

HEIGHTS MINI STORAGE

1935 Main St, Billings, MT 59105

Self-Storage
Investment Opportunity

Offering Memorandum



MATTHEWS™

EXCLUSIVELY LISTED BY



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PARCEL OUTLINE



Expansion Land

Expansion Land

INVESTMENT OVERVIEW

\$850,000

List Price

±13,386

NRSF

134

Total Units/Rentable Spaces

±2.55

Lot Size (Acres)

\$78,558

Year 2 NOI

9.25%

Year 2 Cap Rate

82%

Economic Occupancy

87%

SF Occupancy

78%

Unit Occupancy



ASSET OVERVIEW

Facility Name	Heights Mini Storage
Address	1935 Main St
City, State, Zip Code	Billings, MT 59105
County	Yellowstone
Parcel Number	03-1033-15-4-13-20-0000
Lot Size (AC)	±2.55
Year Built	1985
Year Expanded	2012
Number of Buildings	4
Number of Stories	1
Net Rentable SF	±13,386
Total Units	134
Climate Controlled Units	0
Non-Climate Controlled Units	85
Parking Spaces	49
Unit Occupancy	78%
Square Foot Occupancy	87%
Economic Occupancy	82%
Management	Third-Party Management
Foundation	Concrete
Framing	Wood
Roof	Metal
Fencing	Chain-Link
Parking Surface	Gravel
Entry	Keypad Access
Traffic Counts	±5,978 VPD
Flood Zone	No
On-Site Apartment	No



PROPERTY PHOTOS





Subject Property

 **Castle Rock Apartment Homes**
±166 Units

 **Sandstone Elementary**
±416 Students

Walmart
Supercenter

 **Eagle Cliffs Elementary**
±416 Students

 **Startner Gardens**
Apartments



 **Bench Elementary**
±300 Students

 **Castle Rock Middle**
±703 Students



Billings-Logan International Airport



TARGET



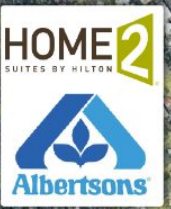
±44,200 VPD

±29,000 VPD

 **Montana State University- Billings**
±4,000 Students

±16,800 VPD

METRAPARK
First Interstate Arena



FedEx
Ship Center

Google Earth

UNIT MIX

Non-Climate Controlled

Unit Size	Unit SF	Total Units	Occupied	Vacant	Total Rentable SF	Current Rate	Monthly Total	Annual Total
6 X 9	54	8	8	0	432	\$30	\$240	\$2,880
6 X 9	54	2	2	0	108	\$35	\$70	\$840
6 X 9	54	2	1	1	108	\$45	\$90	\$1,080
6 X 12	72	1	1	0	72	\$0	\$0	\$0
6 X 12	72	1	1	0	72	\$20	\$20	\$240
6 X 12	72	1	0	1	72	\$35	\$35	\$420
8 X 10	80	7	7	0	560	\$40	\$280	\$3,360
8 X 10	80	5	2	3	400	\$55	\$275	\$3,300
8 X 10	80	1	1	0	80	\$60	\$60	\$720
7 X 12	84	1	1	0	84	\$20	\$20	\$240
7 X 12	84	1	1	0	84	\$30	\$30	\$360
7 X 12	84	1	0	1	84	\$35	\$35	\$420
10 X 10	100	5	5	0	500	\$50	\$250	\$3,000
10 X 10	100	3	3	0	300	\$55	\$165	\$1,980
10 X 10	100	3	1	2	300	\$60	\$180	\$2,160
10 X 10	100	1	1	0	100	\$65	\$65	\$780
10 X 16	160	9	9	0	1,440	\$55	\$495	\$5,940
10 X 16	160	3	0	3	480	\$65	\$195	\$2,340
10 X 16	160	1	1	0	160	\$70	\$70	\$840
10 X 20	200	1	1	0	200	\$57	\$57	\$678
10 X 20	200	16	16	0	3,200	\$65	\$1,040	\$12,480
10 X 20	200	4	1	3	800	\$70	\$280	\$3,360
10 X 20	200	2	2	0	400	\$75	\$150	\$1,800
10 X 20	200	3	3	0	600	\$80	\$240	\$2,880
10 X 30	300	1	1	0	300	\$90	\$90	\$1,080
19 X 50	950	1	1	0	950	\$150	\$150	\$1,800
50 X 30	1,500	1	1	0	1,500	\$500	\$500	\$6,000
Totals	-	85	71	14	13,386	-	\$5,082	\$60,978

