



# CANYON RIDGE TOWNHOMES

DEVELOPMENT OPPORTUNITY  
WENATCHEE, WA

**OVERVIEW**



# WILKINSON QOZB, LLC | CANYON RIDGE TOWNHOMES

## INVESTMENT SUMMARY

This development investment is being created as a Qualified Opportunity Zone Business (QOZB). According to the IRS, a qualified opportunity zone (QOZ) is an economically distressed community where new investments, under certain conditions, may be eligible for preferential tax treatment. Localities qualify as QOZs if they have been nominated for that designation by a state, the District of Columbia, or a U.S. territory and that nomination has been certified by the Secretary of the U.S. Treasury via his delegation of authority to the IRS. QOZs are an economic development tools designed to spur economic development and job creation in distressed communities.<sup>1</sup>



### Land Overview

The development site is located at 2296 5th Street NE, East Wenatchee, in central Washington state, approximately 150 miles from Seattle and 160 miles from Spokane, WA.

- Tax parcel number: 22210740004
- Zoning: 83 - Resource–agriculture current use
- Lot size: 24.62 Acres
- Purchase price: \$1,775,000 (\$71,000 per acre)

### Planned Investment Schedule

**Currently:** Submitted PUD application for rezoning

#### 2022

- APRIL: Estimated receipt of Entitlement
- MAY: Groundbreaking starts
- JUNE–JULY: Procure investment equity (\$20M–\$21M) & debt
- SEPTEMBER: Begin vertical construction

#### 2023

- APRIL: Initial lease-up begins

#### 2024

- JULY: Full lease-up completed

1. <https://www.irs.gov/credits-deductions/opportunity-zones-frequently-asked-questions#collapseCollapsible1634740021099>

# WILKINSON QOZB, LLC | CANYON RIDGE TOWNHOMES DEVELOPMENT PARTNERS

## **HUMPHREYS & PARTNERS** ARCHITECTS, L.P.

For the past 30 years, Humphreys & Partners Architects has been providing high quality, innovative planning and design services. An award-winning firm specializing in multifamily, mixed-use and hospitality/resort design, HPA has extensive experience in high-rise, mid-rise, student, senior, tax credit, affordable, moderate and luxury communities. Headquartered in Dallas, with regional offices all over the world, HPA employs a talented team of professionals with artistic talent, classical training and diverse experience in all aspects of the architectural process. Our portfolio of experience in 49 states and abroad demonstrates a clear understanding of the local and regional issues affecting project success. Humphreys & Partners Architects has provided design services on over \$21 billion in units to date. Throughout the years, Humphreys & Partners has been recognized by organizations across the country for design excellence. Honors include Best in American Living, Pillars of the Industry, Aurora and Grand Aurora, Builders' Choice and Builders Choice Grand Award, Platinum People's Choice Awards, as well as numerous other local and regional awards.

Sources: <https://humphreys.com>; <https://esiconstruction.com>



## **Engineered Structures, Inc. (ESI Construction)**

### **Core Values**

#### **Dedicated**

We are dedicated to providing superior service, quality, and value. We place emphasis on personal and professional growth as a team. We stay committed to our word, our work, and one another.

#### **Dependable**

We deliver on our promises, inspiring trust through Experience, Service, and Integrity. We are resilient when challenged, persistent in our delivery and reliable always.

#### **Dynamic**

We drive progress. We take initiative. We harness the diverse strengths of the entire team to meet project, client, and market demands of tomorrow.

#### **Everyone Succeeds Together**

Our vision as a company is to achieve first-choice status with those we serve while making an enduring impact in every community we touch. We strive to achieve this goal together each and every day.

### **Experience**

- 1,000,000 Cubic Yards of Concrete Poured
- 150,000 Tons of Steel Hung
- 69,077,485 Square Feet of Retail Projects
- 43 States
- 33 Countries
- 48 Years in Business
- 100 Non-Profits Assisted

# WILKINSON QOZB, LLC | CANYON RIDGE TOWNHOMES PLANNED UNIT DEVELOPMENT OVERVIEW

## Our Rationale: Strong Need for Multifamily in Wenatchee

A study conducted by Housing Solutions Group and published by *Wenatchee World* in 2018 states:

- There is a deficiency of approximately 1,600 market-rate units (there have been 307 units added to the market since the study was published).
- Several major employers have reported they have been unable to fill job positions due to the lack of available and affordable housing in the community.
- The multifamily market is characterized by low vacancy rates and overcrowding.

