

# Stevens Pass

Master Plan and Estates Opportunity



**Sixteen (16) 20-Plus-Acre Parcels • 402 Total Acres  
Stevens Pass, Washington**

## CONFIDENTIAL OFFERING MEMORANDUM

The Owner (“Company”) has engaged CenturyPacific, LP as real estate advisor and agent on an exclusive basis in connection with a proposed sale of 402 acres currently configured as sixteen (16) 20+ acre parcels (the “Property”) located within Section 1, Township 26 North, Range 13 East in Chelan County, Washington roughly one mile east of Stevens Pass.

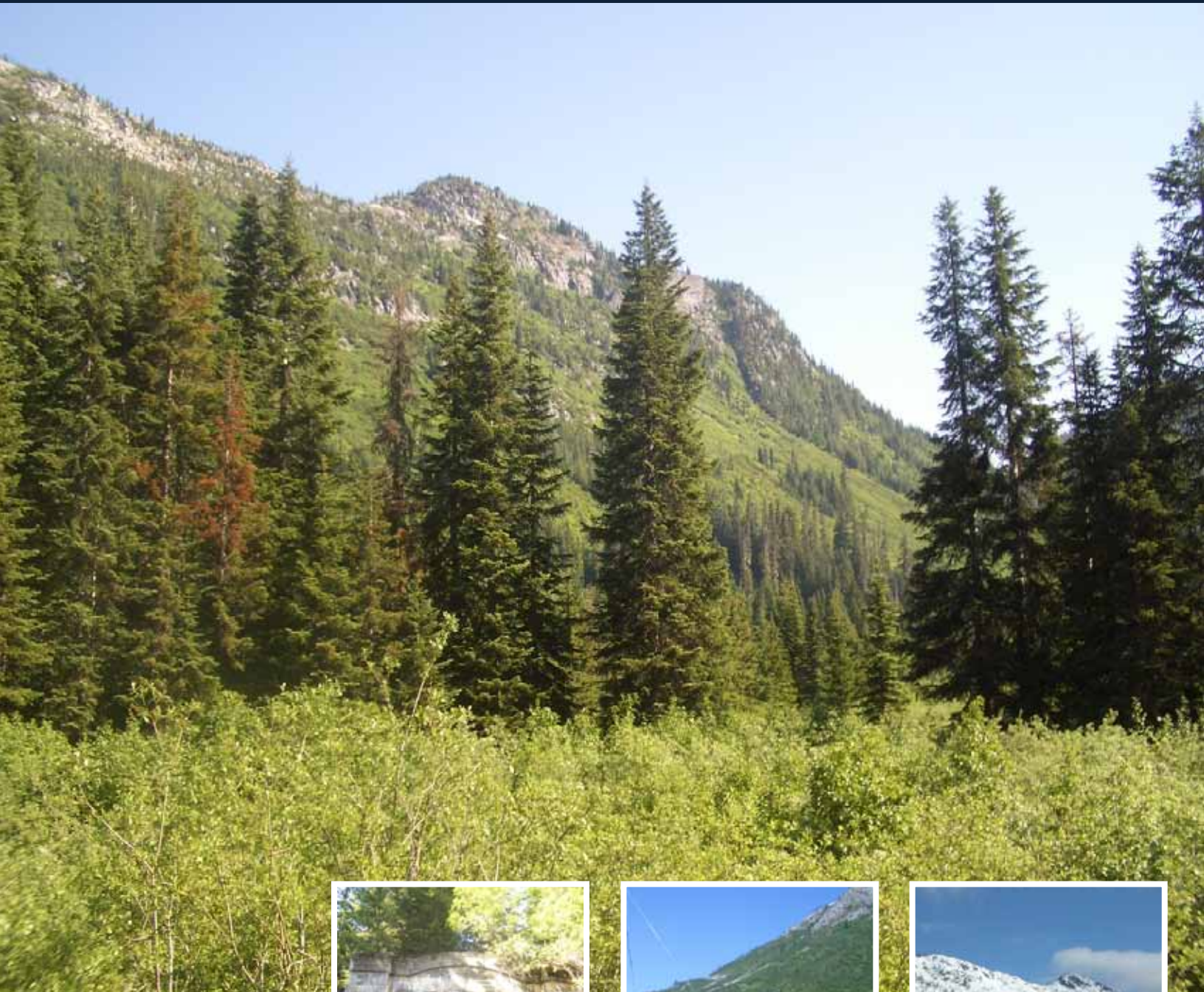
This Confidential Offering Memorandum (“Memorandum”) is being delivered to a limited number of parties who may be interested in the Property. By acceptance hereof, each recipient agrees not to reproduce or use in whole or in part the information contained herein, or any other information that is not already public, and to use this Memorandum only for the purpose of evaluating the offering made hereby. If you are not agreeable to these provisions, please promptly return the material to CenturyPacific.

