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January 15, 1997

Planning Commission  
Matanuska-Susitna Borough  
c/o John Duffy, MSB Land Manager  
350 E. Dahlia Ave.  
Palmer, Alaska 99645

Subject: Application to purchase 320 acres from the Mat-Su Borough for the development of The Homestead Resort.

Dear Members of the Commission:

I am presenting this 320 acre land purchase application before the Planning Commission as Managing Member of Homestead Resort Properties LLC I, an Alaska real estate development company. (Note: I filed the original purchase application under my personal name as developer because it was prior to the registration of the company with the Department of Commerce. References to Homestead Resort Properties is inclusive of Victor Trygstad individually prior the LLC registration.)

Accompanying this letter the Planning Commission is receiving The Homestead Resort's development concept for a world class destination resort in the Mat-Su Borough, six miles southeast of Palmer.

The Homestead Resort concept defines a comprehensive destination resort which will include a lodge/restaurant/conference facility, golf course, and residential development located throughout the golf course. The attached photo is referenced here as a representative presentation of the level of custom architecture and interior ambience intended for The Homestead Lodge. The pictured lodge is in Sun Valley, Id. and was built by the log company Homestead Resort Properties has consulted with for more than a year.

The proposed resort site encompasses approximately 820 acres, which represents the subject 320 acre Borough parcel and Homestead Resort Properties' private land. Under various recorded and unrecorded deeds and agreements, Homestead Resort Properties and its Managing Member hold 500 acres (+/- 10 acres) directly and indirectly adjoining the Borough parcel. (Eighty five percent of the 500 acres is owned by HRP/VT; fifteen percent is controlled under option rights to purchase.)

As part of its development objectives, Homestead Resort Properties is intensely committed to the land and environment to maintain "an Alaskan experience" throughout the resort. This will be expressed most noticeably through dedicated natural areas, lot sizes one acre and larger, no visibly intrusive development in open areas, residential covenants and restrictions which severely limit clearing, landscaping which emphasizes land restoration, and the reputation and work of the designers, architects, and land planners commissioned by Homestead Resort Properties.

Over the last eight months Homestead Resort Properties has consulted with the Nicklaus Design firm. A comprehensive presentation of The Homestead Resort's concept and land was submitted. The Homestead Resort development project was accepted by Nicklaus Design after being thoroughly reviewed by the Nicklaus Design staff and then personally by Jack Nicklaus. In the weeks that followed, Nicklaus Design attempted to integrate The Homestead Resort's concept and planned facilities into an 18 hole golf course routing on the land, and was not able to do so within its boundaries.

After extensive consultations with Nicklaus Design and others, the combination of solutions narrowed down to three basic options: configure smaller lots; acquire additional land; or immediately stop development of The Homestead Resort project and proceed to subdivide and sell the undeveloped land. When I applied the development values of Homestead Resort Properties and asked: "Would newly configured 1/4 and 1/3 acre lots add to or detract from "an Alaskan experience" at The Homestead Resort?", the first option was immediately rejected as inconsistent with the "non-negotiable" resort development values of Homestead Resort Properties. The application to purchase land from the Mat-Su Borough followed shortly thereafter.

Because of the extreme proprietary nature of the Nicklaus name I want to state very clearly that, while both Homestead Resort Properties LLC I and Nicklaus Design anticipate signing a design contract for a Jack Nicklaus golf course at The Homestead Resort, a golf course design contract has not been signed.

The purchase terms of my original application with the Borough to acquire this 320 acre parcel were very straight forward: cash purchase for the fair market value of the land as determined by a Borough approved appraiser.