## PUD Overview

Planned Unit Development (PUD) is a sort of “do-it-yourself zoning” option and would save the company from having to rezone from the 83–Resource–Agriculture Current Use zoning to R3 High–Density zoning. From a preliminary pre-application meeting, the City and County are favorable to the idea of a PUD development. With the PUD route, the City and County expect some give and take and have made some requests for us to include in the development design.

## Our Plan

The development will offer housing to professionals and families in the Wenatchee Valley—providing a safe, beautiful, and desirable community for our residents. This development will consist of:

- Two-story apartment buildings with 10 units in each building (approximately 16,000 total S.F.) totaling 290 units of workforce multifamily housing
- Office/clubhouse (approximately 5,800 S.F.)
- Maintenance building (approximately 1,000 S.F.)
- Desirable community amenities
- Residential units will include an effective mixture of 1 Bed/1 Bath, 2 Bed/2 Bath, and 3 Bed/2 Bath options
- Each unit will have a 1-2 car garage, all served by separate driveways with additional parking spaces available throughout the development.
- The buildings will have beautiful finishes with a variety of materials and be constructed in the modern farmhouse style.



**Exterior finishes for our proposed development will follow a similar design, style, and feel to the images shown in this overview, which were taken from a community in Austin TX designed by our architect Humphreys & Partners.**

1. Our Valley Our Future Housing Solutions Group Recommendations October 2018: *Where Will We Live?:*  
<http://www.ourvalleyourfuture.org/wp-content/uploads/2018/11/OVOF-Housing-Report-FINAL.pdf>

# WILKINSON QOZB, LLC | CANYON RIDGE TOWNHOMES SITE PLAN



## Nearby Land Uses

**North:** residential neighborhood with single-family and duplex properties and a Planned Utility Development (PUD) of well-done manufactured homes

**East:** scenic canyon

**South:** residential neighborhood and scenic canyon

**West:** vacant agricultural land (Wilkinson has a First Right of Refusal in place on this property.)

## Street Access/Exposure

The property has access to two paved, two-way roads with one lane of traffic in each direction. Although the property lacks visibility from a major road, we believe this can be overcome by utilizing a strong marketing plan to showcase the property's livability.

# WILKINSON QOZB, LLC | CANYON RIDGE TOWNHOMES PLANNED BUILDING DESIGN



*Note: site and building development plans are assumed to be correct at this time, but may be altered during the final construction phase.*

## Residential Buildings

Exterior	
Construction	Two-story wood framed slab on grade
Siding	Cementitious siding with board and batten accents
Windows	Energy-efficient vinyl
Roofing	Metal and asphalt shingle with TPO mechanical well to house the condensing units

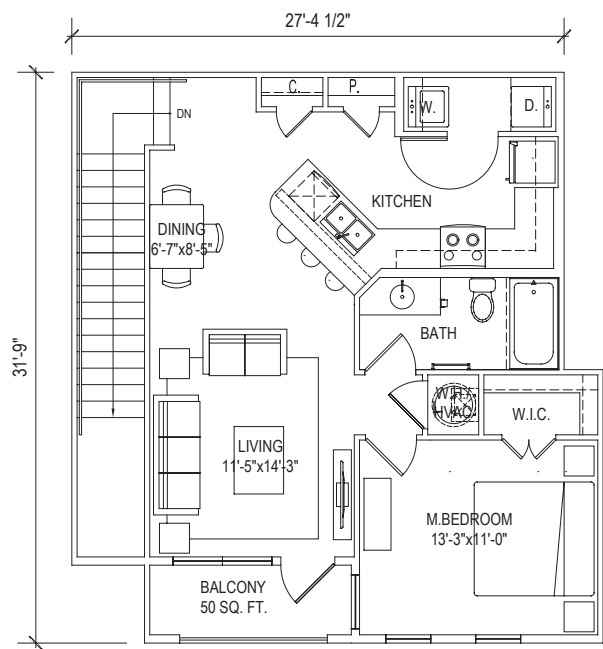
Interior	
Flooring	<ul style="list-style-type: none"> <li>Common space/bathrooms: luxury vinyl tile (LVT)</li> <li>Bedrooms: sheet carpet</li> </ul>
Walls/Ceilings	Painted, with MDF trim
Cabinets	Plastic laminate (PLAM) with white melamine interiors
Countertops	2 cm Quartz
Closets	Single clothes rod and shelf
Appliances	Kitchen and laundry included in each unit

