MILLER SPRINGS P1 QOF LLC
BURNS, OREGON

Rural Oregon Opportunity Zone Workforce Housing

11-Unit WDI Phase 1 • The Homestead QOZB
OZ 2.0 Rural QROF

Nicholas Green
President, Catalyst | Managing Director, R3 Strategies Consortium

Jason Powell
Dickinson-Wright | Securities Counsel

Miller Springs Development | Burns, Oregon
July 22, 2026

CATALYST
PUBLIC POLICY ADVISORS

Miller Springs — At a Glance

160 Workforce homes at build-out

97 Fully entitled homes in Phase 1 PUD

30 ac Commercial + mixed use zoning (Lot 1)

$30–50M Total development value for housing
Commercial + Business Park TBD

OZ 1.0 designated | OZ 2.0 nomination filed

- **Five units under construction** (OZ 1.0 or 2.0 – Lots 16 and 17)
- **20 more approved in The Homestead** (OZ 2.0 wave 2027/8 – lots 4-7 and 14-15)
- **72 multifamily approved in the PUD** (OZ 2.0 wave 2028/9 – lot 2)

Why Now — OZ 2.0 Rural + QROF

OBBBA (July 4, 2025) reset the Opportunity Zone regime. Rural tracts get the largest step-ups ever.

30%	Original Use	100%	Rolling
Basis step-up at year 5 when taxes paid (Rural QROF)	**No Substantial-improvement threshold for new const.**	**Fund gain exclusion after 10 years**	**10-year designation cycles**
vs. 10% under OZ 1.0	*vs. 100% under OZ 1.0*	*preserved from OZ 1.0*	*vs. one-time under OZ 1.0*

Miller Springs Specifics

Burns Paiute Tribal Trust Land nomination filed (Census Tract No. **41025960100**) • **Oregon Governor pre-committed** to the nomination • **IRS Notice 2025-50** expected to green-light QROF status

Lot 17 — The First Tranche

Two paired workforce homes at 1188 sf and 1368 sf. Construction complete Q3 2026. Subscription opens August 2026.

2187 W B STREET

1,188 sf • Single-family workforce home

$2,390 rent/mo.

SCAN → ZILLOW

114% AMI

View 3D-tour on Zillow →

2195 W B STREET

1,368 sf • Main + attached MIL suite

$2,700 rent/mo.

SCAN → ZILLOW

Mother-in-law suite 72% AMI + Main 88% AMI

View 3D-tour on Zillow →

The Deal — 11-Unit Capital Stack & Returns

11 WDI units • Lots 14-17 • 10-year hold • 7.0% exit cap • Rural QROF

CAPITAL STACK

Class A OZ equity Reg D 506(c) • 8% pref • 80/20 promote	**$1,088,031**
MSF land (Class B) In-kind • 4.4% equity • 20% Tier 3 promote	**$50,000**
R3 gap loan + grant 4.5% sub-debt + $52K SIP panel grant	**$540,080**
Senior loan/debt ~50% LTC • SOFR + 200 bps • Bank-financeable	**$1,625,759**
URA tax increment Public participation • Paid in November	**$132,819**

Total capitalization: $3,436,689 • 11 units • $312K/unit

RETURNS — BASE CASE

Metric	Pre-Tax
Class A IRR	12.59%
Equity multiple (MOIC)	2.68x
Class A distributions Y1–Y10	$2.91M
Y2 DSCR	2.75x
Stabilized Return on Cost	6.81%
Break-even occupancy	77.4%

KEY TAKEAWAYS

- Clears 12% IRR / 2.0x threshold
- QROF Rural adds +253 bps after-tax vs. non-OZ investor (6.91% → 9.44%)
- Every +$100K R3 grant ≈ +60 bps IRR / +0.10x MOIC (see slide 6)

R3 Grant Sensitivity — What Additional Grant Unlocks

ROI on 11-unit waterfall. Gap loan ($488K @ 4.5%) held constant — R3 grant varies.