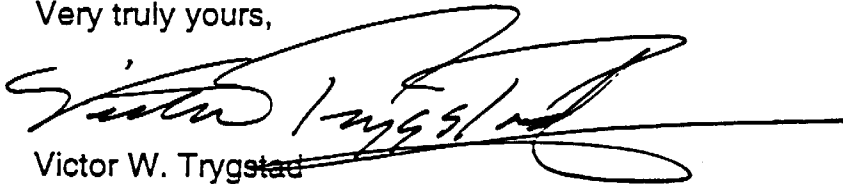
At the Butte Community Council meeting I attended in early December I heard public sentiment expressed that I was misrepresenting my intended development purposes in order to secure the purchase of Borough land while actually intending to do something else, such as develop a rock quarry. I subsequently discussed this issue with the Borough Manager, assured him that this was not the case, and offered to condition my purchase of the Borough land to my stated purpose--to develop The Homestead Resort.

Another public concern has been the perceived loss of trails. The Homestead Resort has a trail system planned as a part of its master concept. The resort trail system, The Homestead Resort Golf Course, and The Homestead Equestrian Center will be available for public recreation and enjoyment and will substantially increase the recreational opportunities for the entire area.

Presently, Homestead Resort Properties LLC I does not own, or own in combination with purchase option rights, enough acreage to proceed further with the very expensive and complex land planning process for the development of The Homestead Resort. With acquisition or the clear and objective right to acquire the 320 acres from the Mat-Su Borough, Homestead Resort Properties LLC I will continue its efforts to develop a destination resort in the Palmer area of the Mat-Su Borough. Without acquisition or clear acquisition rights to this additional land, the development of The Homestead Resort and the efforts of HRP LLC I to bring a destination resort to the Mat-Su Borough will be brought to a conclusion.

I look forward to addressing the Planning Commission on January 20, 1997 and answering your questions regarding the public interest and the best economic use of this 320 acre parcel. I will ask the Planning Commission to recommend that the Borough Assembly approve the transfer of this land from the public domain to the private sector by direct sale to Homestead Resort Properties LLC I.

Very truly yours,

A handwritten signature in black ink, appearing to read "Victor W. Trygstad", with a long horizontal flourish extending to the right.

Victor W. Trygstad  
Homestead Resort Properties LLC I

encl: "The Homestead Resort"

# **THE HOMESTEAD RESORT**

Featuring:

**THE HOMESTEAD LODGE**

**THE HOMESTEAD GOLF COURSE**

**THE HOMESTEAD RESORT RESIDENTIAL COMMUNITY**

**Palmer, Alaska**

Developed By:

**VICTOR W. TRYGSTAD**

Homestead Resort Properties, LLC I

P.O. Box 2267

Palmer, Alaska 99645

907-227-7997

# HOMESTEAD RESORT PROPERTIES, L.L.C., I

Victor W. Trygstad  
P.O. Box 2267  
Palmer, AK 99645  
(907) 227-7997

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This presentation has been prepared from data obtained by Homestead Resort Properties, L.L.C., I from various publicly available sources that are believed to be reliable. However, no representation or warranty is made by Homestead Resort Properties, L.L.C., I as to the accuracy or completeness of this information, or, in the case of projections, as to their attainability. The information contained herein has been prepared to assist interested parties in making their own evaluation of the potential development of The Homestead Lodge, The Homestead Golf Course, and The Homestead Resort Residential Community and does not purport to contain all of the information that a prospective purchaser may desire. It is expected that any party wishing to effect a transaction will pursue its own independent investigation. The company will, upon reasonable request, make available the sources of information contained herein, and additional information to the extent such information is available or can be acquired with a reasonable expense or effort.

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The contents of this book may not be duplicated or reproduced, in whole or in part, without the written authorization of Homestead Resort Properties, LLC, I, Victor Trygstad - Developer. It is expressly stated by Homestead Resort Properties, LLC, I that development plans are an evolving process and any purported copy of the proposed development plan or other materials contained herein does not necessarily represent the most current and/or accurate information.

No photos may be reproduced.