## Clubhouse

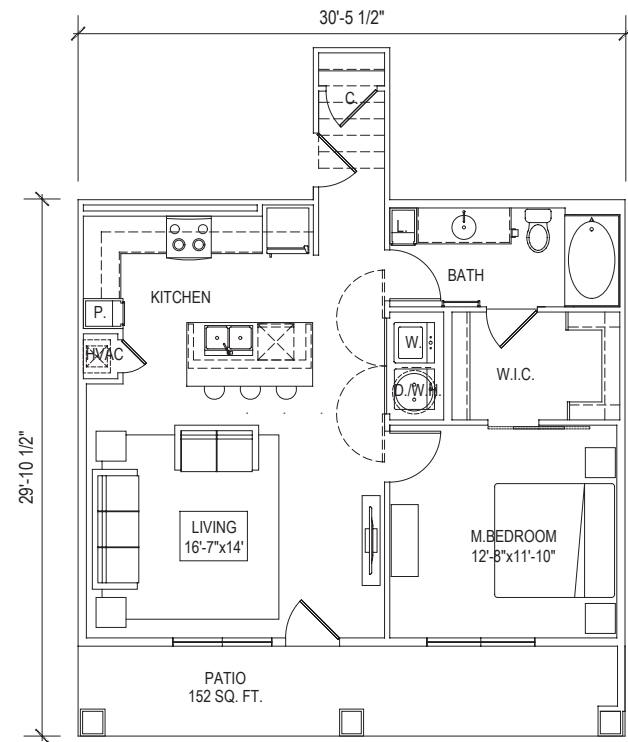
Exterior	
Construction, Siding, and Windows	Similar to residential buildings
Roofing	Pitched with asphalt shingles and small TPO mechanical well for HVAC equipment
Doors and Windows	Storefront doors and windows at the entrances and at management and leasing offices

Interior	
Flooring	<ul style="list-style-type: none"> <li>Circulation areas: LVT</li> <li>Restroom: floor tile</li> <li>Offices: carpet tile</li> </ul>
Interior treatments for all areas	<ul style="list-style-type: none"> <li>Doors: solid core</li> <li>Trim: MDF</li> <li>Walls/ceilings: painted</li> <li>Cabinets: PLAM with white melamine interiors</li> <li>Countertops: 3cm quartz</li> </ul>