UNIT MIX

Open Parking

Unit Size	Unit SF	Total Units	Occupied	Vacant	Total Rentable SF	Current Rate	Monthly Total	Annual Total
0 X 0	0	1	1	0	0	\$60	\$60	\$720
6 X 9	0	1	1	0	0	\$35	\$35	\$420
6 X 12	0	4	3	1	0	\$35	\$140	\$1,680
7 X 12	0	1	0	1	0	\$35	\$35	\$420
7 X 12	0	1	1	0	0	\$240	\$240	\$2,880
12 X 12	0	1	0	1	0	\$35	\$35	\$420
0 X 0	0	2	2	0	0	\$20	\$40	\$480
0 X 0	0	2	2	0	0	\$25	\$50	\$600
0 X 0	0	11	11	0	0	\$30	\$330	\$3,960
0 X 0	0	22	9	13	0	\$35	\$770	\$9,240
10 X 10	0	1	1	0	0	\$20	\$20	\$240
10 X 10	0	1	1	0	0	\$30	\$30	\$360
10 X 10	0	1	1	0	0	\$35	\$35	\$420
Totals	-	49	33	16	0	-	\$1,820	\$21,840
Facility Totals	-	134	104	30	13,386	-	\$6,902	\$82,818

FINANCIAL OVERVIEW

	2025		Year 1		Year 2		Year 3		Year 4	
	Total	\$/SF	Total	\$/SF	Total	\$/SF	Total	\$/SF	Total	\$/SF
Income										
Gross Potential Rent	\$82,818	\$6.19	\$121,140	\$9.05	\$121,140	\$9.05	\$124,774	\$9.32	\$128,517	\$9.60
Tenant Insurance (Net)	\$0.00	\$0.00	\$3,978	\$0.30	\$5,304	\$0.40	\$5,636	\$0.42	\$5,805	\$0.43
Admin Fees	\$41	\$0.00	\$1,440	\$0.11	\$1,483	\$0.11	\$1,528	\$0.11	\$1,574	\$0.12
Late Fees	\$2,335	\$0.17	\$2,405	\$0.18	\$2,477	\$0.19	\$2,551	\$0.19	\$2,628	\$0.20
<i>Economic Vacancy</i>	-18.3%	(\$15,180) (\$1.13)	-25.0%	(\$30,285) (\$2.26)	-12.0%	(\$14,537) (\$1.09)	-10.0%	(\$12,477) (\$0.93)	-10.0%	(\$12,852) (\$0.96)
Effective Gross Income	\$70,014	\$5.23	\$98,678	\$7.37	\$115,867	\$8.66	\$122,011	\$9.11	\$125,672	\$9.39
Expenses										
Real Estate Taxes	\$10,447	\$0.78	\$12,861	\$0.96	\$13,118	\$0.98	\$13,381	\$1.00	\$13,648	\$1.02
Insurance	\$2,677	\$0.20	\$2,731	\$0.20	\$2,785	\$0.21	\$2,841	\$0.21	\$2,898	\$0.22
Utilities & Trash	\$2,827	\$0.21	\$2,884	\$0.22	\$2,942	\$0.22	\$3,000	\$0.22	\$3,060	\$0.23
On-Site Payroll	\$3,956	\$0.30	\$4,035	\$0.30	\$4,116	\$0.31	\$4,198	\$0.31	\$4,282	\$0.32
Management Fees	\$3,501	\$0.26	\$4,934	\$0.37	\$5,793	\$0.43	\$6,101	\$0.46	\$6,284	\$0.47
Bank & Credit Card Fees	\$974	\$0.07	\$2,220	\$0.17	\$2,607	\$0.19	\$2,745	\$0.21	\$2,828	\$0.21
Advertising & Marketing	\$2,348	\$0.18	\$2,395	\$0.18	\$2,443	\$0.18	\$2,492	\$0.19	\$2,542	\$0.19
Office & Administrative	\$1,150	\$0.09	\$1,173	\$0.09	\$1,196	\$0.09	\$1,220	\$0.09	\$1,245	\$0.09
Telephone & Internet	\$250	\$0.02	\$255	\$0.02	\$260	\$0.02	\$265	\$0.02	\$271	\$0.02
Repairs & Maintenance	\$7,657	\$0.57	\$2,008	\$0.15	\$2,048	\$0.15	\$2,089	\$0.16	\$2,131	\$0.16
Total Operating Expenses	\$35,787	\$2.67	\$35,496	\$2.65	\$37,309	\$2.79	\$38,332	\$2.86	\$39,188	\$2.93
<i>Operating Expense Ratio</i>	51.1%	-	36.0%	-	32.2%	-	31.4%	-	31.2%	-
Net Operating Income	\$34,227	\$2.56	\$63,182	\$4.72	\$78,558	\$5.87	\$83,679	\$6.25	\$86,484	\$6.46