## INTRODUCTION FROM THE DEVELOPER

*On behalf of Homestead Resort Properties LLC I, I am pleased to present THE HOMESTEAD RESORT and its three comprehensive facilities: The Homestead Lodge; The Homestead Golf Course; and The Homestead Resort Residential Community.*

*THE HOMESTEAD RESORT is Alaska's first destination resort and will be among the unique and beautiful destination residential resorts in America. It will embody the Alaskan Spirit, and reflect time honored traditions of beautiful hand-hewn log craftsmanship and gracious hospitality. THE HOMESTEAD RESORT will be a gorgeous natural and architectural setting where guests and residents will enjoy a truly memorable Alaskan experience!*

*THE HOMESTEAD RESORT site is less than an hour from the cultural heartbeat and economic strength of Anchorage. Yet it is nestled in a valley seemingly far away from the city...where mountains, glaciers, wildlife, and "quiet you can hear" envelop the senses. This is the essence of the Alaska Dream which people from around the world come to experience in a few short days or a summer season!*

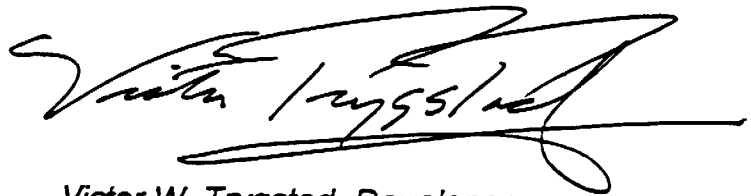
*THE HOMESTEAD RESORT will be developed in harmony with Alaska's scenic wilderness through innovative planning and responsible land stewardship. While the character of the land will change, my commitment is to make the*

*developed land no less beautiful. With this in mind, I have invited an internationally acclaimed golf course architect to express his deep, personal passion for the wilderness in the design of The Homestead Golf Course.*

*On behalf of Homestead Resort Properties LLC I, I accept the challenge to contribute to the quality of the greater Palmer community, and to make an enriching difference in the lives of those who benefit from THE HOMESTEAD RESORT'S employment, business, generosity, and exceptional resort facilities.*

*Leaders in the Alaska business community agree: "THE HOMESTEAD RESORT is the right idea, at the right time, in the right place!"*

*The time has arrived for world class destination resort development in Alaska!*

A handwritten signature in black ink, appearing to read "Victor W. Trygstad". The signature is fluid and cursive, with a long horizontal stroke at the end.

*Victor W. Trygstad, Developer  
1996*

*Homestead Resort Properties LLC I  
P.O. Box 2267  
Palmer, AK 99645  
(907) 227-7997*

## ALASKA'S RECORD TOURISM REQUIRES RESORT DEVELOPMENT

In February 1995, the President of Holland America Line-Westours, Alaska's largest cruise ship and tour operator, spoke to the Anchorage Chamber of Commerce on the growth and future of tourism in Alaska. He reminded his audience that in 1994 an all time record was set for the number of tourists visiting Alaska. For Holland America Line, 1994 was its seventh consecutive record year. In the months to follow, 1995 would become its eighth consecutive record year!

Holland America Line is anticipating 1996 to be another record breaking year with the addition of a sixth cruise ship to its Alaska fleet. Quoting the Anchorage Daily News from February 10, 1995: "(The President of Holland America Line) is confident that Seattle-based Holland America can keep pulling in the tourists to fill the ships and land tours. But he's less sure about the state's ability to handle ever-increasing numbers of tourists."

Major Anchorage hotels operate at capacity occupancy during the tourist season. The Anchorage Sheraton refers summer accommodation inquiries "to bed and breakfasts, and basements," according to a Sheraton reservationist. Moreover, there would be no additional accommodations available for 1996 summer tourism expansion.

Annually one and a half million visitors come to Alaska. More than one million are tourists traveling to Alaska because it is The Last Frontier—a symbol of



unspoiled nature, rugged wilderness, abundant fish and wildlife, dreams, and envisioned opportunities and lifestyle. Though part myth and part reality, the mystique of Alaska fascinates and captures the imagination of people in the "Lower 48", Europe, and the Pacific Rim.

Each year cruise ships and passenger planes arrive in increasing numbers, bringing more and more tourists to Alaska. In the Spring of 1996 a major European travel agency announced the successful marketing of an innovative RV motor tour, effectively circumventing the Anchorage accommodation problem. This agency alone will bring an additional 10,000 German tourists to Alaska annually. Growing numbers of Pacific Rim tourists from Korea to Hong Kong are coming to Alaska. Even Japanese golfers travel to Alaska for weekends because of the prohibitive cost of golf in Japan.