This Memorandum has been prepared based partly upon information furnished by the Company which has reviewed it and authorized its use for the purpose and in the manner described above. Neither the Company, its shareholders, partners nor affiliates, makes any representations or warranties with regard to the accuracy or completeness of the information contained herein. CenturyPacific, LP has conducted a limited review of the information contained in this Memorandum, but has not independently verified the accuracy or completeness thereof. CenturyPacific, LP does not represent or warrant the accuracy or completeness of the information contained in this Memorandum. Nothing contained in this Memorandum should be construed as a representation by any person as to the future possibilities or performance of the Property.

EACH POTENTIAL PURCHASER IS EXPECTED TO CONDUCT ITS OWN DUE DILIGENCE.

## CENTURYPACIFIC, L.P.

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# I. Investment Summary

## THE INVESTMENT

With 402 acres at the top of stunning Stevens Pass, Washington, the Property is one of the largest private land holdings in the Cascade Mountains. There are very few opportunities to purchase private land at Stevens Pass, one of the most recreationally significant and beautiful areas in the Pacific Northwest. However, the Company is offering a rare chance to purchase one of sixteen (16) 20-plus-acre recreational parcels or an entire 402-acre winter master plan opportunity. Stevens Pass is located just 78 miles east of Seattle on scenic Highway 2 which is part of the Cascade Loop. This wonderful recreational property at Stevens Pass is situated in the center of millions of acres of national and state forestland. The Property includes a privately held section of the Pacific Crest Trail which runs 2,650 miles from Mexico to the Canadian border.

## PRICE

The price for the entire 402 acres is \$3.9 million. Individual parcels are priced as follows:

Parcel	Size in Acres	Parcel Location	Price Per Parcel
Parcel #1	22.72	North Parcels	\$220,407
Parcel #2	22.70	North Parcels	\$220,213
Parcel #3	22.69	North Parcels	\$220,116
Parcel #4	22.69	North Parcels	\$220,116
Parcel #5	22.69	North Parcels	\$220,116
Parcel #6	22.69	North Parcels	\$220,116
Parcel #7	22.69	North Parcels	\$220,116
Parcel #8	22.69	North Parcels	\$220,116
Parcel #9	22.69	North Parcels	\$220,116
Parcel #10	24.22	Pacific Crest Parcels	\$234,958
Parcel #11	53.55	Pacific Crest Parcels	\$519,489
Parcel #12	23.96	East Parcels	\$232,436
Parcel #13	23.95	East Parcels	\$232,339
Parcel #14	23.95	East Parcels	\$232,339
Parcel #15	23.94	East Parcels	\$232,242
Parcel #16	23.95	East Parcels	\$232,339

## PROPERTY DESCRIPTION

The Property is a collection of sixteen (16) segregated 20+ acre properties totaling 402 acres located in Section 1 of Township 26 North, Range 13 East in Chelan County, Washington. The Property sits just over one mile from the crest of the Stevens Pass summit and the boundary with King County. The Property is surrounded by a series of large national forests providing protected borders and the kind of serenity that can only be found in our unique Cascade Mountains environment.

## ADJOINING PROPERTY OWNERS

The Property is generally bounded on the north, east, south and southern one-half on the west by the Wenatchee National Forest. The Henry M. Jackson Wilderness Area is located to the northern one-half of the Property's western boundary. The Stevens Pass Scenic Biway along US Highway 2 bisects section 1 and the Property, as does the 2.5-mile abandoned Cascade Tunnel now controlled by the Wenatchee National Forest. The Pacific Crest Trail, in one of the few remaining privately owned sections of the Trail, crosses the Property. Several creeks, including Stevens Creek and Nason Creek, flow through the Property. Puget Sound Energy holds an easement for two power transmission lines that run southwest and south through section 1 and the Property.

The Property is bisected on the west side of US Highway 2 by the recreational Yodelin development which includes 184 recreational lots in three phases ranging in size from 6,534 to 32,234 square feet with an average size of 13,000 square feet. Approximately 46 lots are developed with recreational cabins.

