

CONFIDENTIAL OFFERING MEMORANDUM

Normal Neighborhood Gateway

Ashland's Next Chapter in Community and Growth

2082 & 2090 EAST MAIN STREET • ASHLAND, OREGON 97520

±9.71 ACRES • WITHIN URBAN GROWTH BOUNDARY • ANNEXATION-READY

OFFERED AT

\$2,900,000

Adams | Pfau Commercial Group

Coldwell Banker Professional Group • John L. Scott Real Estate

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A ±9.71-acre, plan-aligned land offering at Ashland’s eastern gateway — within the City’s adopted Normal Neighborhood District, contiguous to City limits, and carrying the only commercial overlay frontage in the 93-acre Plan area.

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EXECUTIVE SUMMARY

Normal Neighborhood Gateway is a ±9.71-acre, plan-aligned land offering at the eastern edge of Ashland, Oregon, within the City’s adopted Normal Neighborhood District. Three contiguous parcels at 2082 and 2090 East Main Street form a strategic assemblage at the eastern gateway of the City’s 93-acre planned mixed-use neighborhood — with direct East Main frontage, established residential context, and approximately one mile to Southern Oregon University and downtown Ashland.

The offering is presented on a **pre-entitlement, as-is basis**. The asking price of **\$2,900,000** is positioned at the upper end of a comp-supported as-is land value range derived from a six-comparable adjustment grid of UGB-adjacent and corridor-comparable Ashland-area parcels (Section Six), with that position supported by structural attributes documented separately in Section Six-A.

The only stand-alone annexation-ready parcel in the chain of contiguity — carrying the only commercial overlay frontage in the entire 93-acre Plan area.

STRUCTURAL POSITION · SECTION SIX-A

The pricing approach rests on four reinforcing elements. The foundation is a comp-supported as-is land value range of approximately **\$2.6M–\$2.8M**, derived from a six-comparable land adjustment grid of UGB-adjacent and corridor-comparable Ashland parcels. Layered on that foundation is a set of **structural position adjustments** — the stand-alone annexation-ready position, the unique NN-1-3.5-C commercial overlay frontage, the AFD-eligible reimbursement pathway, and the existing improvement — that together support positioning the asking price at or modestly above the upper end of the comp range.

Underpinning both is an unusually clear, **de-risked entitlement pathway** anchored by the City’s adopted 2015 Normal Neighborhood Plan, which fixes zoning, street network, and infrastructure phasing for the district. An **incentive stack** — AFD reimbursement, SDC offsets, Oregon childcare grants, and federal energy credits — is available to qualifying buyers as a further offset. The result is a site that supports a range of feasible programs, from market-rate multifamily and mixed-use to phased small-builder strategies to community-aligned partnerships incorporating affordable, workforce, or early-learning components.

• AT A GLANCE

Offered At	\$2,900,000
Total Acreage	±9.71 ac · 3 tax accounts
Plan Context	Adopted NN District
Annexation	Stand-alone ready
Overlay	Sole NN-1-3.5-C frontage



INVESTMENT HIGHLIGHTS



The Gateway combines a plan-aligned land basis with a defined entitlement pathway, an active municipal infrastructure-financing mechanism, and access to a stack of state and federal programs that can materially offset development cost — making it the natural opening move for buildout of the City’s long-planned 93-acre district.

STREAMLINED ENTITLEMENT PATH

The Normal Neighborhood Plan, adopted by the Ashland City Council in 2015, sets use, density, and street network by design. The entitlement question is master-plan coordination and Type III annexation — not whether development is permitted in principle.

STAND-ALONE ANNEXATION READINESS

Directly contiguous to existing City limits. Within the broader Plan area, the only parcel with stand-alone annexation-readiness in the relevant chain of contiguity to City services.

UNIQUE COMMERCIAL OVERLAY FRONTAGE

NN-1-3.5-C along East Main — the only commercial overlay in the entire 93-acre Plan area, and the structural predicate for neighborhood-scale and licensed childcare/early-learning uses.

PUBLIC-PRIVATE INFRASTRUCTURE

The City’s Advance Financing District reimburses qualifying sewer oversizing and frontage segments, contingent on a Development Agreement — materially improving the project’s cash-on-cash position.

PHASED INFRASTRUCTURE OBLIGATIONS

The Plan contemplates phased East Main improvements. A phase-one frontage development is responsible for proportionate frontage-scale improvements — not full corridor buildout.

STRATEGIC CONNECTIVITY

Direct East Main frontage with arterial access to I-5; ~1 mile to SOU and downtown; ~15 miles to Rogue Valley International–Medford Airport.

MARKET-DRIVEN FEASIBILITY

Limited new-construction inventory with steady absorption. Homes within one mile averaged >\$550,000 in 2025; Kestrel Park is selling from the mid-\$700,000s.

STACKABLE INCENTIVE PROGRAMS

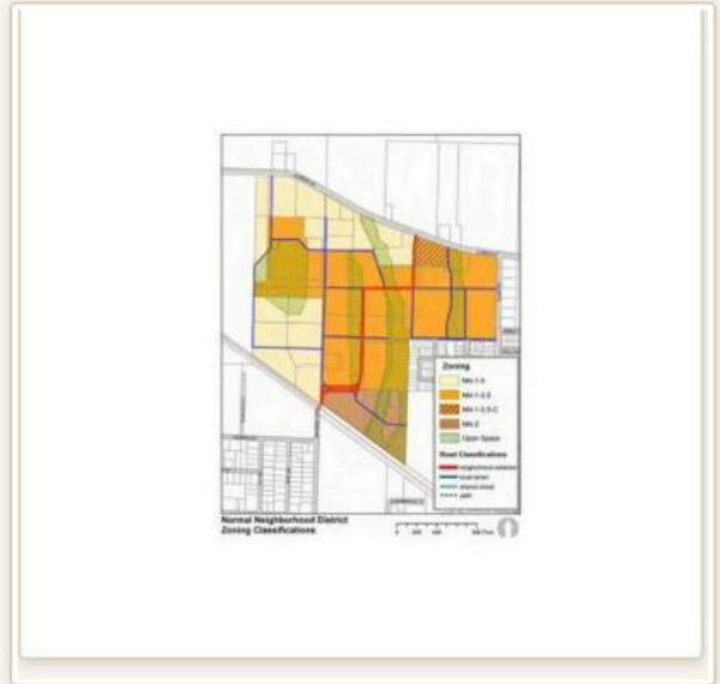
Beyond the AFD: SDC offsets, the Affordable Housing Trust Fund, Oregon childcare grants, federal 45L / ITC credits, and USDA Community Facilities financing.