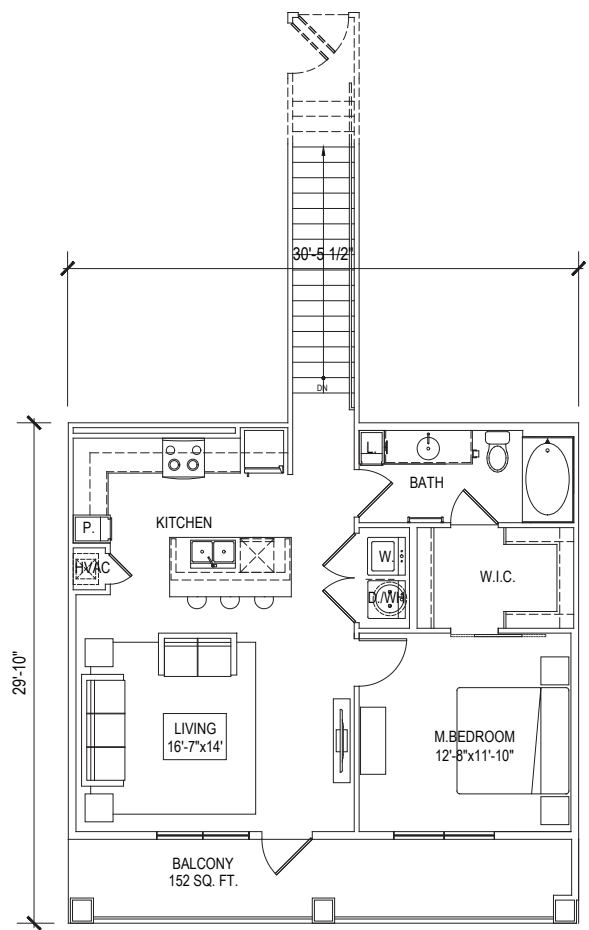
WILKINSON QOZB, LLC | CANYON RIDGE TOWNHOMES  
 SAMPLE FLOOR PLANS



UNIT A1U  
 NET - 821 SQ. FT.



UNIT A2L  
 NET - 791 SQ. FT.



UNIT A2U  
 NET - 899 SQ. FT.

Source: Humphreys & Partners Architects, L.P. Architectural Siteplan Scheme 03; February 2022

