

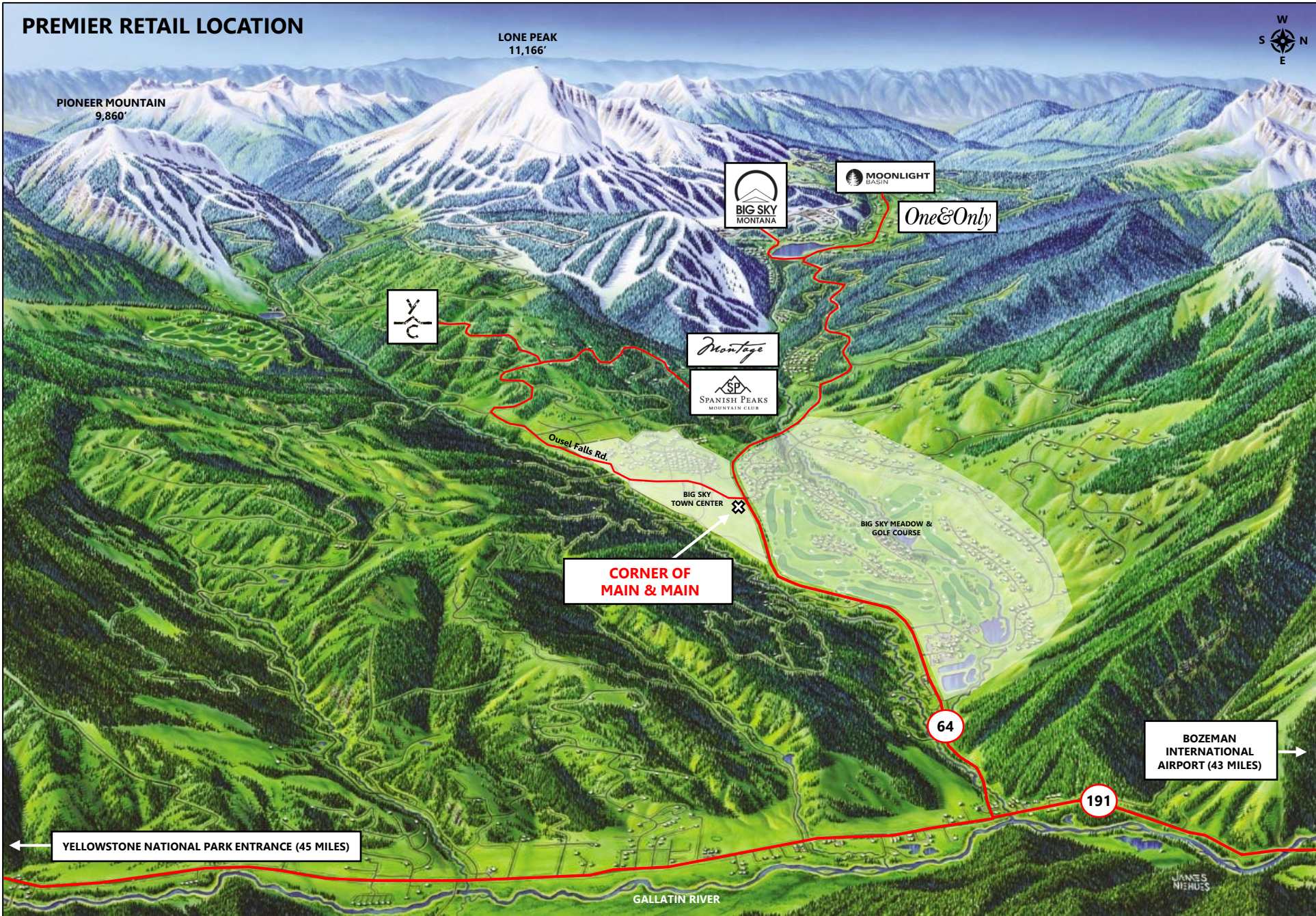


BIG SKY
TOWN CENTER
MONTANA

BIG SKY TOWN CENTER
RETAIL INFORMATIONAL BROCHURE
JUNE 2020

**LONE MOUNTAIN**
LAND COMPANY

PREMIER RETAIL LOCATION



Big Sky is halfway between Bozeman Airport and Yellowstone National Park

Bozeman is the fastest growing Micropolitan area in the U.S. – has been for the past three years in a row

Yellowstone National Park attracts 4 million visitors annually – nearly 70% of them enter through the Montana gates

Big Sky Town Center is located at the corner of Main & Main, surrounded by incredible spending power