PROPERTY OVERVIEW & SITE CONTEXT

The Gateway site encompasses approximately 9.71 acres at Ashland’s eastern edge — three contiguous tax lots at 2082 and 2090 East Main Street, forming a critical component of the City’s planned 93-acre Normal Neighborhood District. Adopted by City Council in 2015, the Plan’s specificity on street typologies, infrastructure phasing, and zoning is the structural reason this parcel sits in a different risk posture than a comparable raw-land assemblage.

• AT A GLANCE

Assemblage	±9.71 ac — Map 391E11C, taxlots 3600/3601/3602
Frontage	East Main St — only NN-1-3.5-C in Plan
Zoning (post-annex)	NN-1-5, NN-1-3.5, NN-1-3.5-C, NN-2
Location	~1 mi to SOU & downtown; arterial to I-5
Existing Improvement	3,819 SF structure (1995); 2024 assessed improvement value \$258,920



Position Within the Plan Area

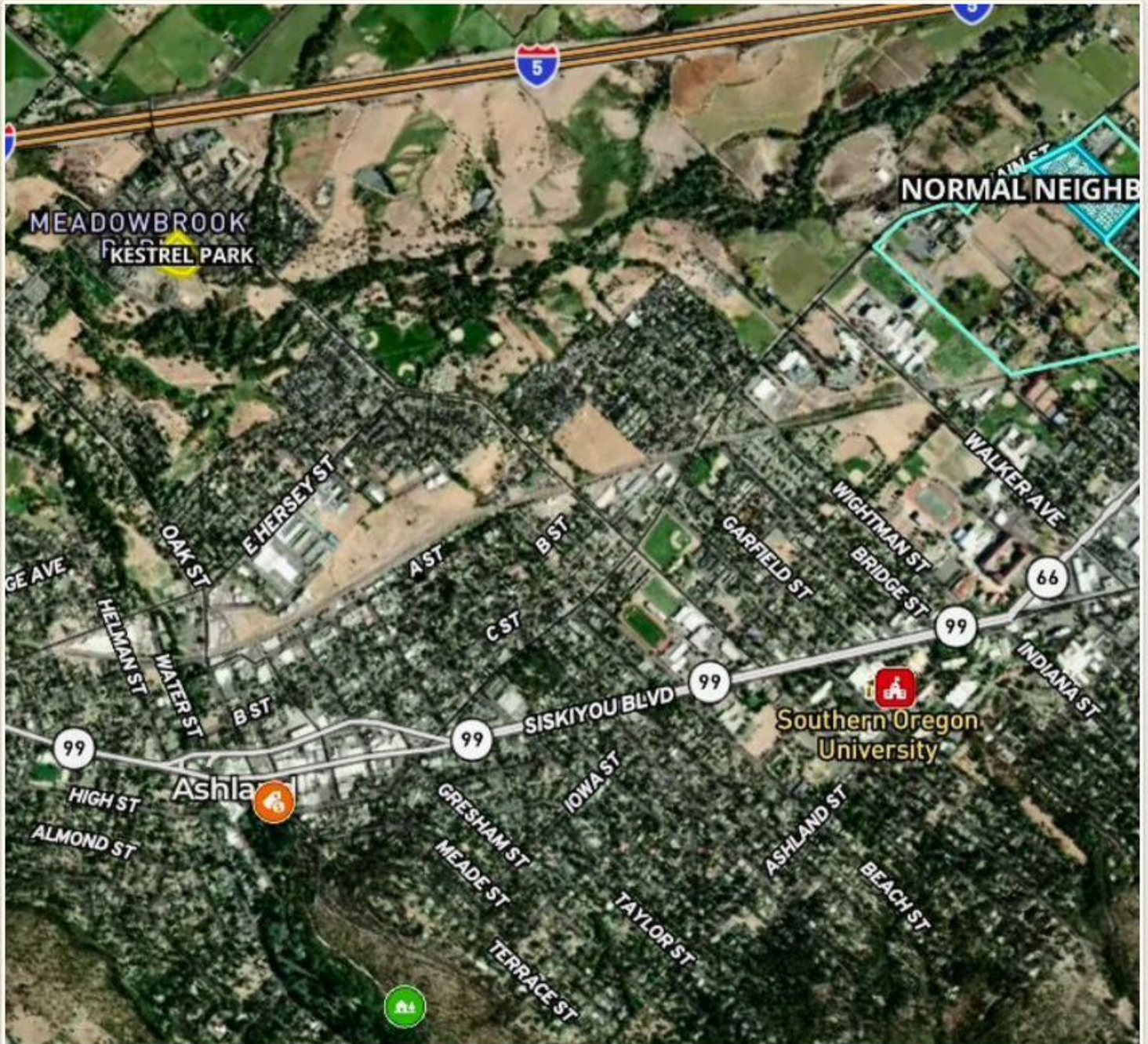
The parcel sits at the northern edge of the 93-acre district, with East Main frontage forming its primary public-facing edge. It is **not adjacent to the rail line** bounding the southern portion of the Plan area — a distinction that matters for infrastructure obligation (Section Seven). Its direct contiguity to City limits gives it a different annexation-readiness posture than the interior parcels (Section Six-A).

Surrounding Context & Connectivity

North: established residential along Walker Avenue and East Main. **South:** balance of Plan area, transitioning toward greenways and the rail corridor. **West:** existing residential, Temple Emek Shalom, and corridor connection toward Walker Avenue and downtown Ashland.

SITE OVERVIEW & AERIAL MAP

The subject assemblage anchors the northern, East Main edge of the 93-acre Normal Neighborhood Plan area — the natural opening move for Plan implementation, with Caldera Oaks (300 Clay Street) advancing nearby and Southern Oregon University approximately one mile to the southwest.



Project study area within the 93-acre Normal Neighborhood Plan — East Main corridor, Caldera Oaks, and Southern Oregon University context.

GATEWAY POSITION

Northern Plan-area edge with the district's only East Main commercial overlay frontage.

CONNECTIVITY

Arterial access to I-5 via East Main; ~1 mile to SOU and downtown Ashland.

ACTIVE CONTEXT

Caldera Oaks and other Plan-area projects validating the entitlement pathway.

ZONING FRAMEWORK & LAND USE

The property lies within Ashland’s Normal Neighborhood District, guided by zoning designations NN-1-5, NN-1-3.5, NN-1-3.5-C, and NN-2 — collectively enabling a graduated mix of single-family, cottage, multifamily, attached, and small-scale neighborhood commercial uses. Upon annexation from Jackson County’s RR-5 zoning, the property transitions into the City’s mixed-use framework.