R3 GRANT SWEEP — ON TOP OF $488K GAP LOAN

R3 Grant	Pre-Tax IRR	Equity Multiple	Y2 DSCR
$0 (no grant)	12.28%	2.63x	2.75x
$52,352 (SIP grant — base case)	**12.59%**	**2.68x**	**2.75x**
$150,000	13.17%	2.78x	2.75x
$260,000	13.80%	2.89x	2.75x
$400,000	14.59%	3.03x	2.75x
$540,000	15.36%	3.17x	2.75x
$650,000	15.95%	3.29x	2.75x

R3'S ROLE — WHY THIS DEAL UNDERWRITES

- Land aggregator — R3 buys 8 lots from MSF at $20K/unit and sells to QOZB pre-CO (preserves original-use / avoids substantial improvement)
- Gap lender — 4.5% sub-debt, no origination, repriceable to 2% or forgivable if investor economics require it
- Grantor + loss leader — $10M state appropriation ($3M more March 2027) available for grants, principal write-downs, and end-of-project loss absorption

Scaling the QOZB — 11 Units This Raise

July 22, 2026 — Lot 17 complete (left). Lot 16 foundations poured (right).

NOW

Lot 17 (2 units, 99% complete)

RMLS-listed, 90+ views week one. Both units under LOI/rented.

NEXT

Lots 16, 15, 14 (9 units)

Lot 16 (3 units) in construction; Lots 15 & 14 foundation-ready. Same OA.

OZ 2.0

Homestead = 11 units (this raise)
Phase 2 = 14 units (~$6–8M add'l, future)

Miller Springs Homestead QOZB LLC • 99.99% QOF + 0.01% MSF • 8% pref, ROC, 80/20 promote

The Ask

Close 11 units this raise. Preserve Phase 2 optionality for anchor investors.

PHASE 1 — NEAR-TERM

Close 11-Unit WDI Homestead

$1.09M Class A equity

12.59% pre-tax IRR • 2.68x MOIC (base case)

- Total project cost $3.25M ($295K/unit)
- MSF land $50K • FCCU senior $1.63M
- R3 gap $488K @ 4.5% + $52K SIP grant
- URA $133K lifetime • 10-year hold
- Lot 17 complete + RMLS-listed • Lot 16 in construction
- Q3 2026 subscription close • OA v3 finalized

PHASE 2 — OZ 2.0 EXPANSION

14-Unit (Phase 2) South Side

~$6–8M capital target

Same fund • Same terms • Same manager

- Lot 4 HONE 4-plex (PIS 2027)
- Lot 7 HONE 4-plex (PIS 2028)
- Lots 5 & 6 — six SF cottages (PIS 2028)
- Distinct QOZB, same 99.99% QOF structure
- Preserved for Phase 1 anchor investors
- Or bring in additional co-investors

EXIT PATHS (all four preserved by condo platting): OZ 3.0 continuation • Outside QOF acquisition • Direct-to-consumer condo sale • R3 rental buy-out

Miller Springs Founders, LLC

DARIN HENRY

Owner

5th-generation rancher and landowner of Miller Springs. Darin is a veterinarian who built a substantial health, nutrition, and consulting practice with dairy, cow-calf, and feedlot families, consulting over 2,300 farms and ranches globally. Building a core group of 80 Veterinarians and PhD nutritionists from the ground up, he created a $300 million per year business that sold to Cargill in 2017 as its 3rd largest historical acquisition.

darinhenrydvm@gmail.com

CONI RATHBONE

Owner

Attorney licensed to practice in Oregon and Idaho. Coni has practiced since 1988: 20 years at Davis Wright Tremaine, 10 years with her own firm, five years with Dunn Carney, and presently with Rathbone Law and Vial Fotheringham. Coni is a remarkable negotiator and dealmaker in real estate finance, securities, Opportunity Zones, tenant-in-common workouts, entity structuring, and general business transactions. Coni is one of the top 25 lawyers in the country for Qualified Opportunity Zone work.

crathbone@rathbone-law.com

PROJECT: www.millersprings.com | Miller Springs Development, Burns OR | OZ 1.0 Designated | OZ 2.0 Nomination Filed

Let’s Talk

Opportunity Zone 2.0 Nominations (Fall 2026)

- Ontario & Malheur County (SE Oregon)
- Pendleton (NE Oregon)
- Burns & Harney County (E Oregon)
- Burns Paiute Tribal Trust Lands (E Oregon)
- Warm Springs Tribal Trust Lands (Central Oregon)
- The Dalles (Columbia River)
- Siskiyou County (Northern California)

CATALYST
PUBLIC POLICY ADVISORS

Nick Green

Managing Director, R3 Strategies
President, Catalyst Public Policy Advisors

25 years public policy + rural development

MPA University of Washington

PhD in Public Policy (enrolled at the University of Oregon)

Based in John Day, OR (pop. 1,643)

R3 leads: **500+ homes | 8 counties | 24 projects**

nick@catalyst.win

(541) 620-2809 – Cell