Every car traveling to any destination in Big Sky must pass by the intersection of Highway 64 and Ousel Falls Road

\$2.5 billion of real estate sold at Yellowstone Club over the past 10 years

\$1.5 billion of homes exist in Spanish Peaks and Moonlight Basin

Pipeline of approximately 1,000 future luxury homes in Spanish Peaks and Moonlight Basin



SNAPSHOT: FASTEST GROWING RESORT TOWN IN THE COUNTRY

- **Big Sky population doubled since 2010**
 - 11x faster than Aspen and 12x faster than Jackson Hole
- **Big Sky School District enrollment doubled since 2009 (7.3% CAGR)**
 - Lone Peak High School ranked best high school in Montana and #376 in US
- **New core retailers in Big Sky have created a thriving full-time community**
 - 2014: Full-Service Grocery Store (Roxy's Market)
 - 2015: Hospital (Big Sky Medical)
 - 2022: Community Center (BASE)
- **Ongoing infrastructure improvements will allow for future growth**
 - \$10.3MM TIGER Grant to improve roads and infrastructure
 - \$39MM upgrade to the existing water treatment facilities serving Big Sky
- **New retailers planted their flags in Big Sky - taking advantage of future growth**
 - 2020: Copper
 - 2020: Relic Notable Goods
 - 2020: Steamboat Dry Goods
 - 2019: Blue Buddha Sushi
 - 2018: Montana Supply
 - 2018: Toast
 - 2017: Lotus Pad (Thai)
- **Tax collections help illustrate explosive growth in tourism**
 - Big Sky's Lodging Tax averaged 15.8% annual growth (CAGR) since 2012
 - Big Sky's Resort Tax collections grew at 15.1% annually (CAGR) since 2010
- **Tourism visitation has been growing steadily in both the summer and the winter seasons**
 - Yellowstone National Park visitation grew 18.4% from 2011
 - Big Sky Resort skier visits grew by 10.5% annually (CAGR) since 2014
 - Record-breaking 2018-19 season with over 700,000 skier visits
- **BZN Airport infrastructure improvements and increased service make Big Sky even more accessible**
 - Passenger traffic increased 121% since 2008 and 15% since 2018 to 1.6 million passengers annually
 - BZN is one of the most reliable airports in the country
 - 89% of flights arrive on time (*National Average: 84%*)
 - Less than 1% of flights get cancelled at BZN (*Aspen: 6%*)
 - All major airlines with service through BZN announced upgraded service and/or new nonstop routes to major cities in 2020
- **Tremendous amount of capital invested locally**
 - BZN Airport added a new runway in 2017 (first in Montana in 30 years) and is adding 4 new gates / new parking garage as part of a \$100MM capital campaign
 - Big Sky Resort is in the middle of a 10-year \$150MM capital campaign (Big Sky 2025) to elevate the resort's allure as a world-class destination
 - Lone Mountain Land Company and CrossHarbor Capital Partners have deployed \$2.8 billion in Big Sky and are slated to spend an additional \$3.4 billion on projects planned over the next 10 years
- **New lodging options in Big Sky will bring a different caliber of shopper, driving retail sales**
 - The Wilson (2019)
 - Marriott Residence Inn Flag
 - Rooms set up to accommodate extended stay
 - Located on Town Center Ave (Main Street) steps away from main retail corridor
 - Montage Big Sky (2021)
 - Largest construction project in Montana history
 - First 5-star luxury resort in Montana

THE BIG SKY EXPERIENCE – SUMMER EVENTS & CULTURE



THE BIG SKY EXPERIENCE – WINTER EVENTS & CULTURE



EXPLOSIVE GROWTH

Full-Time Population & Employment

- Full-time employment in Big Sky grew by 74% between 2011 and 2020 from 2,300 to over 4,000
- Big Sky's population has grown 11x faster than Aspen and 12x faster than Jackson Hole over the last decade
- Peak season daytime population is estimated to be approximately 15,000 compared to its year-round resident population of approximately 3,000, illustrating that there is room for more growth

Retail & Infrastructure Improvements

- Big Sky School District enrollment doubled since 2009, growing at an impressive compounded annual rate of 7.3% per year (CAGR)
- With the addition of a grocery store in 2014 (Roxy's Market), a hospital in 2015 (Big Sky Medical), and a community center currently under construction (BASE), Big Sky has become a thriving full-time community that is poised for future growth
- Big Sky received a \$10.3MM Tiger Grant to upgrade roads in an effort to improve road safety and decrease travel times – all with the intention of supporting growth
- The Big Sky Water & Sewer District initiated a \$39MM project to upgrade the water treatment facilities serving Big Sky to allow for growth
- Several new retailers including Copper, Relic Notable Goods, Steamboat Dry Goods, Blue Buddha Sushi, Montana Supply, Toast, and Lotus Pad – and a robust pipeline of new retailers