Zone	Description	Density (du/ac)
NN-1-5	Single-family detached	4.5
NN-1-3.5	Small-lot / cottage	7.2
NN-1-3.5-C	Small-lot / cottage with commercial overlay	7.2 + comm.
NN-2	Attached / mixed-use	11.5

The NN-1-3.5-C Commercial Overlay

The NN-1-3.5-C designation along the East Main frontage is the **only commercial overlay in the entire 93-acre Plan area**. It permits small-scale neighborhood commercial uses — including licensed childcare and early-learning facilities — in combination with the underlying NN-1-3.5 small-lot residential program. Its structural rarity and alignment with documented community needs is addressed in Section Six-A.

Land Use Implications

The graduated mix can be calibrated to the buyer’s programming objectives — a single-family-weighted for-sale program, a multifamily-weighted program emphasizing attached and mixed-use product, a phased program combining both, or a partnership-driven program incorporating affordable, workforce, or community-serving components anchored by the commercial overlay.



Example housing types and permitted uses across the NN designations.

BUYER PROFILES

This site can be advanced by buyers with materially different underwriting frameworks. The three profiles below describe the audiences this offering is designed to reach — they are not mutually exclusive, and a buyer may combine elements of more than one.

01

REGIONAL MULTIFAMILY & MIXED-USE DEVELOPERS

PROFILE

Pacific Northwest or California–Oregon corridor developers delivering 50- to 150-unit projects in second-tier markets. Underwriting uses an as-is land basis plus entitlement carry, with infrastructure as a separate hard-cost line.

WHY THIS SITE FITS

The adopted plan reduces use-discretion risk; phased infrastructure triggers cap phase-one exposure to frontage impact; AFD provides a defined reimbursement pathway for sewer oversizing. NN density supports development at this profile's scale.

02

MISSION-ALIGNED PARTNERSHIPS

PROFILE

Coalitions combining a regional or local developer with non-profit or institutional partners pursuing community-serving programming — affordable housing, childcare and early-learning, or workforce housing. Underwriting pairs market-rate exit revenue with grant- or program-funded components.

WHY THIS SITE FITS

The NN-1-3.5-C overlay directly supports licensed childcare and early-learning. Oregon's childcare grants (\$20K–\$2M per facility) are accessible. AFD, SDC offsets, the Affordable Housing Trust Fund, and federal energy credits all stack with this strategy.

03

PHASED SMALL- BUILDER STRATEGIES

PROFILE

A regional builder or capital partner pursuing a multi-phase build-out — entitling the full parcel and phasing vertical construction over a multi-year window, potentially with intermediate lot sales. Underwriting rests on phased absorption and risk-shared vertical execution.

WHY THIS SITE FITS

NN density supports a tiered build-out — lower-density single-family for rapid-absorption opening phases, higher-density attached and mixed-use later. The Plan's phasing structure mirrors the buyer's phasing strategy.

PRICING BASIS — LAND COMPARABLE ANALYSIS

The asking price is supported by a six-comparable weighted land adjustment grid of recent Ashland and Jackson-County transactions, presented as a comp-supported as-is value range rather than a single-point reconciliation. Each comparable is normalized to the subject in both directions — upward where the subject is superior, downward where the comparable is superior — producing an honest adjusted \$/acre for each.

Comparable	Acres	Sale Price	\$/Acre (Raw)	Net Adj.	Adjusted \$/Acre
E Main (Huskey) — corridor	4.80	\$1,254,000	\$261,284	0%	\$261,000
300 Clay St (W. Ashland, RR-5)	2.16	\$155,520	\$72,000	+50%	\$108,000
492 Fordyce St (County EFU)	2.12	\$397,500	\$187,500	+70%	\$319,000
2007 E Hills Dr (Hillside EFU)	4.36	\$849,650	\$194,874	+80%	\$351,000
Magnolia Meadows	3.62	\$875,000	\$241,579	+20%	\$290,000
Beach Creek	10.00	\$2,100,000	\$210,000	+15%	\$241,500

Acreage shown rounded to two decimals; raw \$/acre is computed from precise recorded acreage.

Context reference (not weighted): 2045 East Main Street — 4.24 acres, assessed real market value \$94,330. Adjacent corridor parcel, shown for reference; not used in the weighted reconciliation given the absence of a recent arm's-length sale. Per-comparable detail appears in Appendix A.

Weighted Central Tendency & Indicated Range

Adjusted \$/acre across the six weighted comparables ranges from \$108,000 to \$351,000. The four comparables most structurally similar to the subject in parcel scale, corridor character, and entitlement context — Huskey, Magnolia Meadows, Beach Creek, and Fordyce — cluster at \$241,500 to \$319,000 per acre, with the Hills Drive comparable (+80%) at the upper bound and 300 Clay (+50%) anchoring the lower bound.

Greater weight is assigned to those four central-cluster comparables, producing a weighted central tendency of approximately \$270,000 to \$285,000 per acre. Applied to the subject's 9.71 acres, this yields an indicated as-is land value range of approximately **\$2,620,000 to \$2,770,000** on the comp work alone — with the asking price's position relative to that range addressed in Section Six-A.

• RECONCILIATION

Range (6 comps)	\$108,000 – \$351,000 / ac
Central cluster	\$241,500 – \$319,000 / ac
Weighted central	~\$270,000 – \$285,000 / ac
As-is range ×9.71 ac	~\$2.62M – \$2.77M
Asking Price	\$2,900,000

The asking price sits at and modestly above the upper end of the comp-supported range — the structural position attributes in Section Six-A are presented as separate components of value supporting that positioning.

STRUCTURAL VALUE DRIVERS

The comp-supported range in Section Six reflects like-for-like value relative to recent transactions. The four attributes below are **not adjustments within the comp grid** — they are separate components of value that support positioning the asking price at and modestly above the upper end of the comp-supported range. A buyer underwrites each on its own merits.

STAND-ALONE ANNEXATION READINESS

Directly contiguous to existing City limits and city services. Within the broader assemblage geometry of the Plan area, the subject is the **only parcel holding stand-alone contiguity** in the relevant chain; other parcels require connection through or coordination with it to meet annexation contiguity requirements. This position has been confirmed through direct coordination with Ashland Community Development. The seller does not guarantee any specific buyer's ability to leverage it; buyers should conduct their own diligence.

NN-1-3.5-C COMMERCIAL OVERLAY FRONTAGE

The **only commercial overlay in the entire 93-acre Plan area**, permitting neighborhood-scale commercial — including licensed childcare and early-learning — alongside the underlying NN-1-3.5 small-lot residential program. Its structural rarity, and its alignment with the City's stated childcare and early-learning priorities and with housing needs for Southern Oregon University-affiliated households, is a value component independent of the parcel's residential comp value.

AFD-ELIGIBLE REIMBURSEMENT PATHWAY

Contingent on a Development Agreement, the AFD reimburses qualifying East Main sewer oversizing (8"→12" to frontage; 12"→18" to Bear Creek) and qualifying frontage segments. It does not eliminate upfront capital but materially improves a qualifying buyer's cash-on-cash position over the development cycle — an attribute none of the working comparables carry. Section Seven and Appendix B set out the eligible segments and the activation pathway in detail.