Assumptions:

- Gross Potential Rent - Market in Year 1, 0% increase in Year 2, and 3% increases in Year 3 and Year 4
- Tenant Insurance (Self-Storage Units Only) - 60% penetration x \$6.50 (Profit) x 12 months in Year 1, 80% penetration in Year 2, 85% penetration in Year 3, 3% annual growth moving forward
- Admin Fees - \$24 per move-in x 5 move-ins per month x 12 months in Year 1, 3% annual growth moving forward
- Real Estate Taxes - Estimated in Year 1 based on the sale price (with 30% goodwill allocation) and current millage rate, followed by 2% annual growth moving forward
- Insurance Expense - \$0.20/NRSF assumption, 2% annual growth starting in Year 1
- Utilities Expense - 2% annual growth starting in Year 1
- On-Site Payroll - 2% annual growth starting in Year 1
- Management Fee - 5% of Effective Gross Income
- Bank and Credit Card Fees - 2.25% of Effective Gross Income
- Advertising & Marketing - 2% annual growth starting in Year 1
- Office & Administrative - 2% annual growth starting in Year 1
- Telephone & Internet - 2% annual growth starting in Year 1
- Repairs & Maintenance - \$0.15/NRSF annual budget in Year 1, 2% annual growth starting in Year 2











10 YEAR CASH FLOW ANALYSIS

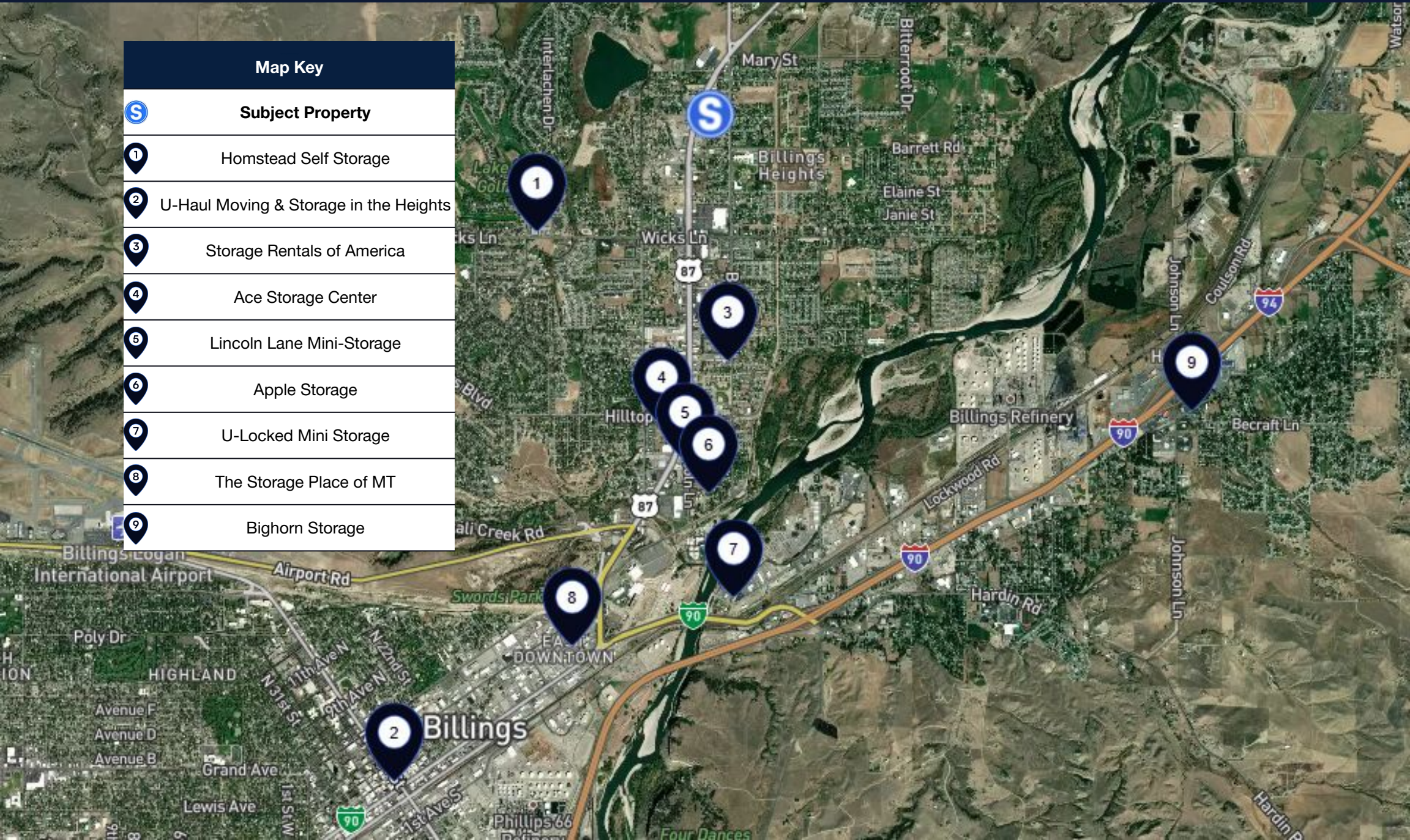
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Income										
Gross Potential Rent	\$121,140	\$121,140	\$124,774	\$128,517	\$132,373	\$136,344	\$140,434	\$144,647	\$148,987	\$153,457
Tenant Insurance (Net)	\$3,978	\$5,304	\$5,636	\$5,805	\$5,979	\$6,158	\$6,343	\$6,533	\$6,729	\$6,931
Admin Fees	\$1,440	\$1,483	\$1,528	\$1,574	\$1,621	\$1,669	\$1,719	\$1,771	\$1,824	\$1,879
Late Fees	\$2,405	\$2,477	\$2,551	\$2,628	\$2,707	\$2,788	\$2,871	\$2,958	\$3,046	\$3,138