The time is right *now* to initiate destination resort development in Alaska. This unique opportunity is defined by the combination of key factors:

- The sustained record growth of tourism in Alaska
- The shortage of visitor accommodations in Alaska
- The absence of a true destination resort in Alaska
- The availability and affordability of the large amount of desirably featured land required
- The close proximity of this land to Anchorage
- The successful history of destination resort development
- The developer's vision for THE HOMESTEAD RESORT.

THE HOMESTEAD RESORT has drawn the interest and involvement of preeminent golf resort designers, planners, and consultants, whose clients include: Walt Disney Resorts; Walt Disney World; Vail Associates; The Pebble Beach Company; Hyatt Corporation; Marriott Corporation; PGA West; and Jack Nicklaus Development and Signature Properties.

### *A LESSON FROM THE PAST*

#### SNOWBIRDS MIGRATE SOUTH IN THE WINTER

For a week to five months between November and March, millions of Snowbirds from northern states migrate to destination resorts in the south to escape the cold and snow of winter. For more than 40 years, the growth of this phenomenon has transformed the landscape and fortunes of Sun Belt states from southern California to Florida.

When developers built the first destination residential resorts in the desert, on coastal sand dunes, and on isolated islands with swamps and alligators, the "nay-sayers" laughed and said no one would come. Visionary developers, investors and bankers, and *millions* of winter visitors have resoundingly proved the "nay-sayers" wrong!

## *A VISION OF THE FUTURE*

### **NEW HOMESTEADERS MIGRATE NORTH IN THE SUMMER**

With the advent of the destination residential resort concept in Alaska, an entirely new visitor group will come to The Last Frontier. History is poised to repeat itself in a new place and in a new season. The dawn of a "New Homesteader" migration to Alaska is on the horizon!

For a week to five months between May and September, affluent New Homesteaders from the "Lower 48" will migrate to destination resorts in Alaska to escape the heat and humidity of summer. Once again developers and investors' capital will transform a wilderness, and over time substantial new visitor patterns will alter the economic fortunes of an entire region.

THE HOMESTEAD RESORT, and those that follow, will define the future of Alaska tourism as they fulfill the vacation and second home retirement dreams of people from the most affluent generation in history. In so doing, THE HOMESTEAD RESORT also will introduce a new, primary residential lifestyle option for home buyers in the Anchorage and Valley real estate markets.

When considered in the historical context of the economic impact of 40 years of Snowbird migration to the Sun Belt, the economic potential for Alaska from destination resort development defies one's imagination. Such is the stuff Alaska's dreams are made of...and always have been! Gold nuggets started the gold rush!

Land brought the first homesteaders to Alaska! Oil built the TransAlaska Pipeline, which many said was impossible!

Undoubtedly there will be the "nay-sayers" who say, "No one will come...the land is wilderness... Alaska is too far..." They will doubt in spite of the fact that when winter arrives *they* fly south with the Snowbirds to destination resorts in Arizona, Mexico, and Hawaii to enjoy warmer weather and play golf. They will doubt in spite of the fact that Alaska already has become the most popular summer cruise ship destination in the world. They will doubt in spite of the lessons of history!

The pull of the Alaska Dream is real and very compelling. Millions of tourists already have prepared Alaska's future for successful residential resort development.

The future is now!

## *THE HOMESTEAD RESORT*

Homestead Resort Properties LLC 1, in association with golf resort architects, land planners, and consultants, will transform more than a square mile of wilderness at the base of the Chugach Mountains into THE HOMESTEAD RESORT, Alaska's first destination residential resort. THE HOMESTEAD RESORT will incorporate the luxurious facilities of The Homestead Lodge, The Homestead Golf Course, and the Homestead Resort Residential Community.

The "Homestead" name was chosen to honor Alaska's original homestead settlers and their way of life, and as an invitation to New Homesteaders to participate in Alaska's contemporary wilderness lifestyle at THE HOMESTEAD RESORT.