EXISTING IMPROVEMENT — CARRY-COST OFFSET

A 3,819 SF single-story structure (1995, tax account 1-098653-7), historically the Church's community building, in good condition, with a documented 2024 County improvement value of **\$258,920**. County records reflect a one-story residence on a 3.67-acre lot — an objective fourth-party anchor for underwriting. Available for interim community-purpose, caretaker, or compatible use; preserve, repurpose, or remove at the buyer's discretion post-entitlement.

\$2,900,000

Pricing implication. In combination, these four structural attributes support positioning the asking price at and modestly above the upper end of the comp-supported as-is range (~\$2.62M–\$2.77M). They are presented as separate components of value, not additive line items — a buyer underwrites each on its own merits.

INFRASTRUCTURE & PHASED DEVELOPMENT PATHWAY

The site benefits from an infrastructure framework unusually well-defined for a pre-entitlement parcel. The adopted Plan expressly contemplates phased public improvements, and the parcel's East Main position — with no rail-line adjacency — places it favorably relative to the phased trigger structure, per the adopted Plan and direct conversations with Ashland Planning and Public Works specific to this site.

Infrastructure and transportation improvements to East Main Street could potentially be completed in phases, dependent upon the impacts of proposed developments within the plan area and supporting Traffic Impact Analysis.

NORMAL NEIGHBORHOOD PLAN FRAMEWORK · P.30

SANITARY SEWER

Phase-one path: upsize the 8" East Main segment to 12" to frontage, upsize 12" to 18" to the Bear Creek alignment, and connect to the existing gravity system. AFD reimbursement is available on qualifying oversizing.

EAST MAIN FRONTAGE IMPROVEMENTS

A phase-one frontage development is responsible only for travel/turn-lane improvements 250' either side of any new intersection and ped/bike improvements from Walker to Clay.

Full street improvements are triggered only on a second new public street intersection.

NORMAL AVENUE & RAILROAD CROSSING

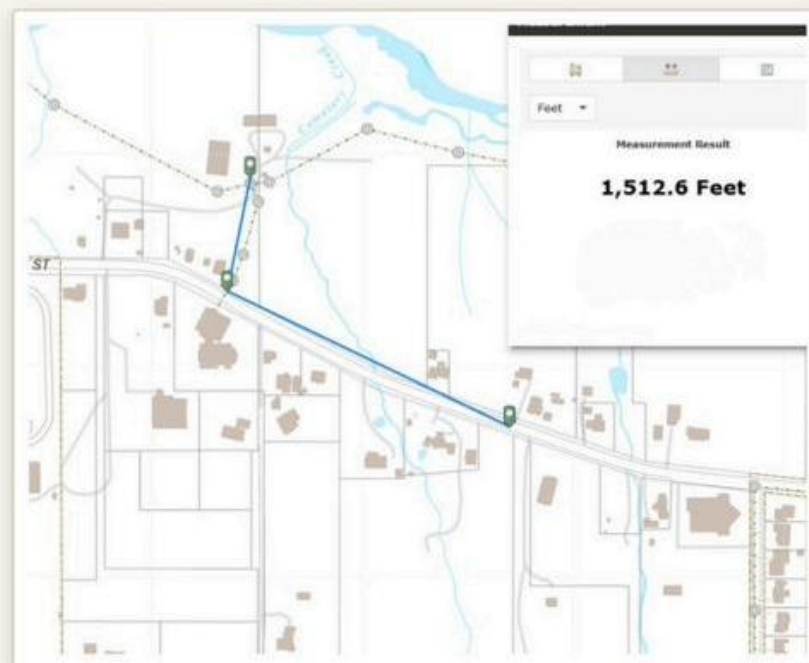
The subject does not abut the rail line. Full Normal Avenue buildout and the rail-crossing upgrade are not phase-one obligations; that capital is borne by rail-adjacent parcels at a later phase.

WATER & STORMWATER

The Lithia main serves the site at frontage; no significant off-site water extensions are indicated for phase one. Stormwater follows the Plan's LID-based approach.

ADVANCE FINANCING DISTRICT

Cost-sharing on off-site improvements under a Development Agreement; applies most directly to East Main sewer oversizing and qualifying frontage segments.



City-identified sewer line upsizing eligible for AFD reimbursement and cost-sharing. Full p.30 phasing language and the obligations table are reproduced in Appendix B.

DEVELOPMENT INCENTIVES & FUNDING PROGRAMS

The Gateway benefits from an alignment of City, State, and Federal programs designed to encourage mixed-use, attainable, and community-serving development. None is assumed in the comp-supported pricing basis; the AFD pathway is identified as a structural position attribute in Section Six-A. All others are available to qualifying buyers as cumulative offsets to effective infrastructure and fee burden. Program-by-program detail appears in Appendix C.

Program	Source	Applicability
Advance Financing District (AFD)	City of Ashland	Reimbursement for qualifying off-site sewer oversizing and qualifying frontage segments; activation tied to a Development Agreement.
System Development Charge (SDC) Offsets	City of Ashland	Potential SDC reductions for qualifying affordable units ($\leq 100\%$ AMI) and small-unit programs.
Affordable Housing Trust Fund	City of Ashland	Gap funding for inclusionary affordable units, subject to application and program cycle.
Oregon Childcare / Early-Learning Funding	State of Oregon	Competitive grants from approximately \$20K to \$2M for licensed childcare or early-learning facility build-out.
Federal 45L / Investment Tax Credit	Federal	\$5,000-per-unit energy-efficient new home credit; investment tax credit on qualifying solar installation.
USDA Community Facilities	USDA Rural Dev.	Potential low-interest financing or grants for eligible community-serving facility components.

Eligibility, application, timing, and funding availability are the buyer's responsibility to establish and maintain. The seller does not represent any specific dollar value of cumulative benefit.

For a partnership-driven program incorporating affordable, workforce, or community-serving components, AFD plus SDC offsets plus state childcare funding plus federal energy credits represents a meaningful aggregate offset to baseline development cost. For a market-rate program, AFD plus federal energy credits is the principal applicable stack.

ABSORPTION & ENTITLEMENT TIMING

The site is contiguous to existing City limits and within the Urban Growth Boundary — the precondition for Type III annexation. Because use and density are plan-conformant, the planning question is master-plan-level coordination rather than use discretion. Total indicative time from acquisition to vertical construction is approximately 18 to 30 months.