<i>Economic Vacancy</i>	(\$30,285)	(\$14,537)	(\$12,477)	(\$12,852)	(\$13,237)	(\$13,634)	(\$14,043)	(\$14,465)	(\$14,899)	(\$15,346)
Effective Gross Income	\$98,678	\$115,867	\$122,011	\$125,672	\$129,442	\$133,325	\$137,325	\$141,444	\$145,688	\$150,058
Expenses										
Real Estate Taxes	\$12,861	\$13,118	\$13,381	\$13,648	\$13,921	\$14,200	\$14,484	\$14,773	\$15,069	\$15,370
Insurance	\$2,731	\$2,785	\$2,841	\$2,898	\$2,956	\$3,015	\$3,075	\$3,137	\$3,200	\$3,263
Utilities & Trash	\$2,884	\$2,942	\$3,000	\$3,060	\$3,122	\$3,184	\$3,248	\$3,313	\$3,379	\$3,446
On-Site Payroll	\$4,035	\$4,116	\$4,198	\$4,282	\$4,368	\$4,455	\$4,544	\$4,635	\$4,728	\$4,822
Management Fees	\$4,934	\$5,793	\$6,101	\$6,284	\$6,472	\$6,666	\$6,866	\$7,072	\$7,284	\$7,503
Bank & Credit Card Fees	\$2,220	\$2,607	\$2,745	\$2,828	\$2,912	\$3,000	\$3,090	\$3,183	\$3,278	\$3,376
Advertising & Marketing	\$2,395	\$2,443	\$2,492	\$2,542	\$2,592	\$2,644	\$2,697	\$2,751	\$2,806	\$2,862
Office & Administrative	\$1,173	\$1,196	\$1,220	\$1,245	\$1,270	\$1,295	\$1,321	\$1,347	\$1,374	\$1,402
Telephone & Internet	\$255	\$260	\$265	\$271	\$276	\$282	\$287	\$293	\$299	\$305
Repairs & Maintenance	\$2,008	\$2,048	\$2,089	\$2,131	\$2,173	\$2,217	\$2,261	\$2,306	\$2,353	\$2,400
Total Operating Expenses	\$35,496	\$37,309	\$38,332	\$39,188	\$40,062	\$40,958	\$41,873	\$42,810	\$43,769	\$44,750
<i>Operating Expense Ratio</i>	<i>36.0%</i>	<i>32.2%</i>	<i>31.4%</i>	<i>31.2%</i>	<i>31.0%</i>	<i>30.7%</i>	<i>30.5%</i>	<i>30.3%</i>	<i>30.0%</i>	<i>29.8%</i>
Net Operating Income	\$63,182	\$78,558	\$83,679	\$86,484	\$89,379	\$92,367	\$95,451	\$98,634	\$101,919	\$105,308

