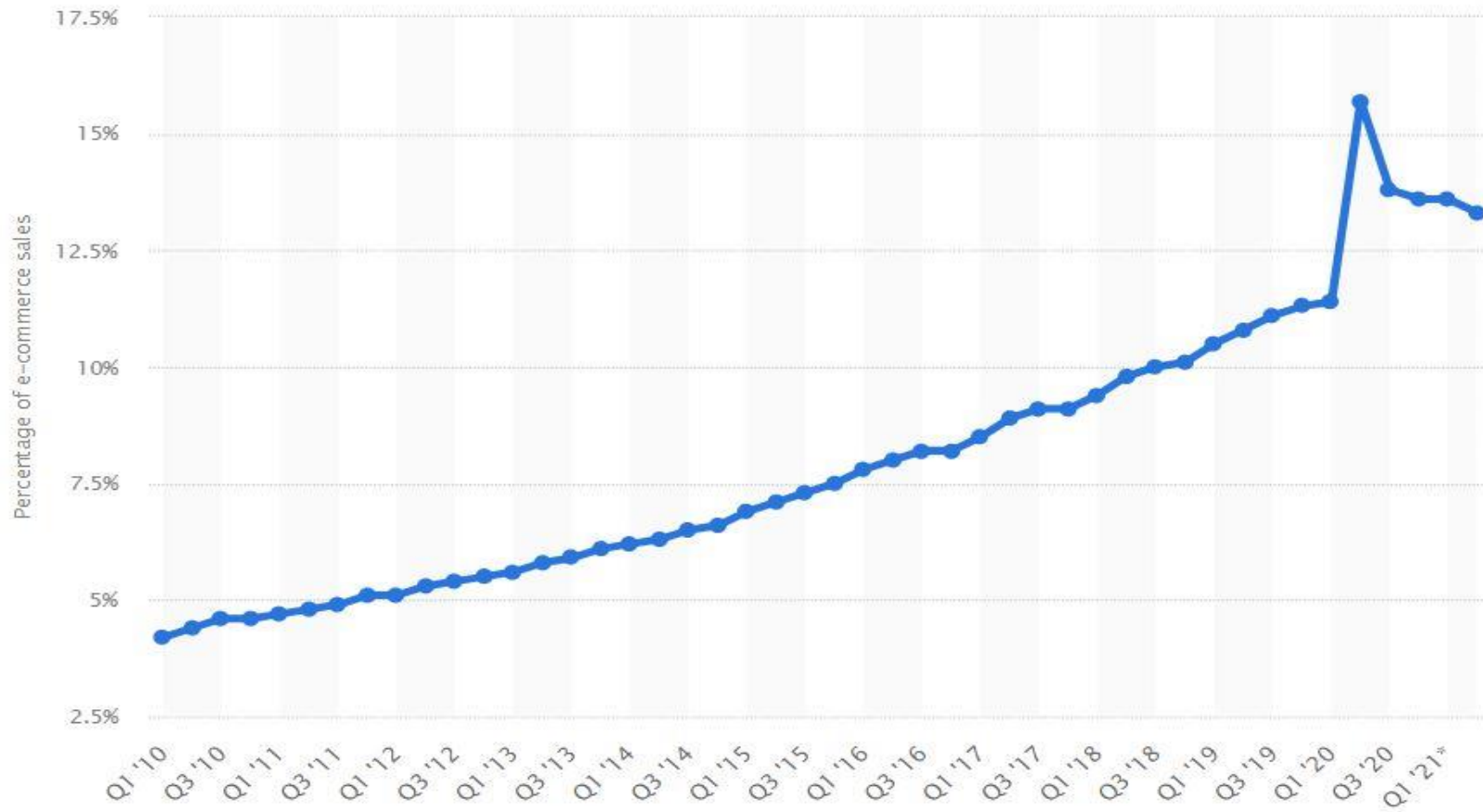


Property Type	Base Year: 2000	2010 ACS	2019 ACS	% Change (2000 - 2019)
Median Home Value	\$131,800	\$180,300	\$236,500	79.4%
Median Contract Rent	\$509	\$656	\$803	57.8%
Median Household Income	\$39,730	\$47,013	\$59,038	48.6%