Phase	Activity	Indicative Duration
1-2	Pre-application meetings; master plan refinement; annexation application + master plan submission; concurrent Development Agreement drafting	4 – 9 months
3	Type III annexation review (Planning Commission, City Council); master plan approval	6 – 12 months
4	Site Design Review for first phase; final engineering; building permits	3 – 6 months
5-6	Phase-one infrastructure construction; vertical construction commences (concurrent or following)	6 – 12 months

Absorption is supported by constrained new-construction supply and the Plan's permitted density mix, which allows lower-density single-family product as a rapid-absorption opening phase while higher-density attached and mixed-use product follows in later phases. Durations are indicative and overlap in practice; annexation and master-plan approval (Phase 3) can proceed concurrently with Development Agreement drafting begun in Phases 1-2.



• ACQUISITION TO VERTICAL

18-30

months, total indicative time

An adopted plan, plan-conformant use and density, and prior pre-application coordination with Ashland Planning and Public Works place this site in a different risk posture than a comparable raw-land assemblage.

RISK & MITIGANTS

Pre-entitlement land carries real risks. They are summarized here, paired with the structural mitigants the seller and the City have already put in place. The buyer absorbs entitlement risk and captures entitlement uplift on the buyer's own timeline and at the buyer's own cost — an allocation reflected in the property's pre-entitlement, as-is pricing posture (Sections One and Six).

ENTITLEMENT TIMING

RISK

Type III annexation and master plan approval involve discretionary review and proceed on the City's calendar.

MITIGANT

The Plan is adopted and in force; use, density, and street network are plan-conformant by design; pre-application coordination with Ashland Planning and Public Works has already occurred — materially reducing use-discretion risk relative to a raw-land assemblage, though not eliminating calendar risk.

INFRASTRUCTURE COST VARIABILITY

RISK

Phase-one infrastructure costs (sewer oversizing, frontage, internal extension) are subject to bid-market variability and final engineering.

MITIGANT

The Plan caps phase-one obligations at frontage-scale improvements; AFD reimburses qualifying sewer oversizing; LID-based stormwater avoids expensive engineered conveyance; the Appendix B inventory gives a buyer a clear basis to bid against.

MARKET ABSORPTION

RISK

Residential and mixed-use absorption is subject to the interest-rate environment, regional employment, and broader market cycles.

MITIGANT

Ashland's market has demonstrated stability through multiple cycles; new-construction supply is constrained (Kestrel Park at the mid-\$700,000s); the permitted density mix supports phased build-out, with lower-density single-family as the rapid-absorption opening phase.

ADJOINING-OWNER ANNEXATION ACTIVITY

RISK

Annexation activity by adjoining owners could affect the timing or sequencing of Plan-area infrastructure obligations.

MITIGANT

Phasing language is keyed to the location of new East Main intersections and to rail-adjacent annexation; the subject's phase-one obligations are not increased by adjoining activity that does not itself create a second new intersection or annex rail-adjacent parcels.

ILLUSTRATIVE HIGHEST-AND-BEST-USE CONCEPT

Framing. The figures below are illustrative — a representative concept aligned with the Plan’s density framework. They are **not** the basis on which the asking price is set; that basis is the comp-supported land valuation (Section Six) and the structural position adjustments (Section Six-A). Detailed numerical backup is in Appendix D.

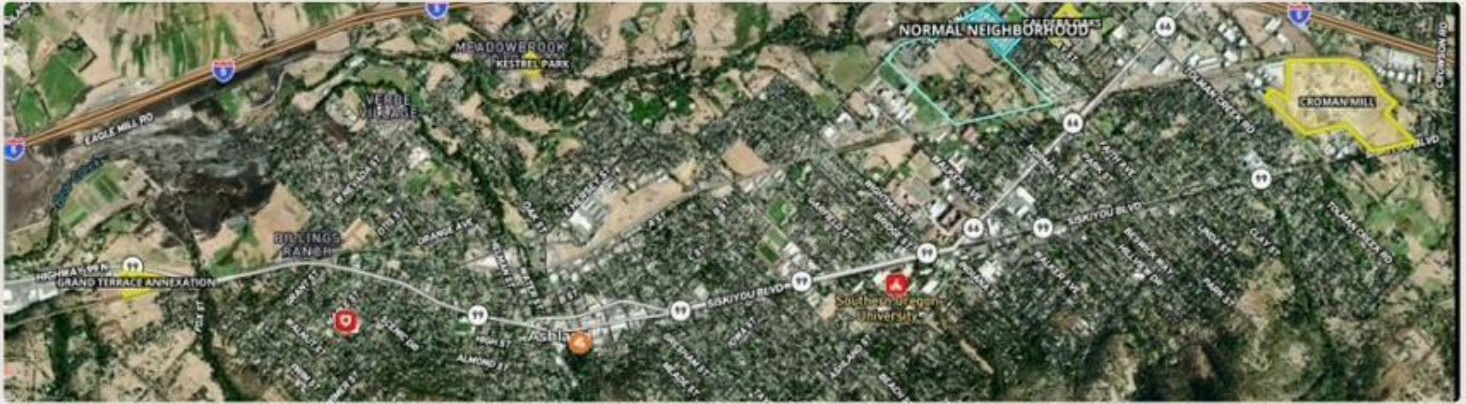


Conceptual site plan — efficient utilization, walkable design, and neighborhood integration.

Conceptual Program & Indicative Economics

Component	Units / Scale	Notes
Single-family detached	42 units	~1,700 SF avg
Rear apartments	16 units	~850 SF avg
Frontage apartments	12 units	~625 SF avg
Mixed-use residential (above retail)	18 units	~575 SF avg
Neighborhood commercial / retail	~7,000 SF	Ground-floor mixed-use
Total residential	88 units	GDV ~\$40M • Cost ~\$35.5M • Land residual ~\$8.4M

CURRENT DEVELOPMENT ACTIVITY IN ASHLAND



Ashland's pipeline reflects sustained investor confidence, continued demand for new housing, and a clear municipal preference for entitled, execution-ready sites. Several active projects provide useful market context for the Gateway opportunity.

Croman Mill District

72-ACRE MASTER PLAN

A 72-acre master-planned community in the City's planning and engagement phase — envisioned as mixed-use housing, employment, and open space. The largest active master-plan effort in Ashland, signaling the City's commitment to coordinated, plan-driven growth at a district scale.

Caldera Oaks

300 CLAY ST · IN SITE DESIGN REVIEW

A mixed-use project approved by City Council and advancing into Site Design Review for Phase 1. Its pathway from concept through Council approval to Site Design Review is the same pathway a Gateway buyer would follow — real-time validation of the entitlement framework that supports this offering.

Kestrel Park

SINGLE-FAMILY · MID-\$700KS

An active single-family subdivision selling new homes from the mid-\$700,000s — the most direct comparable for new-construction single-family pricing in Ashland today, and the most relevant absorption and pricing benchmark for a single-family-weighted program.

