

DETAILS

Welcome to the development overview for Sections 13 & 24, County Road 83 in Briggsdale, Colorado. The proposed 12 35-acre and 4 5-acre lots are attractive investments for homebuyers looking for rural living and land development. We are seeking \$500,000 in equity investment and anticipate having lots on the market within 45 days and completing sales between 2-3 years.

This document details the expected net profits of \$635,000, with a projected return of original capital by early 2025. These returns must be weighed against the investment risks and other considerations outlined in the Private Placement Memorandum.

This overview provides information in addition to the Private Placement Memorandum regarding property information, market conditions, development plan, management team, financial projections, and legal and regulatory issues to help you analyze the investment potential of this property. We invite you to explore the information provided and consider the opportunities this project presents for significant returns on your investment.

PROPERTY TITLE

Briggsdale Subdivision

PROPERTY DESCRIPTION

The Briggsdale Subdivision consists of 16 lots, totaling 146.45 acres. Located in Briggsdale, Colorado, this residential land development project is designed to attract homebuyers looking for rural living opportunities. The project aims to subdivide the land into several 35-acre lots, with a few smaller 5-acre lots, to appeal to a broader market.

PARCEL 1 – ½ Section 24-0 County Road 83 in Briggsdale, CO

- Southeast of CR 83/80 intersection
- 6 35-acre lots, 2 30-acre lots, & 2 5-acre lots

PARCEL 2 – Section 13-0 County Road 83 in Briggsdale, CO

- Southeast of CR 83/82 intersection
- 235-acre lots, 2 30-acre lots, & 2 5-acre lots

Location Assessment

Regional Location

The properties are located:

- 4-5 miles East of Hwy 392, the main highway linking Briggsdale to Greeley.
- 7 miles SE of Briggsdale, which has a small grocery store, gas station, school, and small community.
- 23 Miles East of Eaton, which includes stores and a country club.
- 24 miles NW of Jackson Lake State Park and Reservoir.
- 28 miles NE of Greeley, which has the largest selection of stores, restaurants, and activities, along with an airport.
- 50 Miles NW of Fort Morgan, a larger farming community.
- 60 miles West of Sterling, a large farming community

Site Location

Briggsdale is a farming community with around 150 people in the town and 250-350 in the surrounding area. The lots are surrounded by sections of farmland. The Pawnee Sportsman's Center is 8 miles west, on the Pawnee National Grasslands begin to the northwest of Briggsdale as well as to the Northeast.

Weld County continues to see significant population growth as price and population pressure from the western I-25 corridor continue to push people east.

Site Plan & Lot Layout

SECTION 13 Subdivision

- 4 35-Acre Lots
- Possible Family Farm Division for an additional 2 5-10 acre lots (takes additional 6 months)

SECTION 24 Subdivision

- 8 35-Acre Lots
- Possible Family Farm Division for an additional 2 5-10 acre lots (takes additional 6 months).

MARKET ANALYSIS

Pricing Recommendations

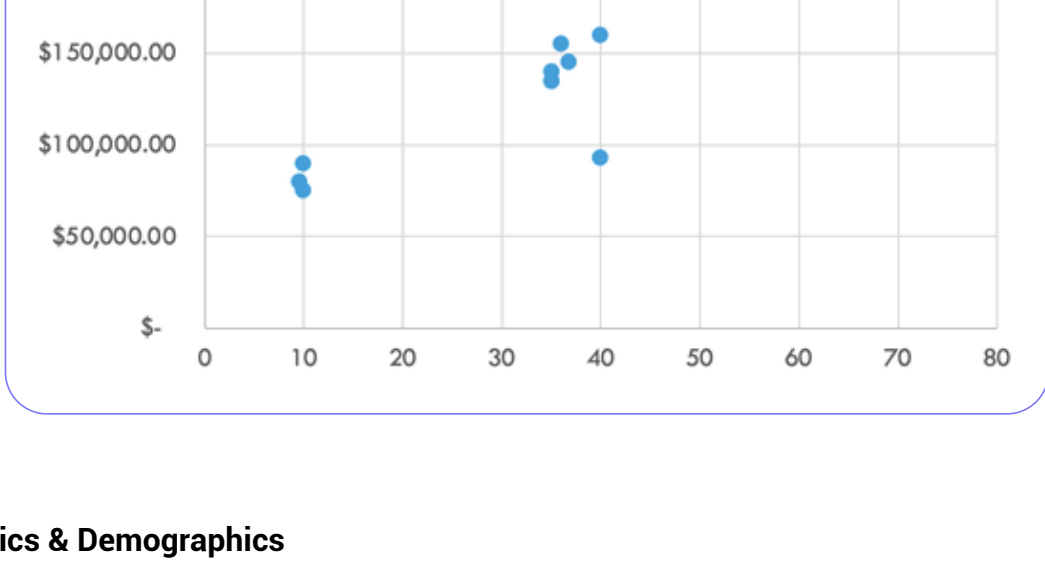
Surrounding land in Briggsdale and Weld County is regularly subdivided in a similar manner. Home buyer demand in rural Colorado continues to grow as the western plains and foothills increase in population. Recent lot sales found below are between \$2,325-\$9,000 per acre, making our prices of \$2,600/acre for large lots and \$10,000/acre for 5-acre lots an affordable option.