SELECTED HOUSING CHARACTERISTICS and MEDIAN HOUSEHOLD INCOME IN THE PAST 12 MONTHS; 2000: DEC Summary File 3 Demographic Profile, ACS 5-Year Estimates 2006-2010, 2015-2019

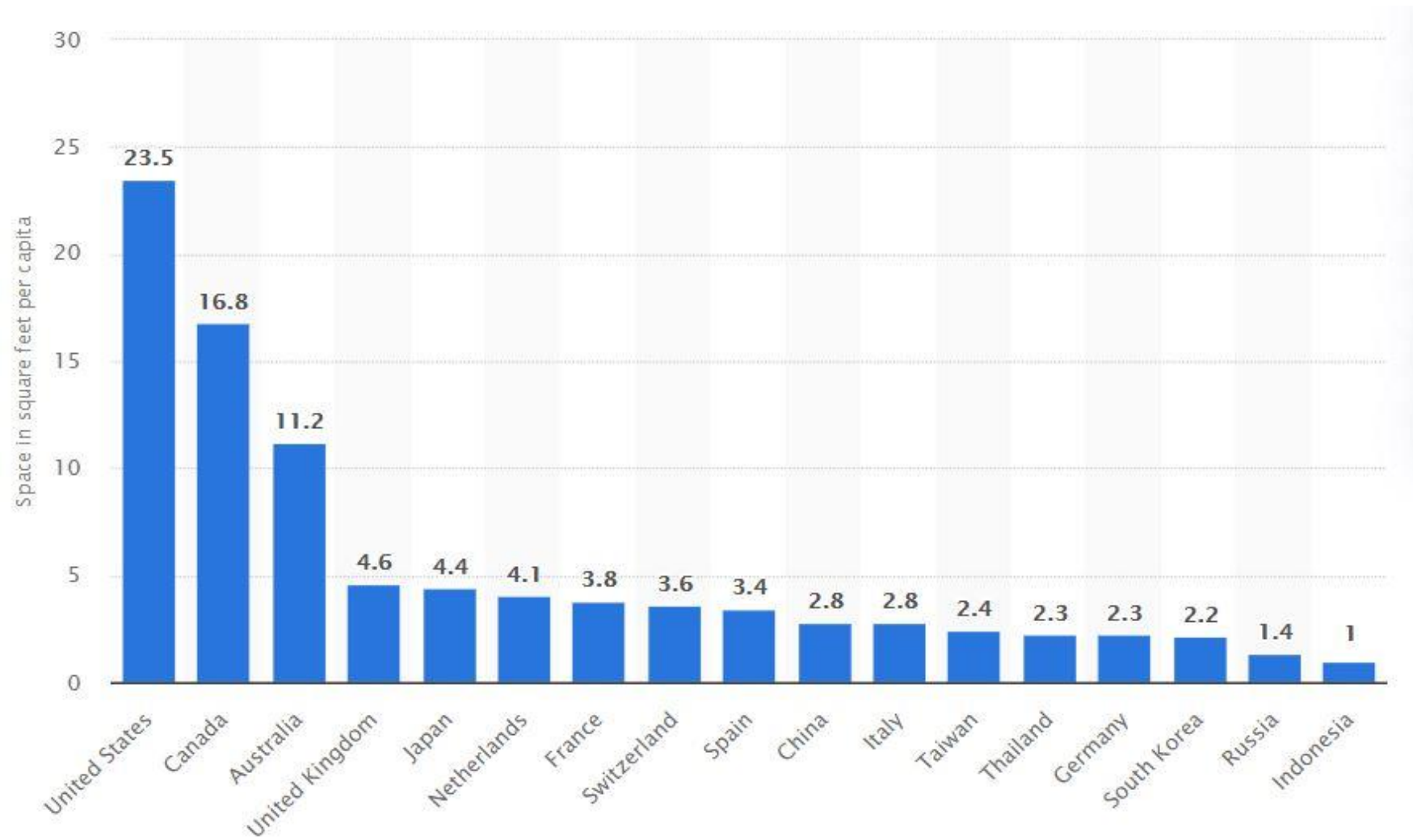
- Average Home Prices:
 - 2016 - \$214,000
 - 2021 - \$333,000
 - Multiple offers, above listing, on most homes under \$500,000
 - Most homes above \$750,000 are to out-of-state buyers
 - Extremely high demand in <\$300,000 market with lack of supply
- Length of Time on Market:
 - Most homes = 4-5 days
 - 42 homes on market in February 2021; typical year = 450 homes
 - As many homes are coming to market, but are turning over quickly and supply is short due to HIGH demand