Grand Terrace Apartments

MULTIFAMILY

Grand Terrace's entitlement experience underscores the comparative advantage of plan-aligned, de-risked sites. Projects not anchored by an adopted plan face a more discretionary review pathway; the Gateway's posture within the adopted Plan is a meaningful structural advantage.

WHY ASHLAND & SOUTHERN OREGON



Crater Lake National Park — a symbol of Southern Oregon’s natural beauty and enduring market appeal.

STRATEGIC GROWTH MARKET

Ashland anchors Southern Oregon’s most active corridor, combining small-town character with strong development fundamentals. Approximately 21,000 residents with access to a regional population exceeding 200,000 across the Rogue Valley sustain consistent demand across residential and mixed-use segments.

ECONOMIC STABILITY

A broad, resilient economy — healthcare, education, manufacturing, tourism, and technology. Major employers include Asante Health, Lithia Motors, and Harry & David. Southern Oregon University, ~1 mile from the site, provides a stable employment base and ongoing student and staff housing demand.

ACCESS, EDUCATION & LIFESTYLE

On Interstate 5 between Portland and San Francisco; Rogue Valley International–Medford Airport ~15 miles north. A vibrant downtown, performing-arts community, and proximity to Crater Lake, Mount Ashland, and the Rogue River drive long-term demand. The 2010–2025 growth of ~13% was accommodated almost entirely through infill.

DEMOGRAPHICS SNAPSHOT

Ashland combines small-town livability with a robust economic foundation, maintaining consistent demand across residential and mixed-use segments. Key indicators for the City and the surrounding Rogue Valley:

+13%

Population growth (2010–2025)

\$72,000

Median household income

47%

Bachelor's degree or higher

42

Median age

>\$550K

Avg. home value within 1 mile (2025)

58%

Home ownership rate

~21,000

Ashland city population (2025)

~200,000

Regional population (Rogue Valley)

DOCUMENTED HOUSING NEED — CITY OF ASHLAND

The City has formally documented a sustained and projected housing shortfall — concentrated not only in low-income but also in the moderate-income and workforce bands the Normal Neighborhood program is positioned to serve.

858

New units needed,
Ashland UGB 2021–2041

~1/3

Of that need below 50% of
median income

Nearly half

Of Ashland households
cost-burdened (30%+ of
income)

~2,549

Regional homes lost, 2020
Alameda Fire

Sources: City of Ashland 2021–2041 Housing Capacity Analysis (2021); Housing Production Strategy (2023). Independent analysis; figures are the City's and subject to the City's methodology.

TRANSACTION GUIDELINES

The property is offered for sale on the open market on an **As-Is, Where-Is** basis. Prospective purchasers should rely on their own analysis and conduct independent diligence on all elements of the offering. The listing brokers are available to assist qualified purchasers with their review and to coordinate property tours. All initial inquiries, meetings, and site visits should be directed through the listing brokers.

Letter of Intent — please include:

- Proposed purchase price
- Verifiable proof of funds
- Earnest money deposit
- Due diligence period, extension options, and internal approval process
- Desired closing date
- Allocation of closing expenses between buyer and seller

Submit in writing to the listing brokers. The Seller reserves the right to accept, reject, or negotiate any proposal, and may consider structured agreements aligned with annexation or entitlement milestones.



SEAN BAGSHAW | OUTDOOR EXPOSURE PHOTOGRAPHY

DISCLAIMER

This Offering Memorandum has been prepared for informational and marketing purposes only. The information has been compiled from sources deemed reliable; however, Adams Pfau Commercial Group, acting in cooperation with Coldwell Banker Professional Group and John L. Scott Real Estate, makes no representation, warranty, or guarantee as to its accuracy, completeness, or suitability. All information is subject to change without notice.

Recipients should conduct their own independent investigation of all facts and assumptions, including zoning, entitlement status, infrastructure requirements and costs, applicable incentive programs, and market conditions. The Illustrative Highest-and-Best-Use Concept and Appendix D figures are conceptual only — not a basis for the asking price, and not represented as achievable in any specific program or timeline.

The structural position attributes described in Section Six-A are presented as the seller's independent analysis; buyers should conduct their own diligence on each. All potential offsets or funding mechanisms are subject to application, approval, and available funding. This Memorandum does not constitute an offer to sell or a solicitation to buy. The property is offered subject to prior sale, modification, or withdrawal. Materials are confidential and may not be reproduced or shared without prior written consent.



Mount Ashland and the Southern Oregon Cascades.

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Presented by Adams / Pfau Commercial Group — Commercial Sales, Land, Investment & Development across Southern Oregon. Conceptual vision media and full financial materials are available to qualified buyers under a confidentiality agreement.

LAND COMPARABLE ADJUSTMENT DETAIL

Expanded backup for the land comparable analysis in Section Six. Each comparable is adjusted in both directions — upward where the subject is superior, downward where the comparable is superior — across parcel scale, frontage and access, UGB position, utility presence, neighborhood adjacency, walkability, topography, and zoning context.

**E MAIN (HUSKEY) — 4.80 AC, \$1,254,000
(\$261,284/AC)**

Most directly comparable in location and frontage. Small-parcel premium recognition offset against the subject's assemblage advantage; frontage similarity; topography differential. Net 0% → **\$261,000/ac.**

**300 CLAY ST (W. ASHLAND, RR-5) — 2.16 AC, \$155,520
(\$72,000/AC)**

West Ashland RR-5 baseline. Size differential, zoning and UGB-proximity advantages, utility adjacency. Net +50% → **\$108,000/ac** — retained as the lower-bound anchor.

**492 FORDYCE ST (COUNTY EFU) — 2.12 AC, \$397,500
(\$187,500/AC)**

County EFU baseline. Smaller-site differential, development-potential differential (plan-aligned pathway), utility/urban context. Net +70% → **\$319,000/ac.**

**2007 E HILLS DR (HILLSIDE EFU) — 4.36 AC, \$849,650
(\$194,874/AC)**

Hillside EFU. Size differential, UGB adjacency, exposure differential. Net +80% → **\$351,000/ac** — the upper-bound anchor.

**MAGNOLIA MEADOWS — 3.62 AC, \$875,000
(\$241,579/AC)**

Recent subdivision sale; construction underway. Comparable superior on established adjacency, greenway proximity, existing City connections; subject superior on assemblage scale, NN-1-3.5-C overlay, Plan position, stand-alone annexation. Net +20% → **\$290,000/ac.**

BEACH CREEK — 10.00 AC, \$2,100,000 (\$210,000/AC)

Closest parcel-scale comparable. Comparable superior on downtown walkability, established adjacency, includes a house; subject superior on overlay, Plan position, stand-alone annexation. Net +15% → **\$241,500/ac.**

• RECONCILIATION SUMMARY

Range (6 comps)	\$108,000 – \$351,000 / ac	As-is range ×9.71 ac	~\$2,620,000 – \$2,770,000
Central cluster	\$241,500 – \$319,000 / ac	Asking price	\$2,900,000
Weighted central	~\$270,000 – \$285,000 / ac	Position	At / modestly above upper end

Greater weight is given to the four comparables most structurally similar to the subject (Huskey, Magnolia Meadows, Beach Creek, Fordyce). The Hills Drive and 300 Clay comparables are retained as range anchors.