MAJOR EMPLOYERS (CURRENT & FUTURE)



Total Current Employment:

4,000

Projected Growth:

1,380

Total 2025 Employment:

5,380



2009

Ophir Elementary (K-8) establishes Lone Peak High School, creating first year of full K-12 enrollment

2014

Roxy's Market opens full-scale 17K SF grocery and convenience store in Town Center

Other locations are Aspen (opened 2009) and Santa Barbara (2017)

2015

Big Sky Medical Center opens full-service hospital in Town Center 50K SF | \$28mm project

Primary Care, ICU, Pharmacy & Helipad for Air Ambulance

2017

U.S. Department of Transportation awarded \$10.3mm grant (TIGER Grant) to improve roads and infrastructure in Big Sky

2019

Ophir / Lone Peak school enrollment doubled since 2009 (7.3% CAGR)

Lone Peak High School ranked best high school in Montana and #376 in US

2020

Big Sky County Water & Sewer District initiated plans to spend \$39mm to upgrade water treatment facilities in Big Sky, which will allow for more development

2022

BSCO will open new state-of-the-art Community Center in Town Center called BASE

\$20mm project currently under construction



MAJOR SEASONAL ANCHORS



WINTER: BIG SKY RESORT

Competitive Resorts	Big Sky Resort	Jackson Hole	Vail
Skiable Acres	5,850	2,500	5,317
Vertical Drop (Ft.)	4,350	4,139	3,450
Peak Elevation (Ft.)	11,166	10,450	11,570
Lift Capacity (Skiers per Hr.)	38,300	17,833	55,458
Annual Skier Visits	700,000+	715,100	2,000,000+
Skier Visit Increase Since 2015 (CAGR)	10.5%	4.9%	Unknown

BIG SKY RESORT TAX COLLECTIONS

15.1% Annual Increase
(CAGR 2010 – 2019)

BIG SKY LODGING TAX COLLECTIONS

15.8% Annual Increase
(CAGR 2012 – 2019)



SUMMER: YELLOWSTONE NATIONAL PARK

4 million visitors annually

Yellowstone National Park

- 67% of visitors access Yellowstone National Park through Montana
- The Park's busiest entrance is located 45 minutes from Big Sky
- America's first and most famous National Park – 2 million acres of wildlife

