





OFFERING MEMORANDUM

RARE WATERFRONT DEVELOPMENT OPPORTUNITY

Timbermill Shores, Klamath Falls, OR 97601

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RARE WATERFRONT DEVELOPMENT OPPORTUNITY

TIMBERMILL SHORES, KLAMATH FALLS, OR 97601

PHASE 1

LOT 1 2.37 AC | \$9.50/SF \$8.50/SF

\$980,750 \$877,516

PHASE 2 OPTIONS

LOTS 2-3* 4.86 AC | \$5.00/SF

\$1,058,508

LOTS 4-6 19.40 AC | \$5.00/SF

\$4,225,320

LOTS 2-6 24.26 AC | \$5.00/SF

\$5,284,187

^{*}Also Available for Land Lease



INVESTMENT SUMMARY

WATERFRONT DEVELOPMENT OPPORTUNITY

TIMBERMILL SHORES | KLAMATH FALLS, OREGON

OPPORTUNITY OVERVIEW

A rare opportunity to develop lakefront land in Klamath Falls, OR. This offering includes both Phase 1 and Phase 2 of TimberMill Shores, providing flexible options for developers. Phase 1 features a 2.37-acre mixed-use lot fronting Lake Ewauna, fully equipped with infrastructure and available at \$8.50/SF. This lot benefits from a dedicated geothermal heating system, ensuring clear sidewalks and pedestrian areas even during heavy snowfall.

Phase 2 offers 24.26 acres of mixed-use land, divisible into a 4.86-acre option and a 19.40-acre option, priced at \$5/SF. With prime waterfront positioning and development-ready zoning, TimberMill Shores presents a cost-effective opportunity to create a dynamic project in sunny southern Oregon.



HIGHLIGHTS



Prime lakefront location along Lake Ewauna



High visibility and accessibility from 5th Street corridor



Phase 1 has all utilities at the street



Phase 2 is competitively priced at \$5/SF



Geothermally heated sidewalks



Fiber optic infrastructure



Phase 1 development is underway including the completed Marriott Fairfield Inn



±\$1M available for qualified improvements through the Urban Renewal District (subject to change)

THE OFFERING

THE HISTORY AND VISION OF TIMBERMILL SHORES

The waterways of Klamath Falls, Oregon, historically rich in timber, ranching, and farming, now host a remarkable development opportunity. TimberMill Shores is a 50-acre mixed-use project along the sunny shores of Lake Ewauna. With Phase 1 already under development—featuring the Marriott Fairfield Inn, People's Bank with upstairs apartments, and a 92,000 SF mixed-use facility developers now have the chance to invest in a 2.37-acre mixed-use lot fronting Lake Ewauna, complete with all infrastructure in place.

We also present Phase 2: 24.26 acres of prime lakefront land zoned Mixed Use. offering flexibility for developers to shape the future of this vibrant region. This land can be divided into a 4.86-acre option and a 19.40-acre option, priced competitively at \$5/SF, making it a cost-effective opportunity for bringing visionary projects to life.

The development includes dedicated public land space, geothermal capabilities, and tax-friendly opportunity and enterprise zones. Mixed-use developments capitalize on the "Live-Work-Play" environment, and TimberMill Shores is no exception with its pedestrian-friendly integration of retail, office, residential, hotel, recreation, and other functions. Developers have remarkable flexibility with this zoning, fostering the vision to capture a "Live-Work-Play" environment with many amenities and an integrated architectural expression. This is a truly unique and unparalleled investment opportunity.