Acreage shown rounded to two decimals; raw \$/acre is computed from precise recorded acreage.

INFRASTRUCTURE & PHASING REFERENCE

This appendix reproduces principal source language from the Normal Neighborhood Plan Framework (adopted 2015) and supporting reference detail underlying Section Seven — a standalone reference for buyer counsel and engineering consultants conducting diligence on phasing, infrastructure obligations, and AFD eligibility.

The City will consider establishing an Advance Financing District for off-site public facility improvements, as long as the City and the developer enter into a Development Agreement... The construction of a new public street connection to East Main St. will trigger public street improvements along East Main St.

PLAN FRAMEWORK · P.30

During the first phase... improvements shall be made to East Main Street, from Walker Avenue to Clay Street: travel and turn lane improvements fully installed a minimum of 250' on either side of any new intersection. Full street improvements upon installation of any second new public street intersection.

PLAN FRAMEWORK · P.30

Sanitary sewer alignment (p.31). A single 8" stub connects Temple Emek Shalom (1800 East Main) to the 12" sewer in the Bear Creek alignment. Phase-one path: upsize East Main to 12" to frontage, 12"→18" to Bear Creek, tie into the existing gravity system — consistent with guidance from Ashland Public Works. **Water & stormwater (pp.31-32).** The Lithia main runs in East Main; the frontage is the indicated phase-one water connection. Stormwater is LID-based (bio-swales, bio-retention cells, planters).

PHASE-ONE INFRASTRUCTURE OBLIGATIONS — REFERENCE TABLE

Element	Phase-One Obligation	Plan Ref.	AFD Eligibility
Sewer East Main 8"→12" to frontage	Required	p.31 / 30	Eligible (oversizing)
Sewer 12"→18" to Bear Creek	Required	p.31 / 30	Eligible (oversizing)
East Main travel / turn lanes	250' either side of new intersection	p.30	Qualifying segments
East Main ped / bike (Walker–Clay)	Prior to phase-one completion	p.30	Qualifying segments
Full East Main corridor	Not phase one (2nd-intersection trigger)	p.30	N/A at phase one
Normal Ave full buildout	Not phase one (rail-adjacent trigger)	p.30	N/A at phase one
Railroad crossing upgrade	Not phase one (rail-adjacent trigger)	p.30	N/A at phase one
Future-improvements participation	Condition of annexation	p.30	N/A
Water main	From East Main alignment	p.31	Standard SDC
Stormwater	On-site, LID-based	pp.31-32	Standard

Coordination status. The seller has had direct conversations with Ashland Planning and Public Works specific to this site covering phase-one sewer alignment, the East Main phasing read, and AFD activation. Coordination is ongoing; buyers are encouraged to coordinate directly under broker introduction.

INCENTIVE PROGRAM DETAIL

Expanded detail on the incentive stack summarized in Section Eight. None of these programs is assumed in the comp-supported pricing basis; the AFD pathway is identified separately in Section Six-A. All others are available to qualifying buyers as a qualifier on effective infrastructure and fee burden. Eligibility, application, timing, and funding availability are the buyer's responsibility.

ADVANCE FINANCING DISTRICT (AFD) — CITY

Cost-sharing on off-site public facility improvements; activation requires a Development Agreement. Applies most directly to East Main sewer oversizing (8"→12" to frontage; 12"→18" to Bear Creek) and qualifying frontage segments. Improves cash-on-cash; does not eliminate upfront capital.

SDC OFFSETS — CITY

Fee reductions for qualifying affordable units (typically ≤100% AMI) and small-unit programs below specified square-footage thresholds, subject to City program parameters and verification at application.

AFFORDABLE HOUSING TRUST FUND — CITY

Gap funding for inclusionary affordable units. Funding cycles, application windows, and award sizes are governed by City program rules; strongest under a profile that includes an inclusionary affordable component.

OREGON CHILDCARE / EARLY-LEARNING — STATE

Competitive grants ~\$20K-\$2M for licensed childcare or early-learning facility build-out, administered through the Oregon Department of Early Learning and Care. The NN-1-3.5-C overlay is the structural predicate that makes this directly accessible.

FEDERAL 45L / INVESTMENT TAX CREDIT

Section 45L energy-efficient new home credits per qualifying unit; ITC on qualifying solar and renewable energy. High-efficiency construction plus solar can stack both onto baseline economics. Verify with qualified tax counsel.

USDA COMMUNITY FACILITIES

Low-interest financing and, in some cases, grants for community-serving facilities in eligible areas — most applicable where the program includes a clearly community-serving component with appropriate sponsorship.

Cumulative effect. *These programs are stackable in principle, with eligibility specific to each. The seller does not represent any specific dollar value of cumulative benefit; eligibility, application, and award are entirely the buyer's responsibility.*

ILLUSTRATIVE PROJECT NUMERICS – PROGRAM & COST

Expanded numerical backup for the illustrative concept in Section Eleven. These figures are illustrative and conceptual – **not** the basis on which the asking price is set; that basis is the comp-supported as-is land valuation in Section Six and the structural position adjustments in Section Six-A. They communicate the magnitude and structure of value creation under one representative program.

1. Conceptual Program Recap

Component	Units / Scale	Avg Unit Sizing
Single-family detached	42	1,700 SF
Rear apartments	16	850 SF
Frontage apartments	12	625 SF
Mixed-use residential (above retail)	18	575 SF
Total residential	88	—
Neighborhood commercial / retail	~7,000 SF	Ground-floor mixed-use

2. Illustrative Development Cost Breakdown

Component	Indicative Cost	Sizing Assumption
Single-family vertical (42 units)	\$26.4 M	1,700 SF × \$370/SF
Rear apts vertical (16 units)	\$4.8 M	850 SF × \$350/SF
Frontage apts vertical (12 units)	\$2.7 M	625 SF × \$355/SF
Mixed-use vertical (18 units)	\$3.6 M	575 SF × \$350/SF
Neighborhood commercial vertical	\$2.5 M	7,000 SF × \$358/SF
Subtotal vertical	~\$40 M	All residential + commercial
Network & infrastructure	~\$3 M	Phase-one; AFD reimbursement on qualifying portion
Soft costs & fees	~\$4 M	Architecture, engineering, permits, financing
Sales / closing costs	~7%	Standard residual model deduction
Indicative total project cost (net)	~\$35.5 M	Net of sales/closing; before incentives

ILLUSTRATIVE PROJECT NUMERICS — TRANSITIONAL VALUE

3. Illustrative Gross Development Value & Transitional Framework

A transitional value framework expresses today's indicated land value based on the property's expected entitled-and-developed value, adjusted for time, cost, and developer profit. It is shown here as illustrative reference only — not the basis on which the asking price is set.