Average Price Per Acre



The chart above shows a clear market price per acre for larger lots around \$4,000/acre, and the smaller lots at \$9,000/acre for 10 acres.

Average Lot Price



Economics & Demographics

Economy & Employment

Weld County is Colorado's leading producer of cattle, grain, and sugar beets. It is the richest agricultural county in the United States east of the Rocky Mountains and the fourth richest overall nationally. It is also becoming more important as a milk-producing county, with close to half of the state's cattle. Weld County is also an important oil and natural gas production area in the Denver- Julesburg Basin.

Briggsdale has some small manufacturing operations and local services. Highway 392 is a major transportation route into Briggsdale from the Southeast.

The median income for a household in Weld County was \$42,321, and the median income for a family was \$49,569.

Population Growth

Population growth in weld county rose by 9.3% from 2020-2023, from 328,981 to 359,442. This growth has been sustained at or above this rate for the past 30 years, and does not show any signs of slowing.

Population Distribution

Weld county has an estimated population of 370,000, with a population density of 92 people per sq mi. Most of this population is based in the southwestern part of the county in greeley, windsor, johnstown, and frederick.

Briggsdale has a population of 134 as of the 2020 census.

Legal & Regulatory

Permits & Approvals

We will submit subdivision applications to Weld County for approval. These subdivisions fall into the normal process for farm land subdivisions in the county.

We will submit 4 of the lots for additional Family Farm Division for an additional 4 5-10 acre lots which will take an additional 6 months to obtain approval, during which time we will be unable to sell these 4 35-acre lots.

Local Regulations

Unincorporated Weld County has no applicable local regulations or requirements restricting this project.

VISION

Rural land in this area is regularly subdivided, and the Briggsdale Subdivision follows this trend. The vision for this project is to offer affordable, rural living options by pricing lots slightly under market value to ensure quicker sales. The project is expected to complete lot sales within 3 to 36 months.

FINANCIAL SUMMARY

The project anticipates total lot sales of \$1,240,000, with a net profit of \$615,600. The expected profit margin is 52.81%, with unlevered returns projected at 74.59% IRR.

Financial Analysis

The following financial analysis breaks down the following financial aspects of this project: Financing, Use of Proceeds, Site Acquisition, Exit Strategy, Tax implications, and the Financial Summary of Investment.

Exit Strategy

The following outline breaks down the phases of return of capital and profits.

• Prioritization of Liability Payments

- Financial returns from the sale of lots will initially be applied to cover expenses and any accounts payable obligations.

• Return of Original Capital

- The return of original capital to investors is projected to be completed by early to mid-2025, depending on lot sales.

• Distribution of Remaining Profits

- Remaining profit distributions will be based on the completion of the sales of the lots, which could be up to 3 years.

Tax Implications

The main tax implications for this project, besides what were disclosed in the Private Placement Memorandum, are as follows:

Property Taxes: Weld County has an average property tax rate of 0.51%, which is included in the financial model costs.

State Income Taxes: The ownership structure is a partnership, meaning all profits are passed through to the individual owners' personal returns. Colorado's personal income tax rate on development activity is 4.4%.

Federal Income Taxes: The ownership structure is a partnership, meaning all profits are passed through to the individual owners' personal returns. Development activity is considered Ordinary Income and is taxed at the graduated Federal Ordinary Income Tax Brackets between 0%-37%.

Minimum equity distributions will be made with each sale to ensure each owner can cover their associated personal state tax obligations and federal obligations up to 24% per year. Owners in higher tax brackets will be notified if distributions are insufficient to meet their obligations and should plan for potential liabilities exceeding distributions.

RISKS

Key risks include market fluctuations, potential delays in land subdivision approval, and environmental considerations such as the removal of the land from the Conservation Reserve Program.