NON-CLIMATE CONTROLLED RENT COMPARABLES

	Property Name	Address	6 X 12	10 X 10	10 X 16	10 X 20	10 X 30	Distance to Property
Ⓢ	Subject Property	1935 Main St, Billings, MT	\$35.00	\$50.00	\$55.00	\$65.00	\$90.00	-
①	Homstead Self Storage	19 W Wicks Ln, Billings, MT	-	\$88.00	\$139.00	\$184.00	-	0.98 Miles
②	U-Haul Moving & Storage in the Heights	1145 W Main St, Billings, MT	\$124.95	\$134.95	-	-	-	0.98 Miles
③	Storage Rentals of America	1040 Bench Blvd, Billings, MT	-	\$90.00	-	\$91.00	\$108.00	1.14 Miles
④	Ace Storage Center	500 Hilltop Rd, Billings, MT	-	\$107.00	-	\$140.00	-	1.49 Miles
⑤	Lincoln Lane Mini-Storage	640 Lincoln Ln, Billings, MT	-	\$65.00	-	\$110.00	-	1.66 Miles
⑥	Apple Storage	575 Lincoln Ln, Billings, MT	-	-	-	\$125.00	-	1.79 Miles
⑦	U-Locked Mini Storage	803 Cerise Rd, Billings, MT	-	\$85.00	-	\$100.00	\$165.00	2.45 Miles
⑧	The Storage Place of MT	913 3rd Ave N, Billings, MT	-	\$90.00	-	\$127.00	\$185.00	2.76 Miles
⑨	Bighorn Storage	420 Cole Street, Billings, MT	-	\$75.00	-	\$100.00	\$145.00	3.13 Miles
Averages			\$124.95	\$91.87	\$139.00	\$122.13	\$150.75	
Average Rent Per Foot			\$1.74	\$0.92	\$0.87	\$0.61	\$0.50	
T-12 Market Average (per TractIQ)			-	\$69.50	-	\$109.43	\$152.50	
Percent Below Market			72%	46%	60%	47%	40%	
Percent Below T-12 Average			-	28%	-	41%	41%	
Average Rent Per Foot			\$0.73	\$8.70	-	-	-	