Additional Summer Demand Drivers in Big Sky

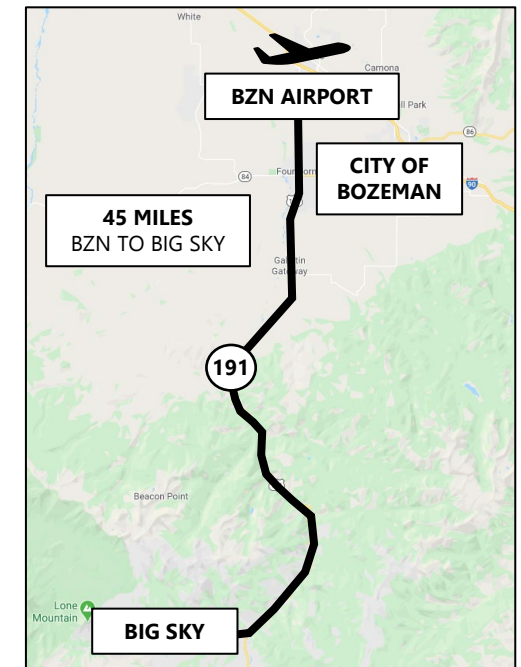
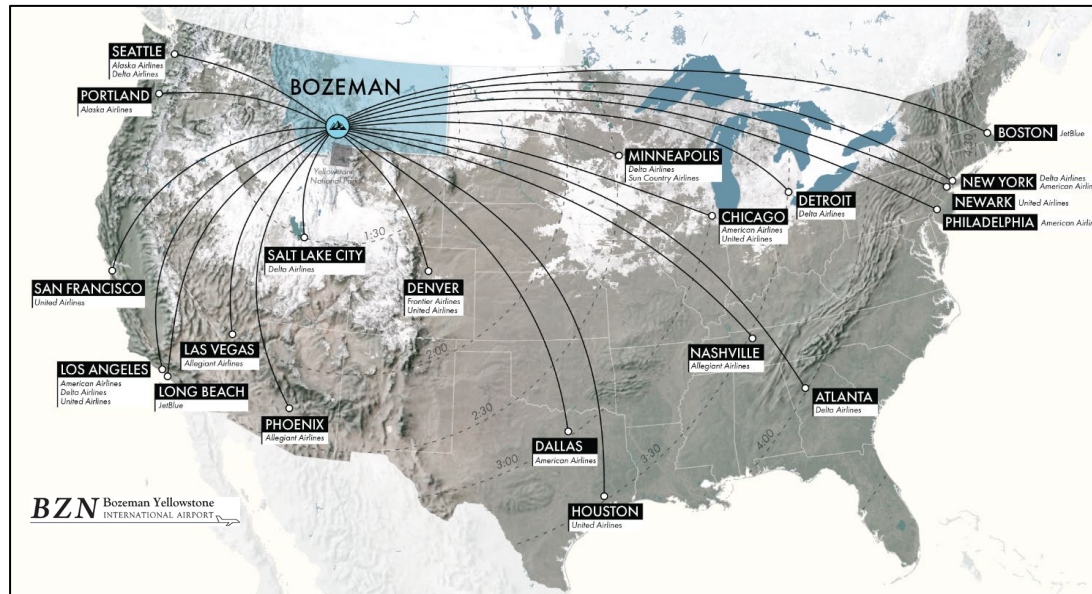
- Access to three world-famous fly fishing rivers: the Gallatin, Madison, and Yellowstone
- #1 rated rodeo event on the Professional Bull Riding ("PBR") tour for the last 7 consecutive years
- Exceptional hunting and whitewater rafting
- 40-mile trail network in Big Sky for hiking, mountain biking, horseback riding, Nordic skiing, dogsledding, and snowshoeing
- Four 18-hole golf courses in Big Sky, including one public course next to Town Center

SUSTAINED AIRPORT GROWTH & CAPACITY WILL CONTINUE TO DRIVE MORE VISITATION

- Bozeman Yellowstone International Airport (BZN) is the busiest airport in Montana – it is also one of the most reliable airports in the country
 - Passenger traffic increased 121% since 2008 to 1.6 million passengers annually
 - #1 fastest growing airport in the Northwest Region
 - 89% of flights arriving on time (National Average 84%)
 - Less than 1% of flights cancelled each year
- BZN continues to expand service and add new markets, making Big Sky even more accessible to global tourism growth
 - JetBlue announced the addition of daily direct service to New York (JFK/LGA) as well as Boston (BOS)
 - American Airlines is adding summer service to New York (LGA), Los Angeles (LAX), AND Philadelphia (PHL)
 - Delta increased summer service to Seattle/Tacoma (SEA) and is adding daily year-round service to Atlanta (ATL)
 - United Airlines increased service to Houston (IAH) from seasonal weekends to daily service