The parcels available for sale are located within two general areas:

**North Parcels:** 204 acres, currently configured as Parcels 1 to 9, generally located north and west of US Highway 2. The elevation on these parcels ranges from 3,200 feet in the northeast corner of the Property to 4,600 feet in the northwest corner. Most of the North Parcels abut Lichtenberg Mountain which provides a dramatic backdrop as one crests Stevens Pass heading east approximately one-half mile east of the Steven Pass summit. The proposed building areas of the lots in this area are centered around a 26 acre development area located in the northeast corner of the site between elevations 3,200 and 3,600 feet.

The buildable areas identified by CPH Consultants for each lot are identified to be outside of avalanche areas. However, Buyers are advised to consult their own experts to determine whether, for their particular lot, any additional development precautions are advised (e.g., building structures to withstand potential avalanche, evacuation measures, artificial release of snow loads, etc.).

The 26 acre developable bench located at the northeast corner of the North Parcels is accessed from a couple of different locations. One is via US Forest Service Road 6300 which continues on across Nason Creek to the west. The existing USFS Road 6300 on the North Parcels is maintained presumably for access to the power transmission lines. In addition, one is able to access the North Parcels via a grade standpoint to the north of Lichtenberg Place at the northeast corner of the Yodelin No. 3 subdivision.

**East Parcels:** 120 acres, currently configured as Parcels 12 to 16, located east of US Highway 2 (the “East Parcels”) (i.e., above Stevens Pass’ employee housing structure on the east side of the highway at the intersection with Stevens Road). The proposed development areas are consolidated on the 50 acres of relatively flat property in this section.

The developable area located on the East Parcels is accessed directly off of Highway 2 via a reservation in the deed from the original transfer of land from the Owner to the State of Washington. Title documents indicates that when the original owners deeded the 22.74 acres east of US Highway 2 to the state of Washington in 1976, “The grantors herein reserve for themselves a right of access through the easterly 300 feet of the lands being herein conveyed for access purposes to their southerly remaining abutting lands.” The access point is approximately between mileposts 66.5 and 67.31.

**Pacific Crest Parcels:** 78 acres, currently configured as Parcels 10 to 11, located in the southwest corner of section 1 (the “Pacific Crest Parcels”), west of Stevens Road on the west side of US Highway 2, west of Yodelin Division No. 1 and south of Yodelin Division No. 2.

## **DEVELOPMENT OPTIONS**

### *20 acre lot owners*

With the Property’s proximity to the Stevens Pass Ski Area together with its adjacency to the Wenatchee National Forest and Henry M. Jackson Wilderness Area, there is an outstanding location for clustered recreational development. Such development would cluster building sites on the 26 acre portion of the North Parcels and the 50 acre bench on the East Parcels.

### *Master Planned Resort*

Perhaps one of the most logical options for the Property is the development of a master planned resort to take advantage of its proximity to Stevens Pass, Lake Wenatchee and all the recreational opportunities afforded in our national forests. Such development would require seeking a master plan resort under the state’s Growth Management Act changing the comprehensive plan and underlying zoning. Chelan County offers a Master Planned Resorts Overlay which would allow for a mix of “visitor-oriented accommodations, including a variety of residential, recreational, and commercial facilities.” Permitted uses in this overlay zone are those commonly found at resorts such as clubhouses, cross country skiing, single-family dwellings, townhomes, condominiums and support commercial. The MPR would be allowed on the Forest Commercial zoned properties provided a finding is made that the land is better suited for recreation.

A minimum of 40% of the total acreage must be dedicated for open space and the maximum density must be less than two housing units per gross acre. In the case of the 402-acre Property, this equates to 150 acres of open space and no more than 748 dwelling units.

## **STEVENS PASS SKI & SNOWBOARD AREA**

The Stevens Pass Ski & Snowboard Area is one of the most popular winter recreation areas in the Pacific Northwest providing a range of terrain and amenities including night skiing. Beginning skiers and snowboarders are able to learn on the rope tow and Daisy Chair, intermediates take advantage of the Brooks and Skyline Express Chairs, while experts enjoy the backside and the well-known 7th Heaven terrain. The base of the ski area is at 4,061 feet in elevation while the top of Stevens Pass is at 5,845 feet. The Stevens Pass Ski Area Permit boundary line is adjacent to the southwestern section of the subject Property although this section of the permit area is not currently utilized for alpine skiing.

## **IMPROVEMENTS**

The Property is unimproved. As indicated elsewhere, there are a few Forest Service and other dirt roads which traverse the Property.