NON-CLIMATE CONTROLLED RENT COMPARABLES MAP

Map Key	
	Subject Property
	Homstead Self Storage
	U-Haul Moving & Storage in the Heights
	Storage Rentals of America
	Ace Storage Center
	Lincoln Lane Mini-Storage
	Apple Storage
	U-Locked Mini Storage
	The Storage Place of MT
	Bighorn Storage



MARKET OVERVIEW

Heights Mini Storage
1935 Main St, Billings, MT 59105



RESIDENTIAL DEVELOPMENTS

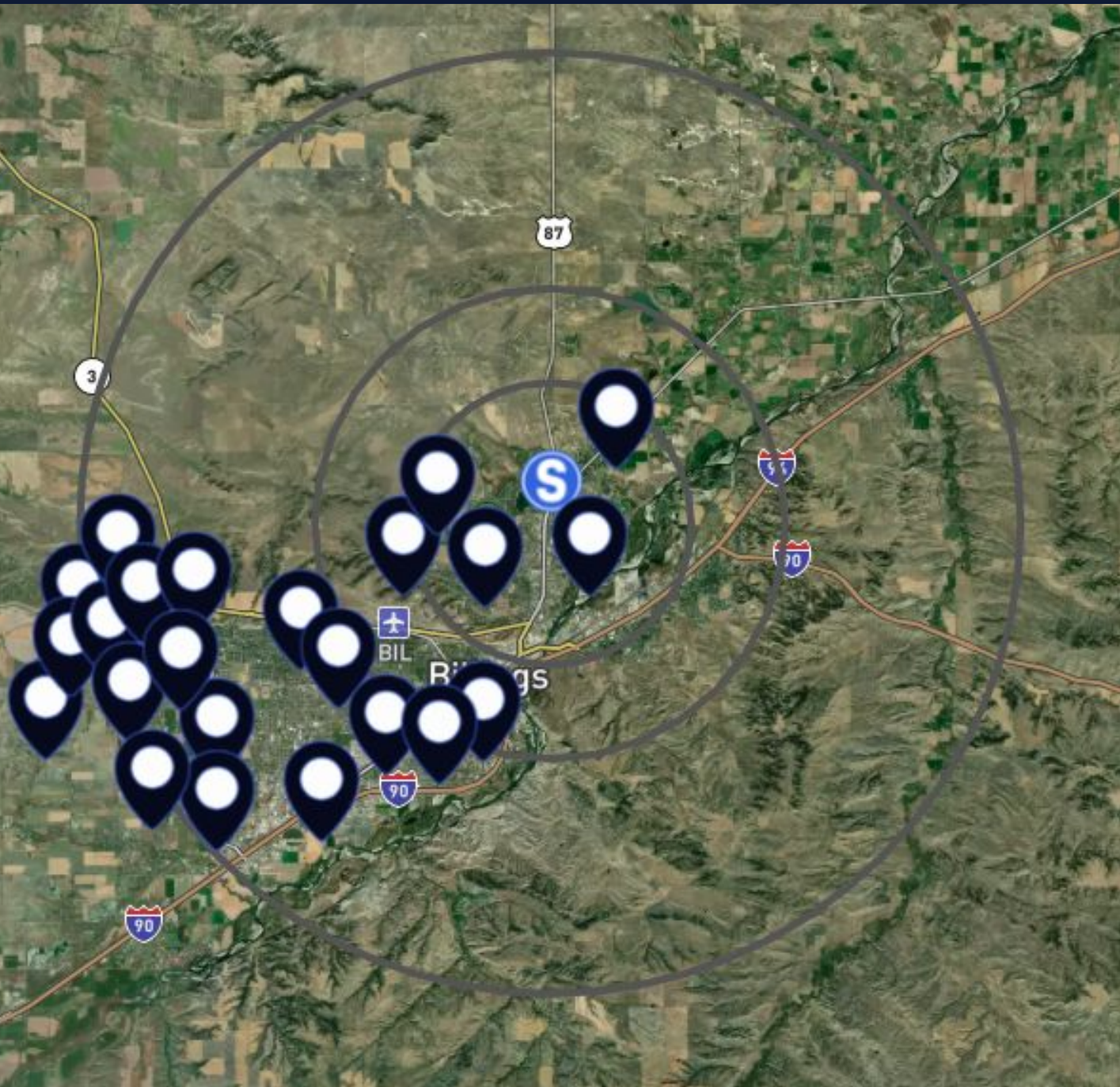
23
Current Developments

298+
Total Units

\$84M
Projected Costs



Housing Starts



BILLINGS, MT

Market Demographics



121,483
Total Population

\$73,712
Median HH Income

50,994
of Households

64.8%
Homeownership Rate

61,794
Employed Population

36.9%
% Bachelor's Degree

38.1
Median Age

\$343,400
Median Property Value

Local Market Overview

Billings is the largest city in Montana and serves as the primary trade, healthcare, and business center for the eastern part of the state and northern Wyoming. Located along the Yellowstone River and framed by the Rimrocks sandstone cliffs, the city sits at the crossroads of Interstate 90 and major regional highways, making it a key transportation and distribution hub. Its economy is supported by healthcare, energy, agriculture, education, and retail, with major regional medical facilities and refineries playing an important role.

The community offers a mix of urban amenities and access to outdoor recreation. Residents are within easy reach of hiking and biking trails along the Rimrocks, fishing on the Yellowstone River, and day trips to destinations such as Red Lodge and Yellowstone National Park. Montana State University Billings contributes to the city's workforce and cultural offerings, while a growing downtown includes local restaurants, breweries, and event spaces. Billings maintains a relatively moderate cost of living compared to many larger Western cities and continues to see steady residential and commercial development.

Population	1-Mile	3-Mile	5-Mile
Five-Year Projection	7,925	33,434	62,534
Current Year Estimate	8,072	33,553	62,980
2020 Census	8,268	33,422	62,718
Households	1-Mile	3-Mile	5-Mile
Five-Year Projection	3,346	13,567	26,502
Current Year Estimate	3,358	13,435	26,349