FINANCIAL BENEFITS

Developing TimberMill Shores offers significant financial advantages. With the approved Urban Renewal District (URD), developers can recoup a considerable amount of infrastructure capital expenses, benefiting from nearly \$1 million available for qualified improvements (subject to change). The competitively priced Phase 2 land at \$5/SF ensures affordability, while lower operating costs, a favorable county tax structure, and available property tax incentives further enhance the financial appeal.. Access to abundant renewable energy sources like geothermal and solar, no sales tax, and affordable development costs make this a financially sound investment.

| ALL LOTS | Total Land Size | 26.63 Acres (6 Lots) |
|----------|-----------------|---|
| | Total Price | \$6,264,937 |
| | Zoning | Mixed Use (MU) |
| PHASE 1 | Lot 1 Price | \$980,750 (\$9.50/\$F) \$877,516 (\$8.50/\$F) |
| | Lot 1 | 2.37 Acres of Bare Land 3809-032DB-01200 320 Timbermill Dr., Klamath Falls |
| | Infrastructure | All utilities at the street |
| | Waterfront | ±450 Feet |
| PHASE 2 | Lots 2-3 Price | \$1,058,508 (\$5.00/SF) |
| | Land Lease | Contact listing brokers for more information |
| | Lot 2 | 3.52 Acres of Bare Land 3809-032DA-00700 |
| | Lot 3 | 3 Buildings Totaling 9,775 SF 1.34 Acres of Developed Land 3809-032DA-00600 |
| | Infrastructure | All utilities at the street |
| | Waterfront | None |
| | Lots 4-6 Price | \$4,225,320 (\$5.00/SF) |
| | Lot 4 | 15.12 Acres of Bare Land 3809-032DA-00800 |
| | Lot 5 | 2.70 Acres of Bare Land 3809-032DA-00801 |
| | Lot 6 | 1.58 Acres of Bare Land 3809-033CC-00500 |
| | Infrastructure | None |
| | Waterfront | ±905 Feet |
| | | |

INVESTMENT PERKS

KINGSLEY FIELD F-35 MISSION

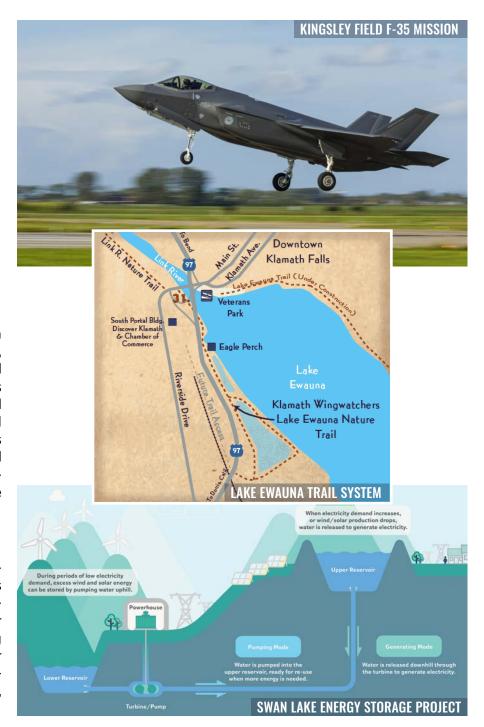
The selection of Kingsley Field in Klamath Falls for the F-35 mission marks a pivotal moment for the region, offering significant benefits for developers. Transitioning from the F-15 to the F-35 ensures technological advancement and long-term economic stability. With operations set to continue under a lease extending to 2095, Kingsley Field provides a reliable environment for growth and investment. The F-35's introduction is expected to boost the local economy through increased base activities, maintenance, and job creation, attracting businesses and supporting infrastructure development. Additionally, the F-35's advanced capabilities may draw technological investments, further enhancing the area's economic landscape and making Klamath Falls a strategic location for sustainable property development.

DEDICATED GREENBELT

The public walkways encircling Lake Ewauna will feature bicycle and pedestrian paths stretching for miles, highlighted with benches and works of art. This greenbelt, along with pedestrian plazas and parks, will invite residents and visitors to shop and explore while enjoying stunning lake and mountain views. The TimberMill Shores Lake Ewauna trail system begins at historic Veteran's Park. This geothermally heated concrete trail continues through both Phase 1 and Phase 2. In addition to heated trails, the development features a dedicated geothermal system that keeps sidewalks clear year-round. A gravel trail extends south along the eastern shore to the railroad trestle, with plans to connect to future trails along the western shore, creating a complete loop. Ultimately, this system may also connect to the Link River Trail/Moore Park to the north and the OC&E Trail into Eastern Oregon.

