry-level home ownership opportunities located within the City of Missoula.

Heron's Landing offers a wide variety of housing options to choose from. Parks are connected by meandering trails throughout the community, it's truly a beautiful location to own a home and raise a family. Many single family residences are envisioned along with clustered cottages and townhomes, all close to schools, shopping, and entertainment along with nearly endless outdoor recreation options, all within minutes of downtown Missoula.

INVESTMENT SUMMARY

INCOME

Lot sales: \$32,965,000¹

EXPENSE

Land cost: \$6,500,000
 Improvements: \$13,406,000²
 Sales & closing: \$1,977,000³
 Total cost: \$21,883,000
Profit: \$11,082,000⁴

CAPITALIZATION

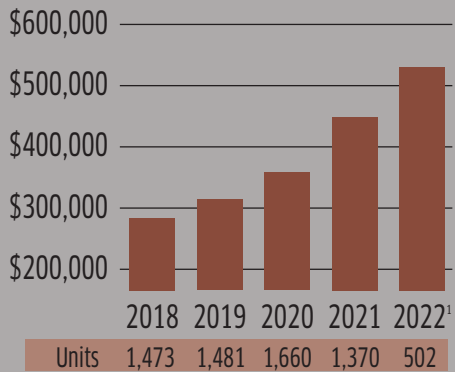
Equity Investment: \$10,488,000
 Debt \$8,108,000
 Total: \$18,596,000

RETURN ON EQUITY

Lot sales: \$32,965,000¹
 Less sales & closing: - \$1,977,000³
 Less debt payoff: - \$8,108,000
 Net sale proceeds: \$22,880,000
 Less return of equity: - \$10,488,000
Profit: \$11,082,000⁴
Return on equity: 105%⁵

1. 347 lots at \$95k average sale price
2. Total design, engineering, construction costs
3. Total sales, marketing, closing costs
4. Does not include profit on Home/Lot sales
5. Estimated as of Q3 2022

Single Family Homes Median Sale Price



A RARE OPPORTUNITY EXISTS TO CAPITALIZE ON THE CURRENT HOUSING SHORTAGE IN WESTERN MONTANA.

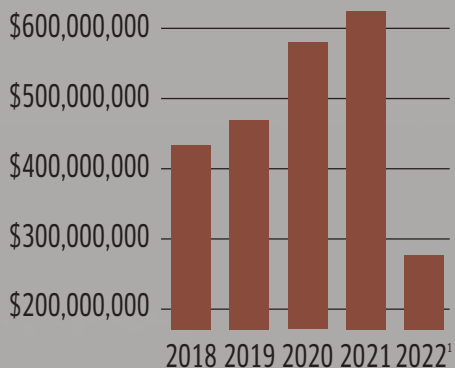
For decades, Missoula's ever-increasing population coupled with a shortage of entry level home ownership options, has created significant demand for new homes in the Missoula valley. Large tracts of land suitable for residential development seldom exist within the City of Missoula.

Currently, 55% of Missoula's residents rent while housing data reveals a growing number desire to and can afford to own a home. Vacancy rates in Missoula's rental market have averaged just 3.0% in the last decade, however the vacancy rate as of July 2022 is at just 0.4%. Rental rates for two-bedroom units have climbed by 15% in the last year.

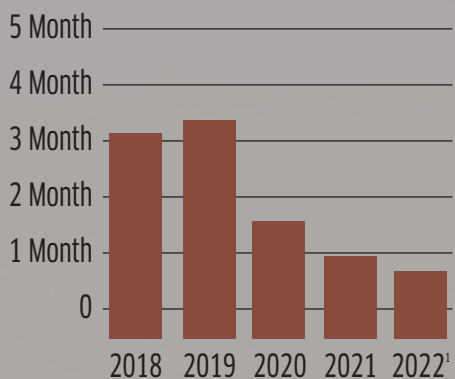
During 2021, Missoula recorded its largest increase in the median price of a home in the last decade. The median price of a home rose 27.6 percent to \$452,000. As of July 2022 the median priced home is \$538,000, up 51.9 percent from 2020.