# WILKINSON QOZB, LLC | CANYON RIDGE TOWNHOMES

## SAMPLE ELEVATIONS



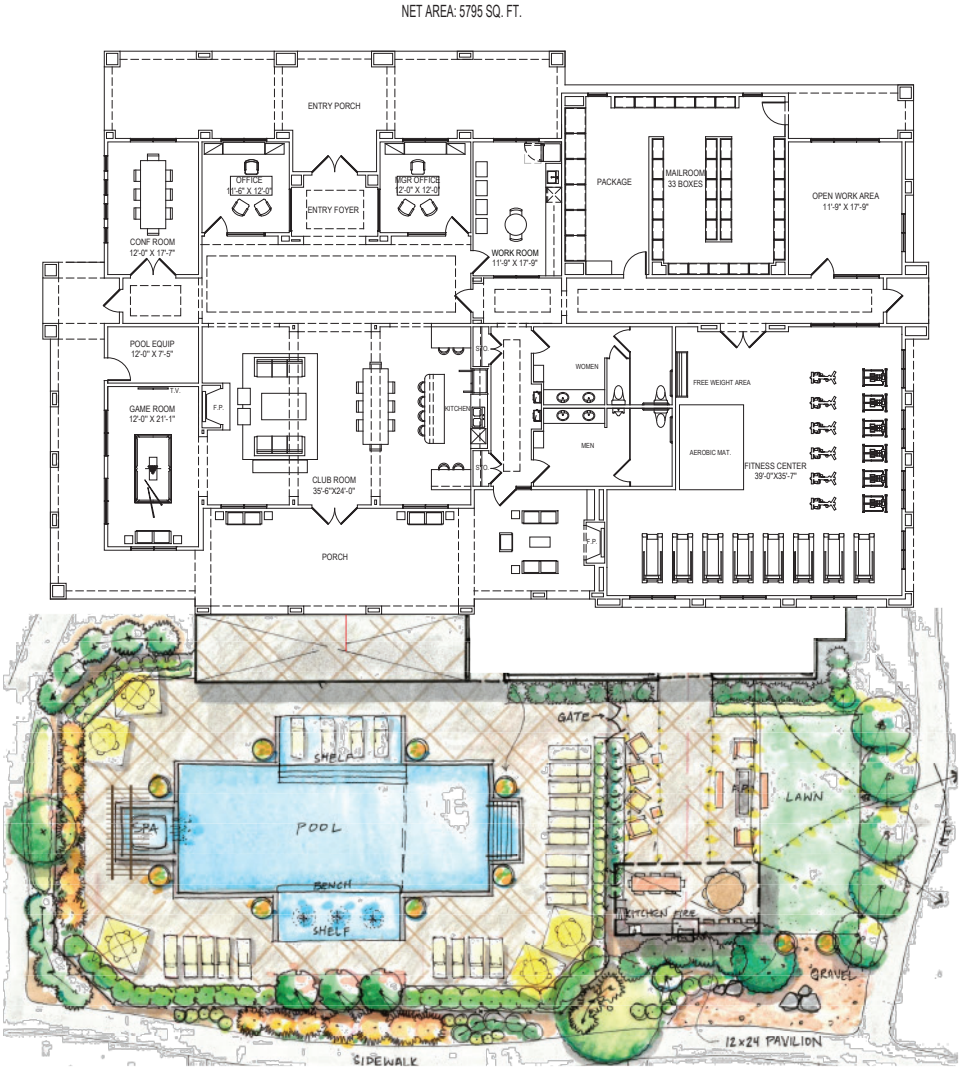
FRONT ELEVATION



RIGHT ELEVATION



# WILKINSON QOZB, LLC | CANYON RIDGE TOWNHOMES CLUBHOUSE PLAN



Source: Humphreys & Partners Architects, L.P. Architectural Siteplan Scheme 03; February 2022

# WILKINSON QOZB, LLC | CANYON RIDGE TOWNHOMES PLANNED LANDSCAPE DESIGN

Landscaping will prominently feature native trees, shrubs, and groundcovers hardy to East Wenatchee's climate swings throughout the year.

- Trees will be strategically placed to help filter and block wind, accentuate entries, provide shade and comfort, and complement architectural stylings, tones, and colors of the structures.
- Pockets of low-growing shrubs will be selected to provide punches of color and scent at the individual entries to each apartment home and reinforce common areas.
- Bands of different mulch types will tie the trees, shrubs, and groundcovers to the remaining open space.
- All areas will be served by a permanent in-ground drip irrigation system, soil water sensors, and other technologies to maximize water conservation efforts.
- Sidewalks and patios: grey broom-finished concrete.
- Drive isles and site parking stalls: asphalt



# WILKINSON QOZB, LLC | CANYON RIDGE TOWNHOMES PLANNED AMENITIES

The proposed development will be a gated community including lifestyle amenities to promote human flourishing for the residents including:

## Community

- Pool
- Playground
- Dog park
- Sports court
- Gym
- BBQ areas
- Community garden
- Walking/jogging trail with canyon view and access to both streets bordering the property

## Units

- Desirable, sleek, modern farmhouse-style architecture
- Award-winning Big House® design
- Direct unit entry
- Private, attached, direct access garages for every unit all ready for electric car charging stations
- Balcony or patio for each unit
- Energy efficient construction
- Use of fire-resistant materials