SWAN LAKE ENERGY STORAGE PROJECT

The Swan Lake Energy Storage Project in Klamath County, Oregon, plays a crucial role in Oregon's transition to a 100% emissions-free energy grid by 2040. This pumped storage project enables seamless storage and deployment of excess renewable energy, crucial for meeting peak energy demands. With a capacity to power approximately 125,000 homes for up to 9.5 hours, it addresses the region's growing need for up to 10,000 megawatts of energy storage by 2030. Using renewable water resources, the project supports sustainable development initiatives, offering developers in Klamath Falls a reliable and environmentally friendly energy infrastructure, essential for modern property projects focused on sustainability and resilience.





LOCATION OVERVIEW

WATERFRONT DEVELOPMENT OPPORTUNITY

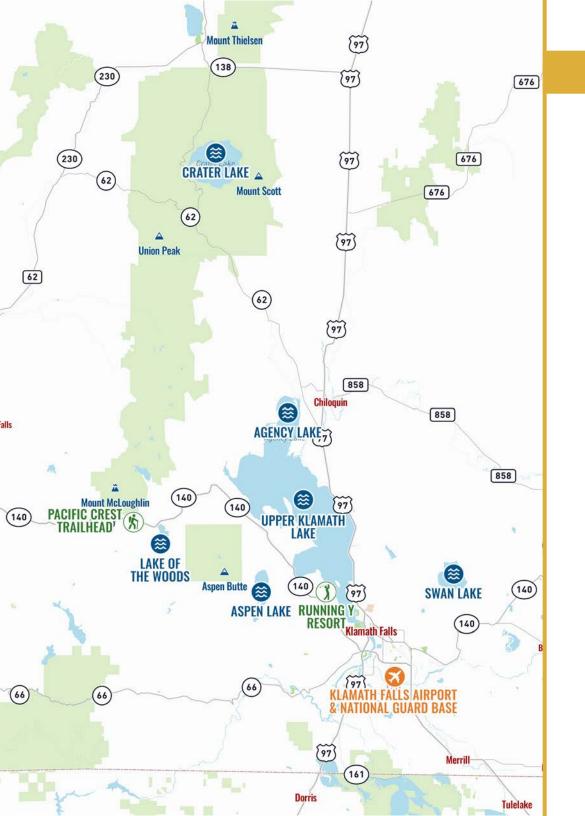
TIMBERMILL SHORES | KLAMATH FALLS, OREGON

TimberMill Shores is ideally located in the heart of Klamath Falls, adjacent to downtown and the scenic Lake Ewauna. This prime location offers easy access to vibrant shops, restaurants, and essential services in the downtown

area.

The development features extensive trails, including that begins at historic Veteran's Park and extends through both Phases 1 and 2 along the lake's shores. These trails provide residents and visitors with unparalleled opportunities for recreation and relaxation, all while enjoying stunning lake and mountain views.





NEARBY ATTRACTIONS

SAN FRANCISCO: 5 HR.

PORTLAND: 4.5 HR.

RENO: 4 HR.

REDDING: 2.5 HR.

CRATER LAKE: 60 MIN.

