

Miller Springs, c. July 2026

R3 STRATEGIES CONSORTIUM
OREGON WORKFORCE HOUSING

Rural Oregon OZ 2.0 Workforce Housing

25-home Homestead acquisition
Creekside / Lakeview opportunity

Nicholas Green
President, Catalyst | Managing Director, R3

November 12, 2026 | OZ Pitch Day

CATALYST
PUBLIC POLICY ADVISORS

Two projects, distinct investment paths



NICHOLAS GREEN

R3 is an Oregon intergovernmental agency combining development, technical assistance and transaction-specific public support with private investment.

R3 holds no equity in the QOF, Manager or QOZB; no investor guarantee.

R3 STRATEGIES

HOMESTEAD | BURNS (OZ 2.0)

25 homes in the current acquisition plan
$3.131M initial Class A target
Staged purchases in 2027–2029

CREEKSIDE | LAKEVIEW (1.0 Safe Harbor)

18 lots supporting 23 planned homes
$735,000 proposed 2026 funding
Separate documents and diligence

Source: November 11 PPM; November 10 Homestead model; November 5 Creekside materials

The R3 Advantage (Rural Risk Syndication)

All the Tax Benefits of OZ 2.0…stacked with local incentives through our public-private model

5 years
Gain deferral, subject to earlier inclusion events

30%
Five-year basis rise 30%: qualified rural opportunity fund

10+ years
Potential exclusion of eligible appreciation; conditions apply

R3 Incentives

- ~ 30% reduction in purchase price (Miller Springs) below R3's cost of construction
- 7% cash back (URA Incentive) indexed to change in assessed value
- Full payment of System Development Charges
- Near-immediate income generation on completed units (QOZB purchasing when 99% complete)
- **Net result = increased profitability with a lower risk profile**

Source: IRS Notice 2026-40; project-specific qualification remains subject to counsel review

IRS Notice 2026-40

Homestead QOZB

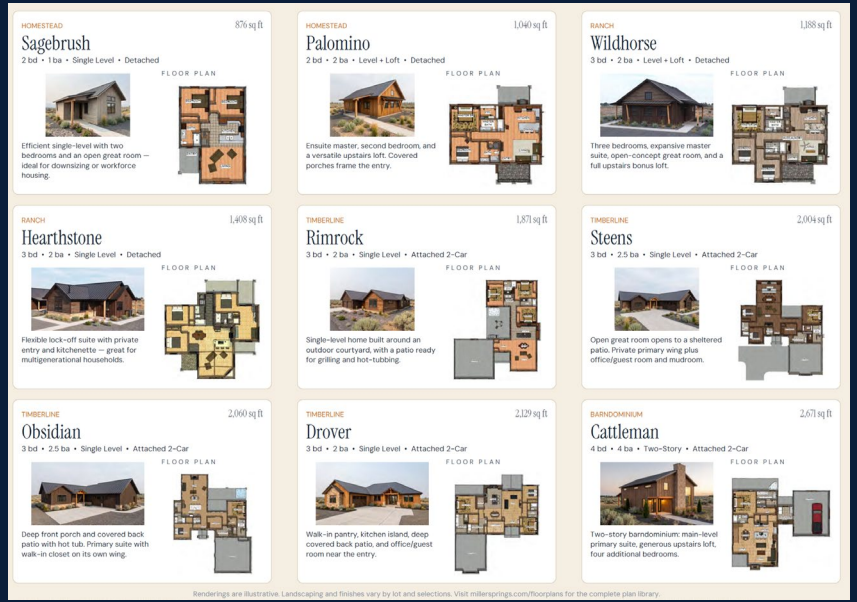
25 Homes in the current acquisition plan

28,934 Scheduled building SF

8 lots Lots 4–7 and 14–17

9 homes Households at or below 130% AMI; recorded restrictions





https://millersprings.com/floorplans/

Source: November 11 PPM; November 10 model, Unit Pricing; original July site plan

Lot 17 is the first acquisition (January 2027)

R3 owns Units 1–2, furnished sales models | Model acquisition: January 2027



2187 W B STREET

1,188 SF

$1,700 / month

SCAN → ZILLOW



2195 W B STREET

1,368 SF

$1,800 / month

SCAN → ZILLOW

2027 model rents, leases pending.
Source: November 10 model, Unit Pricing rows 7–8; November 11 PPM; original July imagery

Staged delivery leads to a 2037 model exit



November 2026 Lot 16 (Units 3, 4, and 5) at The Homestead

First modest Class A cash:
Mar 2028 baseline / Dec 2027 with conditional URA

2027
Q1, Q2 and Q4 purchases

2028
Q2 and Q4 purchases

2029
Q2 purchase

2037 modeled sale
2028/29 capital: 10-year anniversaries 2038/39

Source: November 10 model, Funding and monthly waterfalls; historical July aerial

Entry price is ~30% below cost of construction

PROPOSED ACQUISITION

$6.25M

$216 / scheduled building SF
25 homes | $6,249,744 total

R3'S ESTIMATED CONSTRUCTION COST

$8.9M

Recorded-to-date costs, full-build estimates and later $300/SF benchmark

29.77% below selected construction anchors

Subject to R3 Board action and required consents

Not an appraisal, guaranteed equity gain or final all-in cost; land is already included.