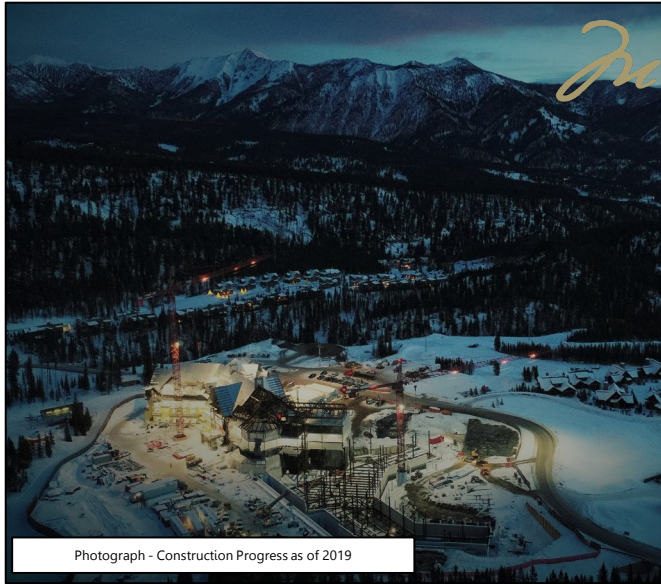
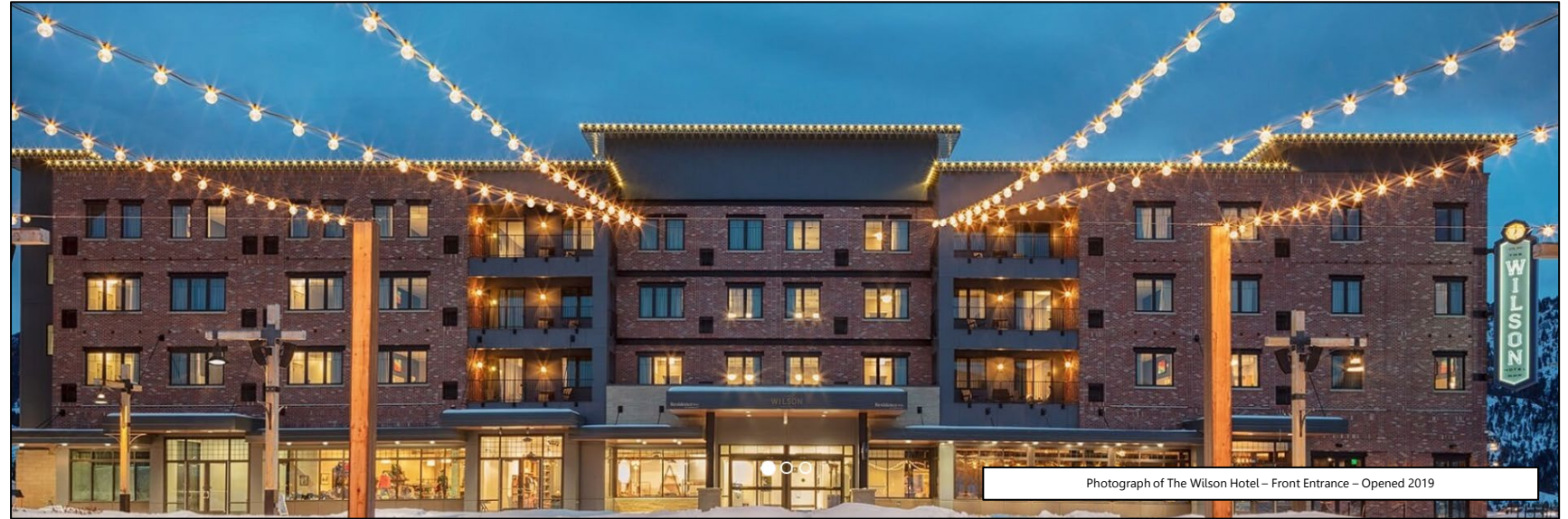
BOZEMAN AIRPORT SERVES 21 CITIES IN U.S. WITH NONSTOP SERVICE