The beautiful site for THE HOMESTEAD RESORT is five miles from the original homestead town of Palmer, Alaska (population 4,500), which now has a 5,500 foot paved runway, rail and excellent road accessibility to Anchorage. THE HOMESTEAD RESORT location is less than 50 miles by highway from the commercial center, and the arts and entertainment of Anchorage (population 250,000).

The land acquired by Homestead Resort Properties LLC 1 for THE HOMESTEAD RESORT lies on the sheltered, north side of the Knik River Valley. The land, with its panoramic views, forests, and features, has been characterized as "absolutely gorgeous" by golf course designers and international resort land planners and resort consultants.

For tourists traveling from Anchorage to THE HOMESTEAD, the sights and sounds of the city will quickly fall away, and the Alaska Dream will begin to emerge...the dream people from around the world come to see and experience.

Arriving in less than an hour, THE HOMESTEAD RESORT setting will be dominated to the north and south by towering mountains, home to Alaska's dall sheep. To the east, the view encompasses the Knik River Valley, home to moose, bears, eagles, swans, and varieties of geese, ducks, and other birds. Beyond are the great snow fields and glaciers of the Chugach Mountains. To the west is the agricultural Matanuska-Susitna Valley, carved out a millennia ago by glaciers that once covered the entire area. This rich valley, along with the Knik River Valley, was the first land homesteaded in Alaska.

Images of this kaleidoscope of scenery can be seen throughout the land. These beautiful and ever changing images will be a part of the daily experience of THE HOMESTEAD RESORT'S guests, golfers, and residents.

At THE RESORT, The Homestead Lodge will be intimately warm and luxurious. The Main Lodge will be hand-crafted from massive logs measuring up to 50 feet in length and two feet in diameter. Proposed architectural features of the Main Lodge include: three distinct wings, each with a two story glass wall facing a different direction; a two story, double hearth rock fireplace; stained glass windows depicting Alaska's heritage and splendor; and a vehicle entry portico with wildlife carved on the log support columns. The three glass walls will spectacularly frame the view and mountain panoramas.

The Main Lodge will provide reception, tourist, and hospitality services, as well as lovely lounge areas for guests and members. The Lodge restaurant will serve a distinctively Alaskan menu.

The memorable and refined ambiance of the Main Lodge will carry over into the adjoining guest accommodations, which are conceived to reflect an Alpine style log and stucco architecture accented with colorful window flower boxes. Guest rooms and suites will be graciously appointed with fireplaces, Jacuzzi spas, handmade furniture items, featherbeds, and traditional quilts.

THE HOMESTEAD RESORT'S prestigious golf course, equestrian facilities, tennis courts, health spa, and spacious natural setting will provide Lodge guests and resort residents with a wide variety of activities to enjoy.

The Homestead Golf Course will be designed by an internationally recognized golf course architect acclaimed for his design artistry integrated into exquisite natural landscapes. With multiple tees and playing distances available to reach each sculptured green, The Homestead Golf Course will challenge and reward players from enthusiastic intermediates to the best PGA professionals. THE HOMESTEAD RESORT will be acknowledged by international resort property investors and the golfing world as being among the world's premier golf resorts. Set against the backdrop of Alaska's magnificent mountain scenery, The Homestead Golf Course certainly could be the next masterpiece named to the "Top 100"!

The Homestead Golf Clubhouse will be designed in the ancient and beautiful architectural style of mortise and tenon timber frame, and will stunningly compliment

the log and log/stucco architecture of The Lodge.

Hidden along the fairways of THE HOMESTEAD'S golf course will be a balanced combination of single family home sites and luxury townhouses. The residential community at THE HOMESTEAD RESORT will represent the first resort community in Alaska.

The equestrian center at The Homestead Lodge will offer guests and the public the finest indoor and outdoor riding facilities and show arenas in Alaska. The equestrian center will offer all levels of riding instruction, boarding, training, and championship horse shows. For a wilderness riding adventure, many guests will want to take the exciting trail ride up the valley to explore the Knik Glacier. Hay rides and sleigh rides will be fun for all!

