

Phase 1: \$2.5M Total Capitalization

Build the workforce. Establish adobe production. Install shared infrastructure. Generate early revenue through agrotourism and hospitality.

Crooked Forest Institute · 501(c)(3) · 52 debt-free acres · Mimbres Valley, Grant County, NM · Revised September 2026

WHAT PHASE 1 BUILDS

Phase 1 establishes the workforce, brickyard, shared infrastructure, and first housing units needed to build a larger adobe housing program on community-owned land. RV and glamping, retreats, agrotourism, and lodging provide early earned revenue while workers are trained and the community land trust homeownership pipeline develops.

15-20 CTE graduates per year workforce pipeline by 2029	13K bricks per year initial production target	11 units Phase 1 housing 10 lodging + 1 workforce	\$1.90M external capital identified seeking / applied for
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USE OF PROCEEDS

Use	Amount	%	Milestone
10 adobe lodging / retreat units	\$1,200,000	48%	Units online
Horizontal infrastructure	\$400,000	16%	Site infrastructure operational
Brickyard + equipment	\$250,000	10%	Production capacity online
CTE pilot program	\$150,000	6%	Workforce pipeline launched
Workforce housing unit	\$120,000	5%	Staff housing on-site
Predevelopment + soft costs	\$200,000	8%	Legal / CHDO / design
RV / glamping + operating reserve	\$180,000	7%	Early revenue + reserve
TOTAL	\$2,500,000	100%	

PHASE 1 CAPITALIZATION

The \$2.5M figure is total Phase 1 capitalization, not a \$2.5M new-money raise.

Category	Amount	Status / treatment
Identified external capital	\$1,900,000	Seeking / applied: grants + NMFA + PRI + CDFI
Land already contributed	\$200,000	Secured · noncash project contribution
Founder loan already deployed	\$90,000	Deployed · existing project capital
Co-op member equity	\$30,000	Building
Remaining capitalization need	\$280,000	To be funded by additional capital and/or validated retained operating cash
TOTAL PHASE 1 CAPITALIZATION	\$2,500,000	

Identified external capital: \$375K foundation first-loss grants · \$375K NM Housing Trust Fund · \$220K NMFA PPRF · \$500K impact PRI · \$430K CDFI bridge.

Phase 1 Revenue and Workforce Plan

Early hospitality and agrotourism revenue support the site while the workforce, brickyard, and housing program are built.

REVENUE LOGIC

Revenue stream	Current / modeled basis	Role in Phase 1
Lodging / retreats	10 units × \$125 ADR × 65% stabilized occupancy = \$296,563/yr	Revenue after units are online
RV / glamping	\$60 blended nightly rate · 55% modeled occupancy	Early revenue while units are built
Brick production	\$15K 2026 · \$38K 2027 · \$75K 2028 modeled revenue	Local production and outside sales
Farm / agritourism	Small supplemental revenue in current model	Programming and site use

Financial treatment: future gross operating revenue is not counted as capital available at closing. Only cash remaining after operating costs and debt service should be treated as a source for Phase 1.

PROOF OF CONCEPT - ALREADY COMPLETED

✓ 52 acres acquired debt-free (Oct 2024)	✓ First brick order: 3,000 bricks
✓ 150 sq ft prototype cabin built (2025)	✓ RV revenue operational (\$50K/yr reported)
✓ Soil extraction rights confirmed	✓ Insurance + compliance achieved
✓ Architectural plans complete (Kennedy)	✓ Community demand validated

MILESTONE-GATED CAPITAL

Gate	Release condition
1 · Site + production	Shared site infrastructure, brickyard, and RV operations verified operational
2 · Units online	Construction progress verified and first lodging / retreat units placed into service
3 · Revenue validation	Lodging occupancy ≥60% for 3 consecutive months and debt-service coverage verified from the revised model
4 · Workforce + CLT	First CTE cohort graduated and CHDO / CLT development milestones achieved

HOW PHASE 1 LEADS TO HOUSING

Phase 1 starts with workforce, production, and infrastructure. RV and glamping, retreats, agrotourism, and lodging help carry the site while workers are trained and adobe production grows. The same land, infrastructure, equipment, and workforce then support permanent CLT housing.

RV + glamping + agritourism	Workforce training	Adobe production	Housing construction	CLT homeownership
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TEAM

Holly Noonan	Executive Director	Operations, CLT design, compliance
Joseph Kennedy	Education Director	30-year earthen architect; author
Josh Montoya	Construction Systems	Brick supply chain, mobile mixing
Coakee Wildcat	Foreman	Adobe construction, ecorestoration

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