NEW LODGING OPTIONS

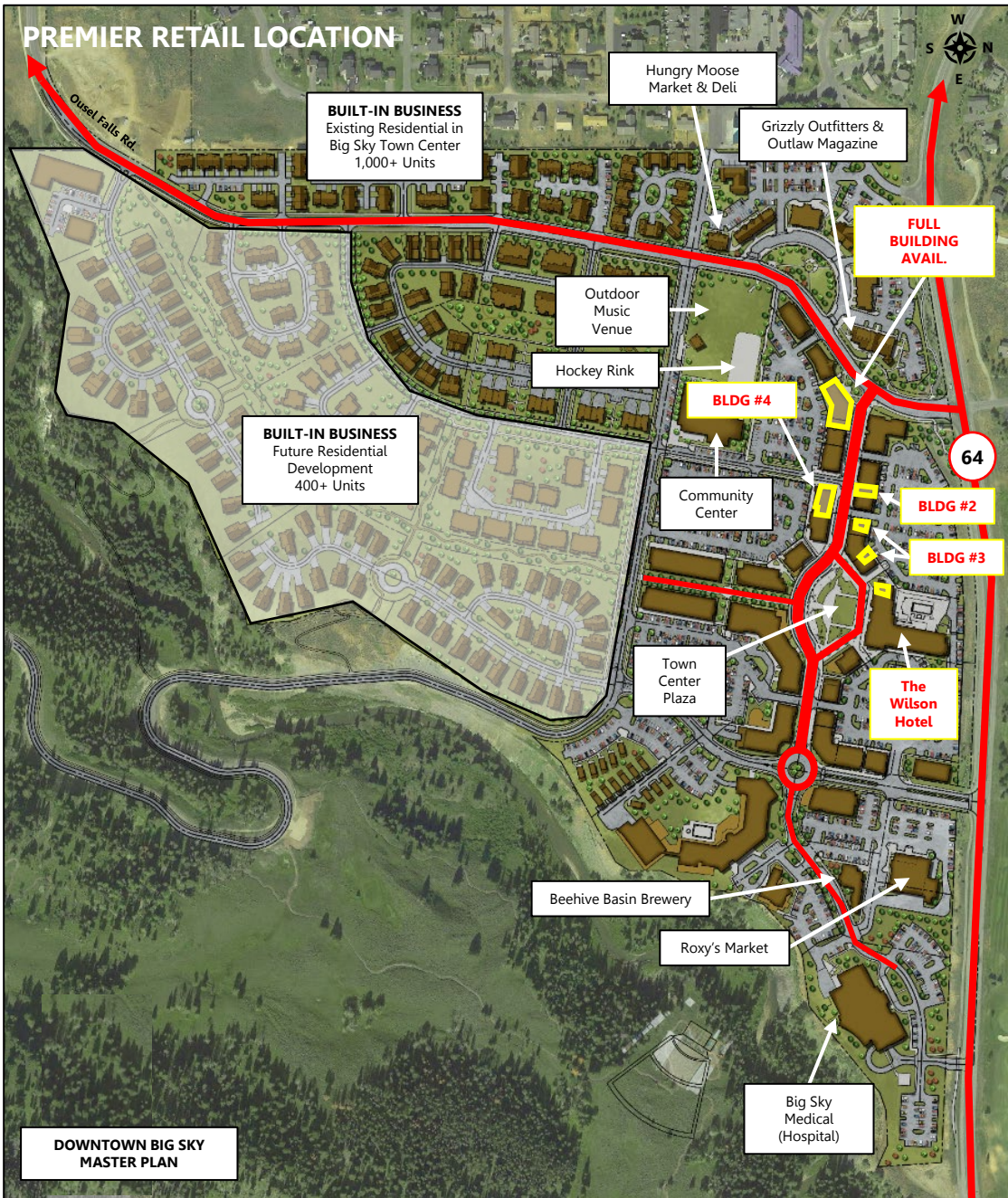
The Wilson Hotel – Big Sky

- Completed 2019
- Operated by Marriott International (Residence Inn)
- 129 hotel guestrooms
- Fitness facility and outdoor pool area
- Free on-site parking and use of Tesla superchargers
- Steps away from main retail corridor



Montage Big Sky

- Completion 2021
- Largest single construction project in Montana history & first 5-star resort in the state
- 150 guestrooms and suites + 39 residences
- Access to existing Tom Weiskopf-designed golf course at SPMC
- 11K SF wellness facility (Spa Montage), fitness center, and event spaces



COMMERCIAL AVAILABILITIES | ASKING RENTS (NNN)

AVAILABILITY	USF	PSF	ANNUAL
Building 2	900	\$32	\$28,800
Building 3	2,305	\$32	\$73,760
Building 3	555	\$32	\$17,760
Building 4	1,388	\$32	\$44,416
The Wilson	1,900	\$32	\$60,800



SELECT CURRENT RETAIL NEEDS

What Will Big Sky Look Like in 3 Years?

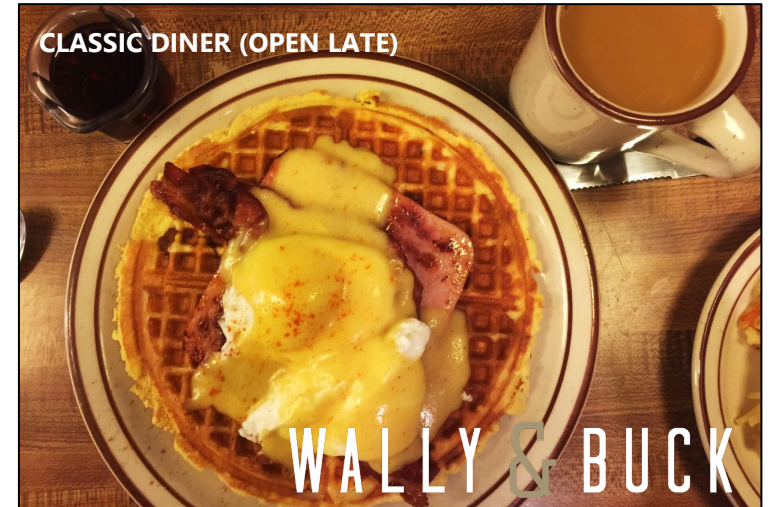
LOCAL BUTCHER



HUNTING SUPPLY STORE



CLASSIC DINER (OPEN LATE)



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