The market continued to experience a shrinking availability of homes at lower price points. In 2021, sales increased for all price points and have led to an under-supply of homes priced under \$400,000. Available inventory of single -family homes is at a 30-year low.

Annual Sales Volume



Single Family Home Monthly Supply²



HERON'S LANDING

Located in the fastest growing section of western Missoula, Heron's Landing is a master planned community of 347 lots designed for entry-level single-family homes, cottages and town homes. Ideally located within walking distance to the City's highest rated schools, this new community is within 2-miles of Missoula's newest shopping districts, entertainment, and restaurants. Parks within the community are maintained by the Homeowners Association. . New fiber broadband services, elevates Heron's Landing to the most tech-advanced community in Missoula.

1. Through Q2 2022-Reflects record low inventory

2. Normal market is 3-9 month supply

KEY RELATIONSHIPS

Teton Land Development has developed the following key relationships in the Missoula market and entered into contracts with the following companies, who will provide services in the design, development and ultimate sale of properties in this master planned community:



WGMGROUP

WGM GROUP, INC- CIVIL ENGINEERING-CONSTRUCTION MANAGEMENT

WGM Group is a full-service engineering, planning, environmental, and natural resource firm with offices in Missoula, Helena, Kalispell, and Bozeman. For 54 years, government agencies and private interests have relied on WGM Group for creative design solutions that are community centered and client focused. We offer 70+ dedicated professionals across many specialties. In addition to our core of transportation and civil engineers, our staff includes land use planners, surveyors, landscape architects, environmental engineers, water resource specialists, environmental scientists, hazardous materials specialists, construction project managers, and traffic engineers. Our breadth of in-house expertise allows us to provide efficient services with expertise to address even the most unforeseen contingencies. Visit: www.wmggroup.com



MMW
ARCHITECTS

MMW ARCHITECTS- LAND PLANNING & BUILDING DESIGN

Founded in 1997, MMW Architects are passionate about how the landscape is developed. They are known for their creative commitment to maximizing a site with minimal impact on the land. They believe that close-knit, walkable projects that engage the pedestrian along the streetscape create vibrant communities. Incorporating the history of the property, preservation of land and natural features are all genuine guiding forces in the planning of a new community. Their land planning team strives to honor what has made the site unique and valuable for past generations, passing it along to future generations. Thoughtful planning is at the root of a beautiful community. Good decisions save the developer money over the life of the community and contribute to a sustainable future. At a community level, they believe sustainable buildings must be well designed, beautiful buildings that work within the urban fabric and the cultural context of Missoula. Visit: www.mmwarchitects.com



PureWest

CHRISTIE'S
INTERNATIONAL REAL ESTATE

PUREWEST REAL ESTATE - EXCLUSIVE LISTING AGENTS

PureWest Christie's has a reputation for real estate excellence. With 12 Montana offices, over 150 agents and its partnership with Christie's International Real Estate, PureWest has the reach and resources to bring customers to this new community. The Bergquist Donnelly Team has leveraged the PureWest Christie's brand to create a tremendously effective marketing strategy that has led them to close over \$60M in real estate sales in 2021. Their dedication to meeting each client's needs, combined with unprecedented market knowledge, has made the Bergquist Donnelly Team one of the most successful and highly sought-after in the region. Visit: www.soldbybd.com



There is more information available by contacting
Thom Garlock at **800-440-5622**
or email: Thom@TetonLandDevelopment.com

The information described herein is based upon current development plans, which are subject to change without notice. Obtain a property report if required by applicable government authorities before signing anything. This material shall not constitute an offer to sell real estate in any state where prior registration is required. Securities are offered only to qualified investors who request a prospectus. Please read the prospectus for risk factors and qualification requirements.