*The*  
**WILKINSON**<sup>®</sup>  
FAMILY OF COMPANIES

# MARKET OVERVIEW & COMPARABLES

# WILKINSON QOZB, LLC | CANYON RIDGE TOWNHOMES

## THE WENATCHEE AREA

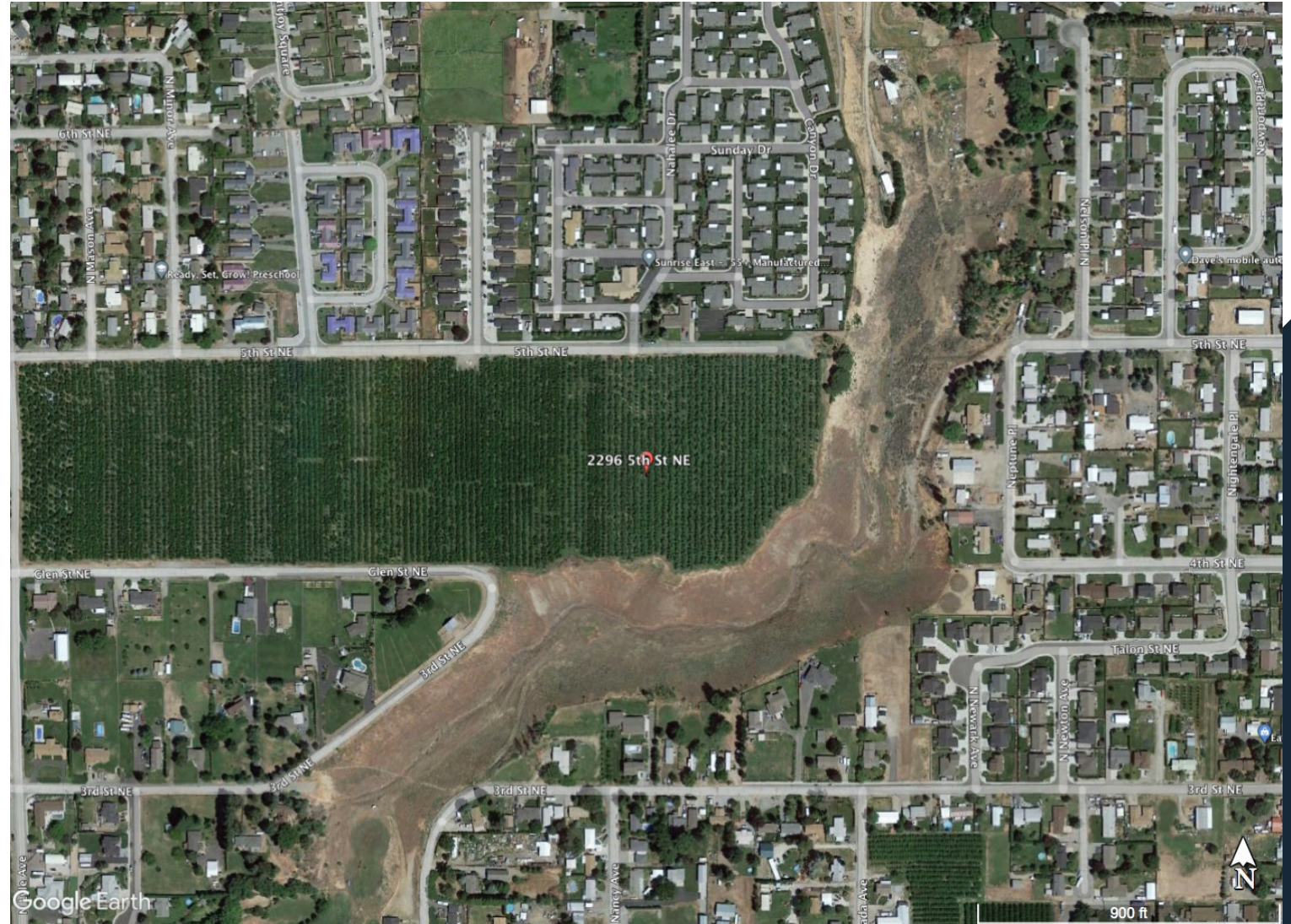
Our proposed development is within minutes of parks, walking trails, the Columbia River, shopping, dining, and wineries; and within 35 minutes of more recreational activities including Leavenworth, WA (a Bavarian-themed town with popular tourist attractions) Mission Ridge Ski Resort, and other outdoor activities.



# WILKINSON QOZB, LLC | CANYON RIDGE TOWNHOMES

## THE NEIGHBORHOOD

The property is located in a residential neighborhood in Douglas County and has beautiful views in all directions. It is in the path of growth and is likely to be annexed by the City of East Wenatchee. Because of this, we are working with both the County and City for planning and permitting.



# WILKINSON QOZB, LLC | CANYON RIDGE TOWNHOMES

## COMPARABLES

	Class	Construction Completed	Units	Distance from Proposed Development	Square Feet	Market Average Rent	Market Average \$/SF
<b>PROPOSED DEVELOPMENT</b>	–	–	<b>290</b>	–	<b>1,048</b>	<b>\$2,268</b>	<b>\$2.16</b>
<b>Rylee Ann Apartments</b>	B	2015	105	2.2 miles	1,153	\$2,303	\$2.00
<b>600 Riverside Apartments</b>	A	2019	144	5.3 miles	761	\$1,699	\$1.85
<b>Castle Rock Apartments</b>	C	1976	139	5.5 miles	832	\$1,540	\$1.85
<b>Riverside9 Apartments</b>	A-	2015	312	5.6 miles	876	\$1,668	\$1.90
<b>Courtyard 465 Apartments</b>	B	2019	65	6.7 miles	868	\$1,604	\$1.85
<b>Cedarwood Apartments</b>	B	1988	120	6.2 miles	1,014	\$1,702	\$1.68
<b>Altitude Apartments</b>	A	2020	96	2.0 miles	1,163	\$1,987	\$1.71
<b>Total/Weighted Avg. (Market)</b>			<b>1,271</b>		<b>955</b>	<b>\$1,867</b>	<b>\$1.96</b>
<b>Total/Weighted Avg. (Market Less Subject)</b>			<b>981</b>		<b>927</b>	<b>\$1,749</b>	<b>\$1.90</b>

Sources: Market Snapshot by Avenue5® Residential, October 2021  
Google Maps



# WILKINSON QOZB, LLC | CANYON RIDGE TOWNHOMES WENATCHEE MARKET

Wenatchee is a growing and thriving community and is situated as a mountain gateway between western Washington and the agricultural areas of the Columbia Plateau to the east.

