

## RE: Coast Development Opportunity

The attached development opportunity may be of interest to your firm, Polygon Northwest. This 35-acre property lies immediately adjacent to the Inn at Otter Crest. A previous development attempted in 2007/2008 failed due to the recession. That attempt also met with significant local resident resistance due to the planned high density of 124 units as well as stretching the current sewer plant well beyond its capabilities. The property comes with water rights to the community owned Johnson Creek Water System.

Over the past few months I have been working with Lincoln County Planning, Lincoln County Sanitarian and residents of Otter Rock to come up with a mutually acceptable but economically viable development approach for this one of a kind coastal property. The results are as follows;

- Reduce density to 30 units on oversize lots.
  - 2 five acre lots for Wellhead Protection Zones
  - 28 additional lots averaging ½ acre.
- Deploy advanced septic systems rather than attempt to rehabilitate old plant.
- Provide for community pathways
- Streets only w/o gutters or sidewalks
- Provide 3/2 single level living homes for retirees of 1400-1700sf.

The sales price of \$1,950,000 was reached by taking in to consideration the following;

- Latest sold price of a 100 X 100 lot w/o septic was \$110,000
- Average cost of advanced septic is \$20,000

The county unlike neighboring cities has no system development fees. Additionally, the county taxes are lower for unincorporated areas such as Otter Rock. The coast continues to attract a large number of retirees. Many of whom are seeking single level living within walking distance to the ocean. Unfortunately, very few of such properties exist. Therefore, those of us familiar with coastal real estate demands believe this project could actually be pre-sold in its entirety.

**PRICE: \$1,950,000**