Source: November 10 model, Cost Anchors J33/K33 and Funding F14

$3.13M starts the 25-home acquisition plan

Initial Class A target: $3,130,873.12

Waivable closing minimum | Total planned Class A: $4,847,641.12

TOTAL SOURCES	
Class A capital	**$4,847,641**
Acquisition debt*	**$1,716,768**
Total	**$6,564,409**

TOTAL USES	
25-home purchase	**$6,249,744**
Package allowances	**$314,665**
Total	**$6,564,409**

* Debt is uncommitted. $314,665.12 of package allowances is already included initially.

Source: November 11 PPM; November 10 model, Funding I7/I14/G14/C28/C32

Class A receives preference before residuals

$100,000 minimum, waivable | Verified accredited investors | Rule 506(c)

The 8% preference accrues; it is not guaranteed cash yield.

8%	Capital	60 / 40	No equity
Cumulative, non-compounding preferred return	Return of Class A unreturned capital	Class A / Class B residual split	R3 outside QOF, Manager and QOZB equity structures

Investors → QOF → Homestead QOZB | R3 sells completed units

Annual **QOZB asset fee: 0.5%** of aggregate capital contributions

No fund-level asset-management fee for the initial Homestead investment

Source: November 11 PPM, offering summary, management fees and conflicts

Five growth cases show return sensitivity

Aggregate Class A pre-tax outputs | Baseline versus conditional URA

Annual appreciation	Baseline IRR	With URA IRR	Baseline multiple	With URA multiple
3%	7.64%	8.15%	2.02x	2.06x
5%	9.26%	9.77%	2.33x	2.37x
6.5%	10.52%	11.04%	2.61x	2.65x
9%	**12.71%**	**13.22%**	**3.16x**	**3.20x**
10%	13.60%	14.12%	3.42x	3.46x

Property-management expense is not modeled. Outputs are not net of all fees/expenses

Source: November 10 adopted model, URA Cases C7:G14

URA adds project cash, not an investor rebate

CONDITIONAL ONE-TIME RECEIPTS

$312,711 total to the QOZB
Units 3–25 only
Modeled across November 2027–2030

AT 9% ANNUAL APPRECIATION

Baseline: 12.71% IRR / 3.16x
With URA: 13.22% IRR / 3.20x
Aggregate Class A pre-tax illustration

Not annual funding, a guaranteed payment or a direct Class A rebate

Subject to completion, assessment, entitlement/assignment, appropriation and payment requirements; cash follows the applicable waterfall.

Property-management expense is not modeled. Outputs are not net of all fees/expenses; conformity remains open.

Source: November 10 model, URA Cases F9/F10/F13/F14/F16; applicable URA conditions

Creekside is a working capital safe harbor transition plan under IRS Notice 2026-40



18 lots

Improved-lot proposal

23 homes

Planned in 18 buildings

$365,000

Proposed cash land price to R3

$270,000 ➡ ~$5,000

R3 grant to developer — cost per lot

Source: November 5 Creekside investor summary/model; earlier R3 illustrative site plan

R3 is the proposed cash seller,
not the private sponsor-equity contributor.

Modular Mass Timber (MMT) Construction





23 MMT homes

https://www.youtube.com/watch?v=G6nB7E36NhA



MODS PDX FACTOR PRODUCTION & RENDERINGS

https://modspdx.com/

Creekside requires a coordinated year-end transition

PROPOSED 2026 CAPITAL

$708,378 total (10% of plan working capital)
$365,000 private sponsor cash (land purchase)
$343,378 Class B seed (committed by 12/31)

PROPOSED 2027 CAPITAL

$4,577,831 Class B calls
$7,083,775 total plan
Proposed 9% Class B preference

The $365,000 land price is inside the $708,378, not an additional use

By Dec 31: qualifying written plan; at least 10% of plan working capital received and 5% expended, including specified binding-agreement treatment.

Land closing alone is insufficient. No Creekside IRR or automatic rural-fund benefit is represented.

Source: November 5 Creekside materials; IRS Notice 2026-40 §5.01(2)(b)

IRS transition notice

Two immediate investment opportunities

HOMESTEAD

$3.131M initial Class A

Within $4.848M total planned Class A
25 homes acquired in stages
8% preference; 60/40 residual split
Debt remains uncommitted

CREEKSIDE

$735,000 proposed 2026

Private sponsor + Class B seed
$4.578M additional Class B in 2027
Separate documents and terms
Year-end transition review required

Request project-specific documents and a discussion: nick@catalyst.win

Source: November 11 PPM; November 10 Homestead model; November 5 Creekside materials

Six rural tracts broaden the Oregon focus

Federal designations announced November 5, 2026 | Effective January 1, 2027

Harney / Burns Paiute
Rural tract 41025960102

Warm Springs
Rural tract 41031940000

Ontario
Rural tract 41045970400

Nyssa
Rural tract 41045970500

West Pendleton
Rural tract 41059950601

East Pendleton
Rural tract 41059950700

Harney and Burns Paiute are one focus tract, not two.
These are tract-specific designations, not entire counties or reservations.

Source: Treasury designation workbook and announcement; Oregon final designations

Treasury announcement Treasury tract data Oregon final list

Investment and tax outcomes are not assured

OFFERING AND PROJECTIONS

Informational presentation, not an offer. Any offer is made only through the applicable PPM, agreements and subscription materials.

Illustrations are not guarantees. Investments are illiquid and involve risk of loss; actual cash flows and tax outcomes may differ.

ROLES AND CONDITIONS

R3 does not guarantee investor returns. Coni Rathbone is a minority owner of the Manager.

Dickinson Wright is Company securities counsel. Neither acts as investor counsel in this offering. Obtain independent legal and tax advice.

Source: November 11 PPM, offering restrictions, risk factors and conflicts