## Wenatchee Area

Fourth fastest-growing County in the State in 2020

# 59,095

Total Population

# 2.17%

Douglas County  
Population Growth in 2020

# 1.99%

2015-2020  
Annual Growth Rate

## Schools

Eastmont School District is a midline school district and serves grades Pre-Kindergarten through 12th Grade

- Total Student Count: 6,306
- SchoolDigger Rank: 114th out of 247 Washington School Districts

### Sources

**Population:** [https://www.wenatcheeworld.com/news/local/douglas-county-among-fastest-growing-in-state/article\\_359e3a2e-c0ad-11ea-afe2-eb6d6a2d5b34.html#:~:text=NCW%20%E2%80%94%20Douglas%20County%20was%20the,Kittitas%2C%20Clark%20and%20Franklin%20counties.](https://www.wenatcheeworld.com/news/local/douglas-county-among-fastest-growing-in-state/article_359e3a2e-c0ad-11ea-afe2-eb6d6a2d5b34.html#:~:text=NCW%20%E2%80%94%20Douglas%20County%20was%20the,Kittitas%2C%20Clark%20and%20Franklin%20counties.)

**Demographics:** [https://www.bls.gov/eag/eag.wa\\_wenatchee\\_msa.htm](https://www.bls.gov/eag/eag.wa_wenatchee_msa.htm) and [stdb.com](http://stdb.com)

## Demographics

Average # People in Household

# 2.7

Average Age

# 35.8

Median Household Income

# \$54,175

Total Employed

# 27,360

Unemployment Rate

# 5.9%

Median Home Price

# \$346,100

## Employment Sectors

**Agriculture:** Fruit growing and packing (Apple capital of the world)

**Tech/Data Centers:** Yahoo, Microsoft, and more

**Production:** Consumer goods, conveyors, food processing, plastics, and sportswear

**Tourism and Outdoor Recreation**

## Microsoft

- Purchased 170 acres just east of our proposed development for \$19.3 million
- \$113,000 per acre development includes a three-building data center
- First building will be more than 244,000 SF, valued by the company at \$409 million
- Architectural renderings of other two buildings show them roughly the same size as the first
- Total projected budget for the data center: \$1.2 billion



# WILKINSON QOZB, LLC | CANYON RIDGE TOWNHOMES

## ATTRACTIONS

### Local Attractions within 10 Miles

- **Apple Capital Loop Trail:** 10-mile long multiple use trail along both sides of the Columbia River in town with a number of riverside parks
- **Walking/Hiking Trails** along the foothills
- **Wenatchee Confluence State Park:** at the confluence of the Columbia and Wenatchee, a popular destination for campers, swimmers, boaters, jet skiers and bicyclists
- **Ohme Gardens County Park:** a mile of natural stone paths amid hillside gardens, pools, and woods
- **Rocky Reach Dam Discovery Center and Park Arboretum**
- **Wenatchee Valley Super Oval:** in East Wenatchee considered one of the nicest and fastest quarter-mile asphalt track facilities by racers, fans and more.
- **A number of Wineries and Cideries**
- **Golf courses**

### Nearby Attractions

- **Mission Ridge Ski Area:** 13 miles
- **Leavenworth, WA**—Bavarian-themed town, tourist attractions, and outdoor recreation (river rafting, cross country skiing, hiking, etc.): 25 miles
- **Lake Chelan / Chelan, WA:** 40 miles
- **Lake Wenatchee:** 48 miles



FOOTHILLS OVERLOOK



LAKE WENATCHEE



WENATCHEE / EAST WENATCHEE



LEAVENWORTH, WA

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