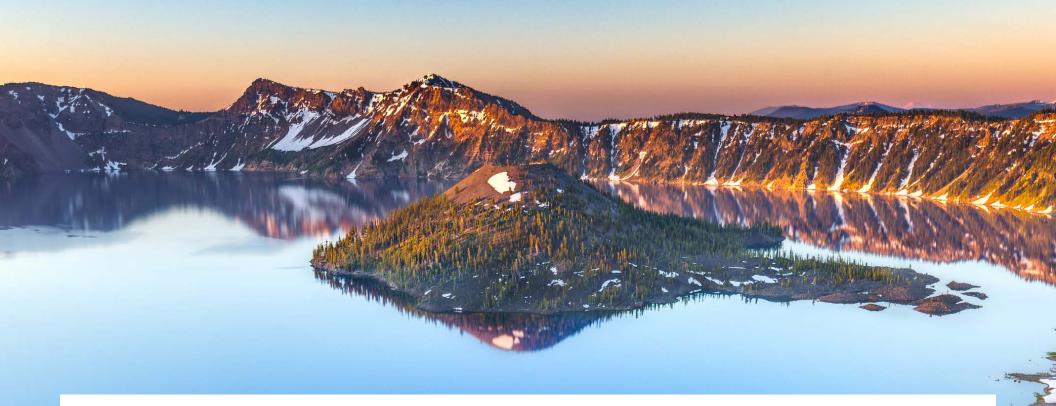
PACIFIC CREST TRAIL: 45 MIN.

RUNNING Y RESORT: 15 MIN.

NATIONAL GUARD BASE: 15 MIN.

KLAMATH FALLS ÅIRPORT: 15 MIN.

OREGON TECH: 10 MIN.



WARM WEATHER ACTIVITIES

Klamath Falls comes alive with activities like sailing, paddle sports, cycling, trolley rides, farmers markets, air shows, and baseball games at one of the last remaining historic wooden stadiums. The community gathers for Third Thursdays downtown, where local businesses set up on the sidewalks and the air is filled with music and food. The town is also famous for its Fourth of July fireworks display. Year-round, residents enjoy facilities like Steen Sports Complex/Mike's Fieldhouse, the YMCA, and the geothermally heated Ella Redkey Pool. Surrounded by wilderness, Klamath County offers endless opportunities for camping, hiking, fishing, and hunting. The region boasts some of Oregon's deepest lakes, longest zip lines, and top fishing spots.







COLD WEATHER ACTIVITIES

During the winter, Klamath Falls offers a variety of activities such as cross-country skiing, snowshoeing, snowmobiling, ice skating, sledding, and world-renowned duck and goose hunting. The season is highlighted by annual events like the Snowflake Festival and the Winter Wings Festival. Additionally, residents and visitors can enjoy downhill skiing and snowboarding at nearby Willamette Pass Resort, or venture a bit further to explore the majestic Mount Shasta for more winter sports and breathtaking views.







PROUD BLUE ZONES COMMUNITY

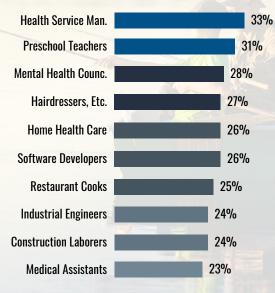
In 2015, Klamath Falls was selected as a Blue Zones Project demonstration community, focusing on enhancing community well-being by making healthy choices easier in daily life. Inspired by research on areas with high concentrations of centenarians, the community has implemented systemic changes to help residents live longer, reduce healthcare costs, and improve productivity. Efforts target reducing obesity, smoking, and stress while increasing physical activity, better nutrition, and fostering relationships. Healthy Klamath leads these initiatives across schools, worksites, restaurants, grocery stores, neighborhoods, and faith-based organizations. Chosen for its potential and civic leadership, Klamath Falls became the first Certified Blue Zones Community in the Pacific Northwest in 2020, thanks to community collaboration and dedication.

EMPLOYMENT

The fastest growing jobs in most regions are dominated by healthcare. Although Klamath and Lake counties have some medical careers in the top 10, the mix is more varied here, with tech, education, construction, and personal services also making the cut. Training requirements vary but are less focused on higher education than in other regions: only 2 of the top 10 jobs typically require a master's degree or more, compared to 6 in the Rogue Valley.