2020 Census	3,390	13,113	25,718
Income	1-Mile	3-Mile	5-Mile
Average Household Income	\$98,972	\$94,548	\$91,353



Economic Drivers

Population Growth & Household Formation

Billings is the largest population center in Montana, with steady population growth driven by both in-migration and natural increase. More people moving into the area and forming independent households naturally increases demand for storage space, especially among renters, students, and people between homes.

Strong Rental Market & Transient Population

A significant portion of Billings' population lives in rental housing, and there is a steady flow of residents relocating for education, work, or military transfers (nearby bases). Renters often use self-storage for overflow items, seasonal gear, and during moves, supporting consistent demand.

Housing Turnover & Renovation Activity

Billings has an active housing market with ongoing residential turnover and remodeling. Homeowners undergoing renovations or staging homes for sale frequently need temporary storage, which boosts utilization of self-storage facilities.

Business & Commercial Storage Needs

As the regional commercial hub for eastern Montana and parts of Wyoming, Billings hosts many small businesses, contractors, and service providers that use self-storage for inventory, equipment, and records. This commercial demand supplements the traditional household storage market.

Cost of Living & Affordability Dynamics

While Billings has a lower cost of living than many Western cities, housing costs and limited space in some neighborhoods can make larger homes less affordable. Smaller living spaces often lead residents to use off-site storage for excess belongings, supporting occupancy and rent growth in the self-storage sector.

MATTHEWS™

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By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

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Owner and Matthews Real Estate Investment Services™. expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews Real Estate Investment Services™. or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum.