

LandBanking



Land Resource Investments is proud to be included in the 2007 & 2008 editions of the INC Magazine's 5000 fastest growing privately held companies in the United States.

California's Premier Real Estate Vehicle for the 21st Century.

LandBanking is the process of buying and holding land for future sale or development. Parcels of land desirable for "LandBanking" are those that lie directly in the growth path of rapidly developing cities.

Land Resource Investments, Inc. is a real estate company of professionals and specialists that identify parcels of land with a good potential for development in the future.

Land Resource Investments provides the opportunity for individuals to LandBank (buy and hold) the parcels until the land parcels are ready for sale and development.



The Strategy

Land Resource Investments, Inc.'s strategy is a simple one. The company searches out and completes a due diligence study of real estate parcels that would qualify as "pre-development land." Pre-development land is property that will be needed for housing or commercial use in the future. Issues considered during the due diligence study include a determination of current and future zoning, distance to utilities and influencing factors such as the location of new schools, churches, fire stations or commercial development. Qualified pre-development land with high potential is purchased and "landbanked" (held) for future sale or development.

A New Opportunity

LandBanking is not a new concept. Residential and commercial developers, farming and dairy businesses have used the practice for decades. Farmers and dairymen have always been forced to buy land on the outskirts of cities because that's where the land was affordable. The land on the outskirts of town was usually level and easy to till for crops or pasture for animals. Again and again, farmers and dairymen have sold their land to developers as the cities grew toward their farms and dairies—then they moved their operations farther out in the countryside. Many of these hardy individuals are multi-millionaires today; not from their farming or dairy operation but from buying property in the path of growth,

holding (landbanking) it for a period of time and then selling to developers or builders.

Federal and state government, environmental groups, conservatories, trusts, huge corporations and wealthy individuals have been landbanking for a long time. Large, well-financed corporations understand that land must be purchased well in advance of projected use because the corporations want to make certain the land is available when needed. The new opportunity today is that Land Resource Investments, Inc. can provide individuals with a method to take advantage of landbanking just like the huge, well-financed corporations and wealthy individuals.

The original "LANDBANKER"



Okay, I will sell you my farm. I'll just buy another a little farther out and wait for you to buy that one, too.

Ready for LandBanking

The California real estate market is the most aggressive in the nation because of supply and demand. The third largest state in the United States, it ranks only behind Alaska and Texas in total acreage. Although there are 101 million acres of land in California, according to the California Department of Fish and Game, 82% is "wildland" which cannot be developed. That means all commercial and industrial growth including housing and farmland in California must be contained on the remaining 18%.

Population Explosion

Consider the explosion of California's population which today stands at over 36 million and is projected to grow to 45 million in the next 20 years, and the magnitude of the opportunity is clear. California's growth rate is like creating a new city the size of Sacramento every 8 months. It's an irresistible force (population explosion) meeting an immovable object (a limited supply of land).

California land that can be developed or farmed is scarce and in high demand.



82% Wildland



18%

Available for Development

California's growth rate is like creating a new city the size of Sacramento every 8 months.

Fierce Competition

There is a shortage of developable land in California and competition for the land that can be developed is fierce. As ferocious as competition is today, it will pale in comparison to the competition that will exist in the future. The depth of competition is not understood by most individuals who are not deeply involved in the business of real estate.

"Every person who invests in well-selected real estate in a growing section of a prosperous community adopts the surest and safest method of becoming independent, for real estate is the basis of wealth."

-John Jacob Astor



SUPPLY AND DEMAND



Population and
Demand for
Development

*“Real Estate cannot be lost or stolen,
nor can it be carried away. Purchased
with common sense, paid for in full
and managed with reasonable care,
it is about the safest investment in the
world.”*

-Franklin Roosevelt

Supply of Land

The Big Eight

There are currently eight major entities with nearly unlimited resources devouring California real estate at a record pace. These entities are:

- The Federal Government
- The State Government
- Environmental Groups
- Builders and Developers
- Wealthy Individuals
- Huge Corporations
- Conservatories
- Trusts

Competition, coupled with the population explosion and the shortage of land, is having a tremendous impact on the value of California real estate.

The Federal government and state government agencies, environmental groups, builders and developers, conservatories, trusts, huge corporations and wealthy individuals have been landbanking for years.

pushed the price out of the range of most people for landbanking. The best areas for real estate landbanking today are near medium-sized cities within a 1 to 1.5 hour drive from California’s two major metropolitan areas, the San Francisco Bay Area in the north and the Los Angeles basin in the south.

Best LandBanking Areas

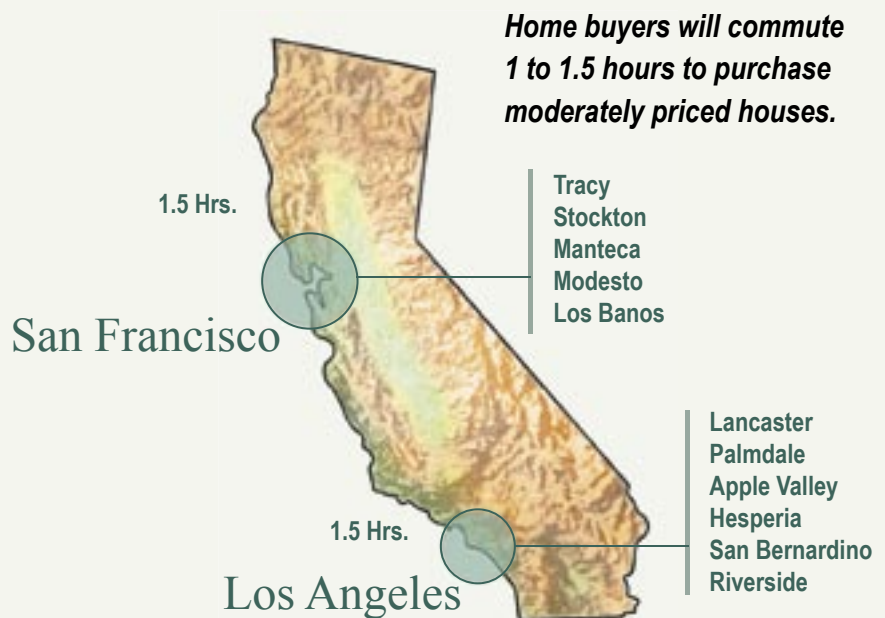
Since most land within the City Limits of major California cities has been developed, only small pockets of land known as “in-fill” properties are available. Competition for in-fill land has



THEN AND NOW

The 90-Mile Circle

If you used a compass and placed its point directly in the center of the City of San Francisco and drew a circle with a 90-mile radius, the outer line of the circle would represent a 1 to 1.5 hour drive time to the Bay Area. There are 8,000,000 people living inside the 90-mile circle. Inside the circle, some of the medium-sized cities are Tracy, Stockton, Manteca, Modesto and Los Banos. The tendency for growth is to “push out” from the congested core area. Metropolitan centers provide jobs, and cities located within a 1 to 1.5 hour drive provide modest priced houses for employees and their families.



*(Source: CCSCE—Outlook for the California Economy, Summer Edition)

The 60-Mile Circle

If you used a compass and placed its point directly in the center of the City of Los Angeles and drew a circle with a 60-mile radius, the outer line of the circle would represent a 1 to 1.5 hour driving time to Los Angeles.

Who Can LandBank?

The LandBanking opportunity offered by Land Resource Investments, Inc. is particularly suited for individuals who would like to purchase pre-development land and recognize the possibility of population growth and development.

Individuals with moderate income and capital can participate in Land Resource Investments, Inc. projects.

LandBanking pre-development property has several advantages over other types of real estate ownership. LandBanked property does not require intense management or maintenance. Pre-development parcels of land

can be purchased in price ranges from a few thousand dollars to millions of dollars, depending on the individual's purchasing power and objectives. Land Resource Investments, Inc. can provide an individual the opportunity to participate in landbanking for as little as a few thousand dollars. Financing is available for landbank purchases with low down payments, affordable monthly payments and competitive financing rates.

Using a Self-Directed Retirement Plan to LandBank

Land Resource Investments, Inc. provides a unique service through an educational program that teaches individuals how to find real estate that has high growth potential, land that can be purchased and landbanked in your 401-K Rollover and a Self-Directed Retirement Plan (IRA, Roth IRA). Land Resource Investments, Inc. will work directly with your current IRA custodian or 401K administrator to complete the transfer and all paperwork necessary to purchase this real estate opportunity.



Forecasting Growth

Certain types of development precede heavy growth patterns. Construction of new schools, churches and fire stations are indicators.

One of the most significant indicators of future, heavy growth in a specific geographical location in a growing city is the announcement that major retail outlets such as Wal-Mart or K-Mart will be constructed in the near future. Huge operations such as Wal-Mart or K-Mart decide where to build their stores on studies of projected growth patterns 15 to 25 years in

the future. Long-range population growth pattern studies are consistently accurate.

LandBanking with Land Resource Investments, Inc.

The California Department of Real Estate (DRE) is a government agency that regulates the real estate business in California. Land Resource Investments, Inc. has submitted its LandBanking projects to the DRE and the DRE has issued a Public Report. This Public Report authorizes Land

Resource Investments, Inc. to offer its LandBanking projects to the general public. The projects offer group purchasing power, wherein several buyers can "use" moderate amounts of capital to purchase large parcels of land, located in the city's path of growth within the City sphere of influence and Urban Service Area.

An individual using the same amount of capital to buy real estate without Land Resource Investments, Inc. would have to buy land several miles from town and decades from development.

Today there are more people within the Los Angeles Basin than in Oregon, Nevada, Arizona, Idaho, Utah, Montana, Wyoming and New Mexico COMBINED.



"Buy on the fringe and wait. Buy land near a growing city! Buy real estate when other people want to sell. Hold what you buy!"

-John Jacob Astor

"Beneath it all...Is the land"

-Darren K. Proulx
Land Resource Investments, Inc.