Fastest Growing Jobs 2022-2032

South Central Occupations Employing 50+ in 2022



(Source: Oregon Employment Department, 2022-2032 Occupational Employment Projections)

TOP 5 REGIONAL EMPLOYERS





±1,200 EMPLOYEES

Sky Lakes Medical Center is the largest healthcare provider in Klamath Falls, offering a wide range of medical services including emergency care, surgical procedures, and specialized treatments. As a community-focused hospital, Sky Lakes is dedicated to improving the health and well-being of the region through comprehensive healthcare services, community outreach, and wellness programs.



±1,200 EMPLOYEES

The 173rd Fighter Wing at Kingsley Field Air National Guard Base is a critical component of the United States Air Force's training mission, specializing in F-15 pilot training. Located in Klamath Falls, the base provides advanced training for fighter pilots, contributing to national defense readiness. Kingsley Field also plays a significant role in the local community, offering numerous employment opportunities and supporting the regional economy through its operations and community engagement activities.

TOP 5 REGIONAL EMPLOYERS





±1,000 EMPLOYEES

Jeld-Wen, Inc. is a leading manufacturer of windows and doors, with its headquarters in Klamath Falls. Known for its innovation and quality, Jeld-Wen supplies products to residential and commercial markets globally. The company plays a significant role in the local economy, providing numerous job opportunities and contributing to the community's economic development.





±500 EMPLOYEES

Oregon Tech, located in Klamath Falls, is a renowned polytechnic university specializing in applied sciences, engineering, and healthcare. The institution is known for its hands-on education approach and strong industry connections, preparing students for successful careers in various technical fields. Oregon Tech is a key educational and economic asset to the region.





±350 EMPLOYEES

Collins Pine Company, operating in Lake County, is a prominent player in the timber industry, known for its sustainable forestry practices. The company produces high-quality wood products while maintaining a commitment to environmental stewardship. Collins Pine is a significant employer in the area, contributing to the local economy through its forestry and manufacturing operations.

KLAMATH FALLS, OR DEMOGRAPHICS



POPULATION BY GENERATION









2021 Baby Boomer Population (Born 1946 to 1964) (Esri)





2021 Generation X Population (Born 1965 to 1980) (Esri)





7.573

2021 Generation Z Population (Born 1999 to 2016) (Esri)



10,167

Population (Born . 1981 to 1998) (Esri)



Community Survey (ACS), Esri, Esri and Bureau of Labor Statistics. The vintage of the data is 2015-2019, 2022, 2026.©

POPULATION TRENDS AND KEY INDICATORS

Klamath Falls-Altamont

POPULATION



2024 Total Population

43,661



2029 Total Population

INCOME



\$30,234

Per Capita Income



\$83,767

Median Net Worth



EDUCATION



10% No High School

Diploma

\$50,464

Median Household

Income



High School

Graduate

Some College

Bachelor's/Grad/Prof Degree

BUSINESS



1.862 Total Businesses



19.850 Total Employees



6.5%

Unemployment Rate

HOUSEHOLDS



17,818

Total Households



2.38

Average Household

HOUSING STATS



\$267,817

Median Home Value



Percent of Income for

Mortgage



Median Contract Rent

Tapestry segments



Set to Impress 3,688 households

20.7% of Households



In Style 2,797 households 15.7%

of Households



Midlife Constants 2,642 households

14.8%

of Households



OFFER TERMS

WATERFRONT DEVELOPMENT OPPORTUNITY

TIMBERMILL SHORES | KLAMATH FALLS, OREGON



OFFERING TERMS

The property at **TimberMill Shores** is being offered for sale on an "as-is, where-is" basis.

Please submit offers via email to the listing team.

Interested parties must submit a written Letter of Intent ("LOI") or a Purchase & Sales Agreement ("PSA") outlining the terms and conditions under which they propose to purchase the Property. Such terms must include the following:

- · Purchase price
- · Company background and financial capability
- Source of capital (Equity/Debt)
- Amount and form of earnest money deposit(s)
- Required contingency periods (inspection, financing, etc.), including any extension(s)
- · Closing timeline

All property tours must be scheduled in advance through the Compass Commercial listing team.

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