E-Commerce as % of US Retail Sales
Source: Statista



What are major retail trends going forward?

Retail SF per Capita



What are major retail trends going forward?

Retail Space Needs Per Capita	
Year	Space Needs Per Capita – Square Feet
2000	25
2017	20
2020	15

As stated by Price Waterhouse Cooper’s (PWC) head of US real estate practice, Byron Carlock, “We are clearly overretailed in America.”

Carlock goes on to state, “With the pandemic continuing to impact the retail industry, retail space providers would consider using retail spaces more efficiently. Physical stores would continue to be relevant but parts of it would be demolished and repurposed to build establishments like fitness centers and medical facilities.” He also said that the US could cut down retail spaces to reach close to 16 square feet per person. He further added that if this reuse and replacement continues, America would have 30% more space for the “kind of development people actually need.”



Making TDR “Pencil”

- A townhouse or small lot home is worth less than a big lot home. To make the transaction pencil:
 - If you sell one large lot “credit”
 - the buyer gets, for example, three small lot credits
 - notably more units get built in receiving areas
- Let’s look at the numbers via Zions Public Finance

Land for Sale – Cache County

Location	Acres	Asking Price	Price per Acre
Lewiston	16.57	\$425,000	\$25,648.76
Paradise	10.04	\$400,000	\$39,840.64
Wellsville	185.38	\$6,800,000	\$36,681.41
Mendon	138.14	\$3,500,000	\$25,336.62
TOTAL	350.13	\$11,125,000	\$31,773.91*

* average

Units per Acre	Land Value (Developed Acreage)	Land Value (Undeveloped)
1	\$97,214	\$32,000
2	\$142,040	\$35,000
3	\$201,994	\$40,000
4	\$240,000	\$48,000
5	\$278,000	\$55,000
6	\$294,118	\$70,000
7	\$362,500	\$80,000
8	\$384,615	\$90,000

As density goes up, land values increase

TDR Calculations

RECEIVING AREA	Raw Land	Land Value with Development
Units per Acre - Current	3	3
Units per Acre - with TDRs	6	6
Current Land Value per Acre	\$40,000	\$201,994
Land Value per Acre with TDRs	\$70,000	\$294,118
Additional TDRs per Acre	3	3
Additional Value per Acre	\$30,000	\$92,123
Value per TDR	\$10,000	\$30,708
SENDING AREA		
Value per Acre - Farmland	\$31,774	\$97,214
Residual Value for Farmland	\$2,000	\$4,000
Value per TDR	\$10,000	\$30,708
<i>Approximate TDR credits needed to equal the land value</i>	3.0	3.0

Market will Prevail

- Calculations are theoretical, but reasonable with current data
- Values will keep changing
- Farmers will need about 3 credits to sell per acre for this to work for them
- Developers will need to offer in the range of \$10,000 to \$30,000 per credit
- Consider an incentive for the Blacksmith Fork area of an additional credit per acre
- A very general “rule of thumb”!!!