CONCLUSIONS

The Briggsdale Subdivision represents a solid investment opportunity with a consistent demand for rural properties in Weld County. The expected returns are promising, with low to moderate risks based on similar projects in the region.

Location Analysis	The property is strategically located near key amenities and within a reasonable distance of larger towns and cities, ensuring a balance between rural living and accessibility.
Development Analysis	The land subdivision strategy aligns with the region's development trends, targeting buyers interested in larger, rural lots.
Regional Economy	Weld County is a strong agricultural and oil-producing region with steady economic growth. The local economy supports the demand for rural residential properties.
Buyer Demand	There is a growing demand for rural lots in Colorado, particularly in Weld County, driven by population growth and increasing land prices in nearby urban areas.
Timeline	Lot sales are expected to complete within 3 to 36 months, depending on market conditions and the speed of subdivision approvals.

MANAGEMENT TEAM

Management of Rusty Bucket Ranches, LLC, is appointed to RLE Capital, LLC, of which the following individuals are members who will oversee this project.

CHRISTIAN PETERSHEIM

Roles: Founder, CEO, Investor Relations, Property Evaluation & Sales

Chris is a seasoned entrepreneur and investor with over 20 years of experience, having successfully launched and grown multiple businesses generating up to \$5 million in annual sales. As a real estate investor, he has closed numerous deals totaling more than \$23 million. Chris specializes in investor relations, leadership, project management, and uncovering undervalued properties with significant development potential.

With his 20 years of experience as the owner of Canyon Trail Fencing, Chris's expertise extends to the construction of pole barns, barndominiums, houses, and storage units. He has demonstrated exceptional leadership, managing up to 60 team members across 50 simultaneous projects, encompassing engineering, permitting, construction, and sales.

Chris began his real estate investment and development journey in 2018. Since then, he has successfully completed 13 projects, with 2 more currently in progress, generating over \$23 million in sales to date. His focus on identifying undervalued properties in tertiary markets with high development potential has been a cornerstone of his success. Leveraging his extensive network of builders in the Midwest, Chris has facilitated rapid subdivision development and sales.

As the founder of RLE Capital, Chris brings his leadership and expertise, ensuring that each project maximizes investment potential and capital efficiency for our financial partners. His commitment to excellence and strategic vision positions RLE Capital as a solid partner in the real estate development landscape.

STEPHEN FISHER

Roles: Founder, COO, Marketing Director, Property Evaluation & Sales

Steve brings nearly a decade of experience in real estate investing, managing a portfolio exceeding \$7 million in assets across the United States. His expertise lies in property selection and evaluation, along with marketing for purchasing raw land and selling residential development properties.

With a Master's Degree in Journalism and fifteen years of experience in research journalism, Steve leverages his investigative skills to explore and thoroughly vet new opportunities for RLE Capital. His ability to uncover and assess undervalued properties with significant potential is instrumental in negotiating and securing advantageous purchases.

Steve's expertise and training in copywriting and marketing campaign development enhance RLE Capital's ability to identify off-market properties in new markets. He also manages outside marketing partners to launch targeted campaigns, driving demand for developed properties.

Steve's contributions to the team are vital to ensuring RLE Capital invests in properties with the highest developmental potential and securing demand on the buy and sell sides to ensure profitable and timely investment turnovers.

MARK SHARMAN, CPA

Roles: Founder, CFO, Legal, Investor Relations

Mark Sharman is a Certified Public Accountant with over 15 years of experience in finance, entrepreneurship, and investing. He specializes in strategic business consulting, executive consulting, fractional CFO services, and tax planning.

As a seasoned CFO, Mark has successfully overseen numerous financing projects across various business and real estate contexts. He is an expert in financial modeling, investment analysis, risk assessment, and taxation. Mark's consulting experience spans multiple industries, including Real Estate Development, Oil & Gas Construction, and Agriculture.

Mark holds a Bachelor of Science in Business Management, a Masters in Accounting and Financial Management, and a Masters of Theology. In 2012, Mark founded Cultivate CPA, PC, a specialty accounting firm based in Northern Colorado. The firm focuses on Strategic and CFO Consulting, Tax Planning, and Tax Preparation, serving over 400 clients across the U.S. and internationally.

Mark's expertise is invaluable in evaluating investments, creating successful investment strategies, raising equity and debt investments, managing financing relationships, and overseeing projects to ensure timely and profitable completion. His strategic insight and financial acumen make him an indispensable asset to RLE Capital, ensuring maximum returns and efficient use of capital for our financial partners.