GDV at stabilization	~\$40.0 M
Net development cost	~\$35.5 M (before incentives)
Entitled land value (residual ceiling)	~\$8.4 M
Illustrative transitional value	~\$5.0 M
Asking price	\$2,900,000 (comp-supported)

Transitional Value = Entitled Value × (1 – Developer Margin) × Probability of Success ÷ (1 + Discount Rate)^{Years}. Applying the inputs below yields an illustrative transitional value of ~\$5.0M — one modeled reference point, **not** the pricing basis.

Variable	Input	Rationale
Entitled-and-developed value (residual ceiling)	\$8.4 M	Modeled value for fully entitled 88-unit + 7,000 SF program
As-is comp-supported land value range	\$2.6 M – \$2.8 M	Indicated by the Section Six comparable analysis
Probability of entitlement success	90%	Plan-conformant use; subject to discretionary review and timing
Discount rate	15%	Typical range for medium-risk Type III annexation underwriting
Years to entitlement	1.25 years	Average annexation and master-plan-conformant approval cycle
Developer profit margin	25%	Illustrative market-standard target for residual analysis only

Applying the framework — starting from the modeled entitled value of ~\$8.4M, applying a 25% developer profit deduction, multiplying by 90% probability of success, and discounting over a 1.25-year horizon at 15% — yields an illustrative transitional value of approximately \$5.0M. Actual value varies materially with entitlement timing, market conditions, construction costs, and execution. The asking price of \$2,900,000 is supported by the Section Six comparable analysis and the Section Six-A structural adjustments, not by this framework.

ILLUSTRATIVE PROJECT NUMERICS — CAPACITY & VISION

4. Illustrative Incentive Program Capacity

Illustrative ranges of program capacity under each principal incentive program. None is assumed in the comp-supported pricing basis; none is a guarantee of any specific dollar award; each is subject to eligibility, application, and program cycle. See Appendix C for program-by-program detail.

Program	Capacity	Application
Advance Financing District (sewer oversizing, frontage)	~\$1.0 M	Reimbursement for qualifying off-site improvements
SDC offsets (small / affordable units)	~\$0.5 M	Per-unit reductions for qualifying programs
Affordable Housing Trust Fund	~\$0.4 M	Gap funding for inclusionary units
Federal 45L / ITC (energy, solar)	~\$0.9 M	Per-unit and qualifying solar credits
Oregon Childcare / Early-Learning Funding	~\$1.2 M	Competitive grants for licensed facility build-out
Illustrative aggregate capacity	~\$4.0 M	Subject to program-by-program eligibility

5. Conceptual Vision Materials

In addition to the numerical backup above, the following conceptual materials are available to qualified buyers under a duly executed Confidentiality Agreement:

- A **conceptual site plan** illustrating one representative arrangement of single-family, attached, multifamily, and mixed-use components consistent with the Plan's NN zoning framework.
- **Massing studies** illustrating density transitions, pedestrian and street-network connectivity, open-space and stormwater treatment integration, and the East Main frontage condition.
- **Rendered street-level views** illustrating the look-and-feel of the conceptual program.
- A companion **video presentation** walking through the conceptual development vision in narrative form.

Access to all conceptual vision materials is coordinated through the listing brokers — contact details in Section Fifteen. All figures in this appendix are illustrative and conceptual, provided to communicate the magnitude and structure of value creation under one representative program, and are not represented as achievable on any specific timeline.

ADOPTED-POLICY ALIGNMENT

The structural attributes presented throughout this Memorandum align closely with the City of Ashland's adopted Comprehensive Plan. The following is the seller's independent analysis of that alignment, organized by theme. The Plan expresses goals and policies and is aspirational in nature; it does not guarantee any specific entitlement, density, funding, or approval outcome.

ORDERLY, CONTIGUOUS GROWTH

Reinforces stand-alone annexation-readiness and the gatekeeper position (Investment Highlights; Section Six-A). City policy stages service extension within City limits before the UGB to prevent leap-frog development, toward a compact urban form (Public Services §9.01.04 Policy 3; Urbanization §12.09).

INFRASTRUCTURE & AFD OVERSIZING

Reinforces the public-private / AFD reimbursement pathway (Section Seven; Appendix B). City policy sizes future sewers for full-service-life UGB growth — the oversizing the AFD reimburses — and weighs infrastructure cost against housing cost (Public Services §9.02.04 Policy 14; Housing §6.10.02 Policy 17).

COMMERCIAL OVERLAY & MIXED USE

Reinforces the NN-1-3.5-C commercial overlay frontage (Investment Highlights; Section Four). City policy provides for neighborhood shopping and mixed business-and-residential use, and mixed-use along corridor streets (The Economy §7.07.03 Policy 2(d)–(e); Transportation §10.05).

HOUSING DIVERSITY & NN PRODUCT

Reinforces the graduated NN program — cottage, attached, mixed-use (Executive Summary; Section Four). The 2019 Housing Element anticipates cottage, attached, and apartment housing and compact infill (Housing §6.09; §6.10.01 Policy 5; §6.10.03 Policy 19).

AFFORDABLE / WORKFORCE & TRUST FUND

Reinforces the incentive stack and mission-aligned buyer profile (Section Eight). City policy commits the Housing Trust Fund and incentives to lower- and moderate-income housing and prioritizes permitting of affordable and multifamily housing (Housing §6.10.02 Policies 11, 15).

ENTITLEMENT CERTAINTY & TIMING

Reinforces the de-risked entitlement pathway (Investment Highlights; Sections Nine and Ten). City policy seeks clear, predictable review with reduced uncertainty, minimized permit time, and activation of UGB land for housing (The Economy §7.07.03 Policy 2(g); Housing §6.10.04 Policies 23, 25).

ENERGY & SUSTAINABILITY

Reinforces the federal energy-credit component and sustainability positioning (Sections Eight and Thirteen). City policy promotes energy efficiency, renewables, and Climate & Energy Action Plan alignment, and neighborhood-scale uses that reduce trips (Housing §6.10.03 Policies 19–21; §6.08).

Citations are to the City of Ashland Comprehensive Plan (Housing Element adopted June 2019, Ordinance #3179; remaining elements as compiled). Buyers should conduct their own diligence on each policy reference.