Other adventure day trips will be readily available to Lodge guests by road. These include: fishing for salmon and rainbow trout; river rafting; visiting Hatcher Pass and the historic Independence Mine; walking on the ice of the Matanuska Glacier; touring the sights of Anchorage and Prince William Sound; and stopping down the road at the Reindeer and Musk Ox Farms. Most trips will have guests back at The Lodge for dinner.

Flightseeing excursions will take guests to the nearby glaciers in the Chugach Mountains and to the remote areas of Prince William Sound, Mt. McKinley, and Alaska's vast wilderness.

Hiking and horseback riding trails winding throughout the Resort will provide for miles of relaxed and scenic wanderings. In the winter THE HOMESTEAD



RESORT will groom and track these trails for cross country skiing, and maintain an ice rink in front of The Lodge for skating. Images of skiers gliding through the woods, skaters cutting figure eights and warming around bonfires, horse drawn sleighs, and joyful gatherings around the hearth create nothing less than a Currier and Ives setting for winter vacationers, business guests, and year round residents at THE HOMESTEAD RESORT!

Come stay as a guest or conduct business at The Homestead Lodge, where luxury and Alaskan informality meet. You will be welcomed and cared for with old world homestead hospitality!

Dine and socialize at THE HOMESTEAD'S magnificent, hand-crafted log lodge!

Golf with old and new friends at The Homestead Golf Course, where the acclaimed designer fulfilled a dream to design a wilderness course inspired by the beauty of the land!

Fly over remote Alaska wilderness; see glaciers and historic gold mines; enjoy the pleasure of horseback riding; tour Alaska's biggest city and smallest villages; and go fishing before playing golf...or after...or both!

Live along the fairways of THE HOMESTEAD RESORT'S prestigious golf course in the midst of Alaska's scenic cathedral, and have it all!

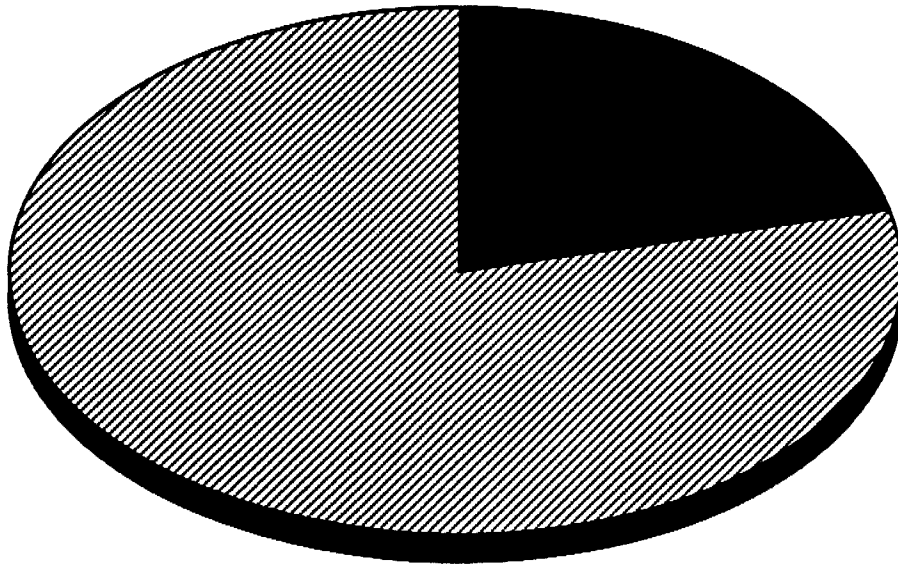
The Alaska Dream will be your experience at THE HOMESTEAD RESORT!

# HANDOUT

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## BUTTE AREA TAX BASE AFTER DEVELOPMENT



320 AC.  
only

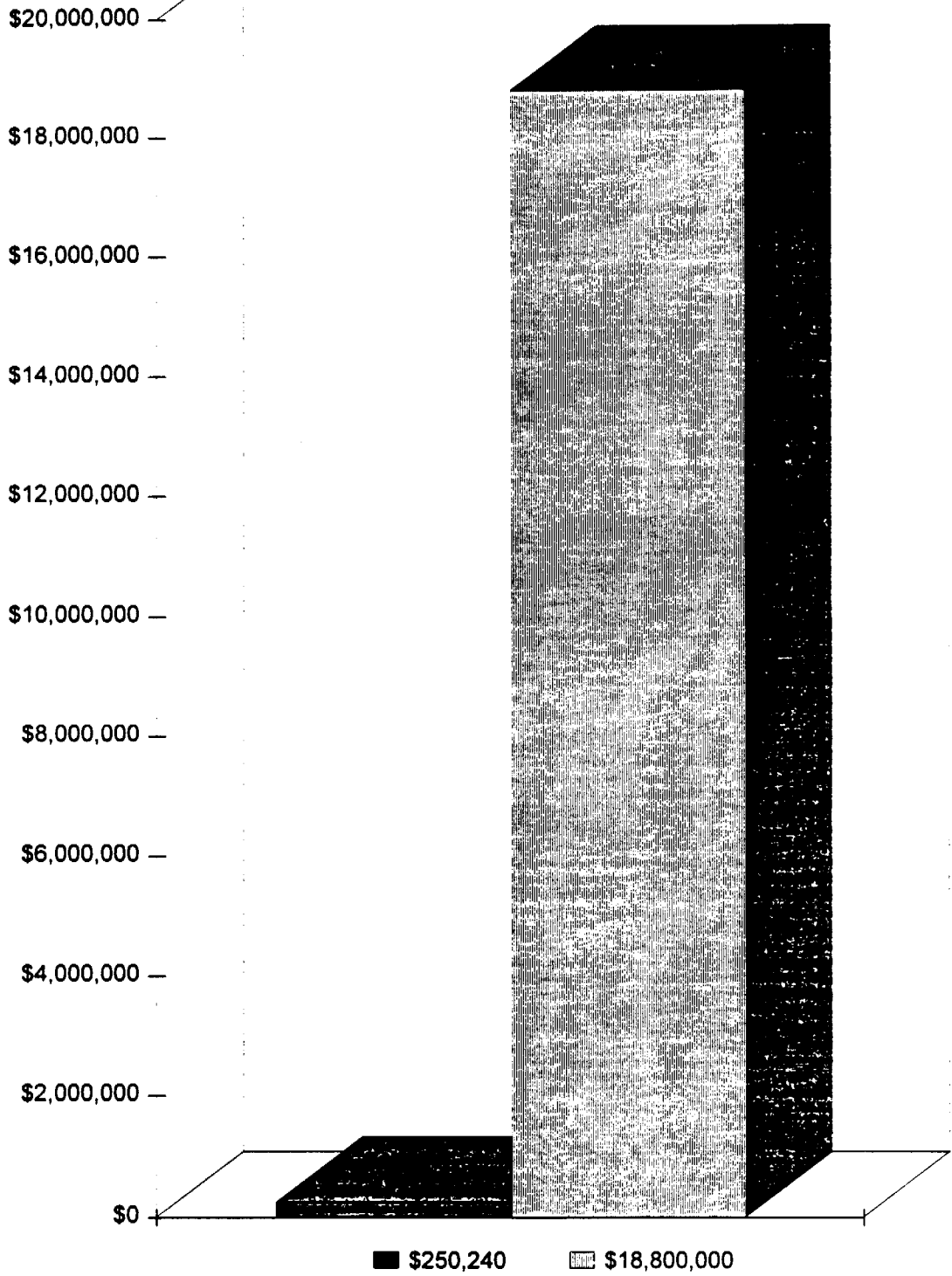
GRAPH 1

GRAPH 1	
HOMESTEAD 320	21
TAX BASE REMAINDER	79

# HANDOUT

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PC 1113

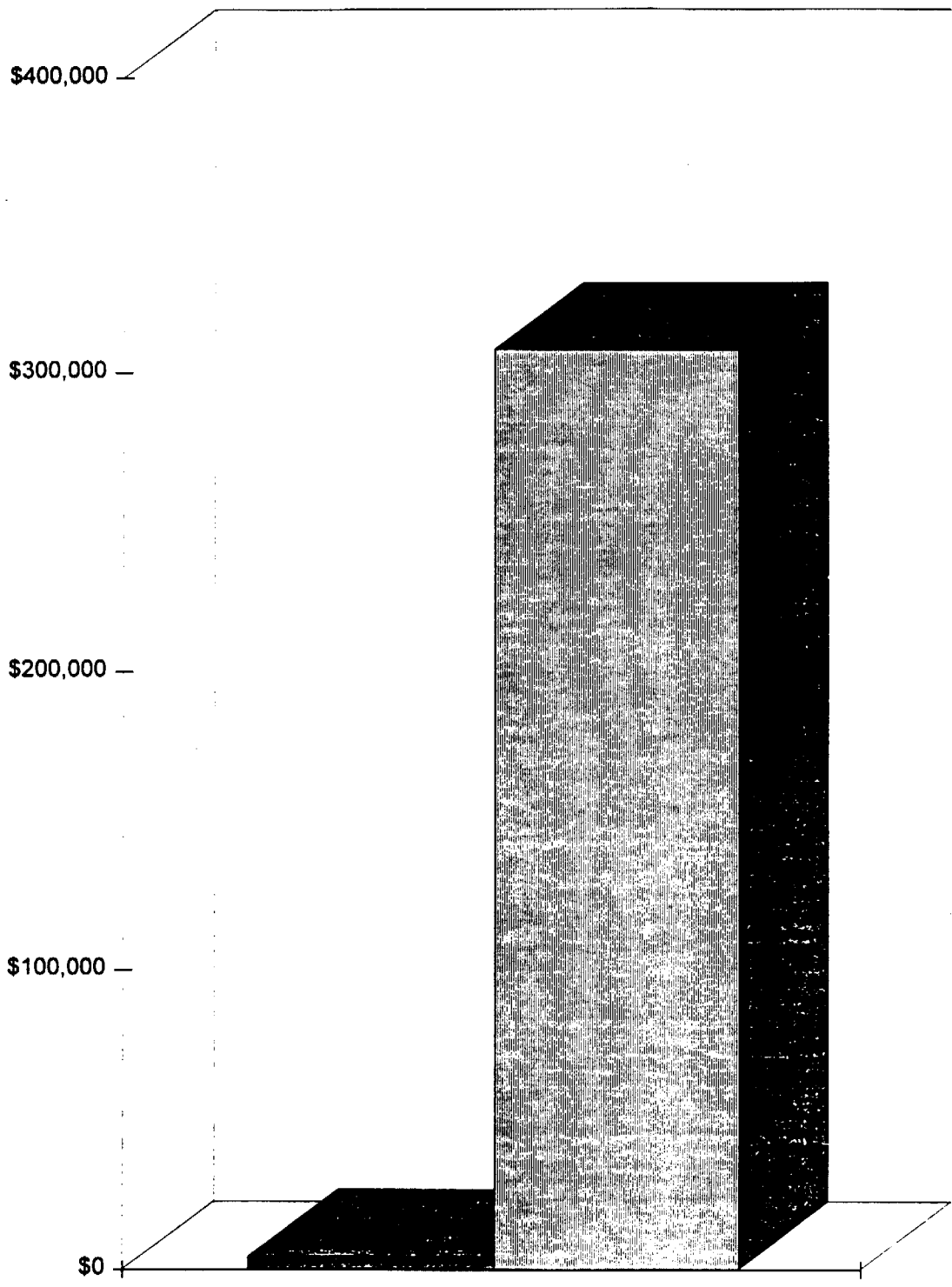
## Property Valuation Pre- and Post Development



# HANDOUT

1/20/97 DC mlj

**Annual Tax Comparison**  
Pre- and Post Development



■ \$4,104    ▨ \$308,320