## **ZONING**

The North Parcels and Pacific Crest Parcels are zoned RR-20. The East Parcels are zoned Forest Commercial. Both zones permit maximum building heights of 35 feet and maximum lot coverages of 35%.

## **TITLE ENCUMBRANCES**

There are no material encumbrances on the Property upon review of title. A title report prepared by First American Title Company is available upon request.

## **UTILITIES**

### *Power and Telephone*

Three-phase power through Chelan County PUD No. 1 and fiber and telephone through Verizon are generally available near the Property boundaries on the west side of US Highway 2 near and in the Yodelin development and on the east side of US Highway 2 at the Stevens Pass employee housing building at the intersection with Stevens Road. Chelan County PUD indicates it has sufficient power.

### *Water / Sewer / Septic*

The Property is located within WRIA 45. Individual wells would provide water. Septic systems would likely be used for sewer for any low density development. The Stevens Pass Sewer District indicates that there is capacity at the Stevens Pass Sewer District should more dense development occur. The District has a 25 year plan which provides for additional upgrades at various capacity intervals.

## **SENSITIVE AREAS**

### *Wetlands and Streams*

As the Property is located at the crest of a major pass in the Cascade Mountains, portions of the Property are impacted by steep slopes of 30% or more, wetlands and streams. Nason and Stevens Creeks are subject to the jurisdiction of the Shoreline Management Act. Buffers for type 1 and 2 streams in Chelan County are at a minimum 200 feet. The plan prepared by CPH Consultants identifies potential homesites which avoid restrictions associated with these sensitive areas.

### *Forestland areas*

The Property is located in the center of national and state forestland. The Henry M. Jackson Forest was created by the 1984 Washington Wilderness Act and comprises 102,673 acres. Vegetation includes Western Red Cedar, Douglas Fir, Engelmann Spruce, Western Hemlock and alpine meadows. The Wild Sky Wilderness comprising 106,577 acres is located to the southwest of the Henry M. Jackson Forest and was designated in March 2008 by the president. Finally, the Wenatchee National Forest comprises 1,735,394 acres extending along the eastern slopes of the Cascade Range from the Okanogan National Forest to the Gifford Pinchot National Forest.

### *Avalanche Issues*

Located in the middle of the Cascade Mountains at the top of Stevens Pass, the Property has obvious potential avalanche issues associated with steep slopes in mountain environments particularly those 25 to 50 degrees. The North Parcels have 25 to 29 degree slopes from 3800 feet to 5200 feet which taper off to 10% until reaching the developable area along Highway 2.

## **TIMBER & FOREST RESERVE**

Portions of the Property contain merchantable timber which adds to the aesthetics as well as the value. Recognizing the environmentally sensitive nature of the Property and the surrounding area, the Owner intends, prior to each individual lot sale, to encumber up to 70% of each parcel with a forest reserve easement. The easement would be retained by the owners who would have the right to manage and harvest the forest reserve. Subject to a definitive forest manager plan, the forest management plan would be established to govern growth and logging practices so that lot buyers would be assured of the surrounding aesthetics in proprietary. The timber itself on the forest reserve parcel would be owned by a newly formed LLC. To the extent interested, the current owners could also retain one parcel to serve as a management location and to reserve a voice and membership in the Homeowners' Association. The exact implementation of this forest reserve plan will be made in conjunction with discussions with the first few buyer(s).

## **MARKET OVERVIEW**

According to the Northwest Multiple Listing Service, there are no active listings in the Stevens Pass area. Craigslist identifies a 20 acre parcel located 14 miles east of the Property for sale at \$323,000. The subject Property is located in a much more desirable area just one mile from the Stevens Pass Resort. The general lack of inventory is a reflection of the limited private land that exists in the Stevens Pass area. In a similar vein, the NWMLS shows limited listings currently active or sold since 2005 in Crystal Mountain. Owners of property in this mountain resort community comment that, due to the lack of private land, sales are often done off-market between friends and neighbors. The limited amount of private land in top winter recreational areas bode well for the strength of the market at Stevens Pass.

## **PROPERTY OWNER**

A family trust

## **OTHER RESOURCES**

### *CPH Consultants*

CPH Consultants, a land development and civil engineering company, provided the attached site plan and layout. CPH is available to discuss development options. Contact Matt Hough, President, 425-285-2391.

### *NCW Surveying*

NCW Surveying created the Record of Survey and is available to discuss survey questions.

### *First American Title Company*

First American Title Company in Seattle, with assistance from its Wenatchee affiliate, provided the available preliminary title report.

# II. Maps and Photos



Looking West towards the West Parcels

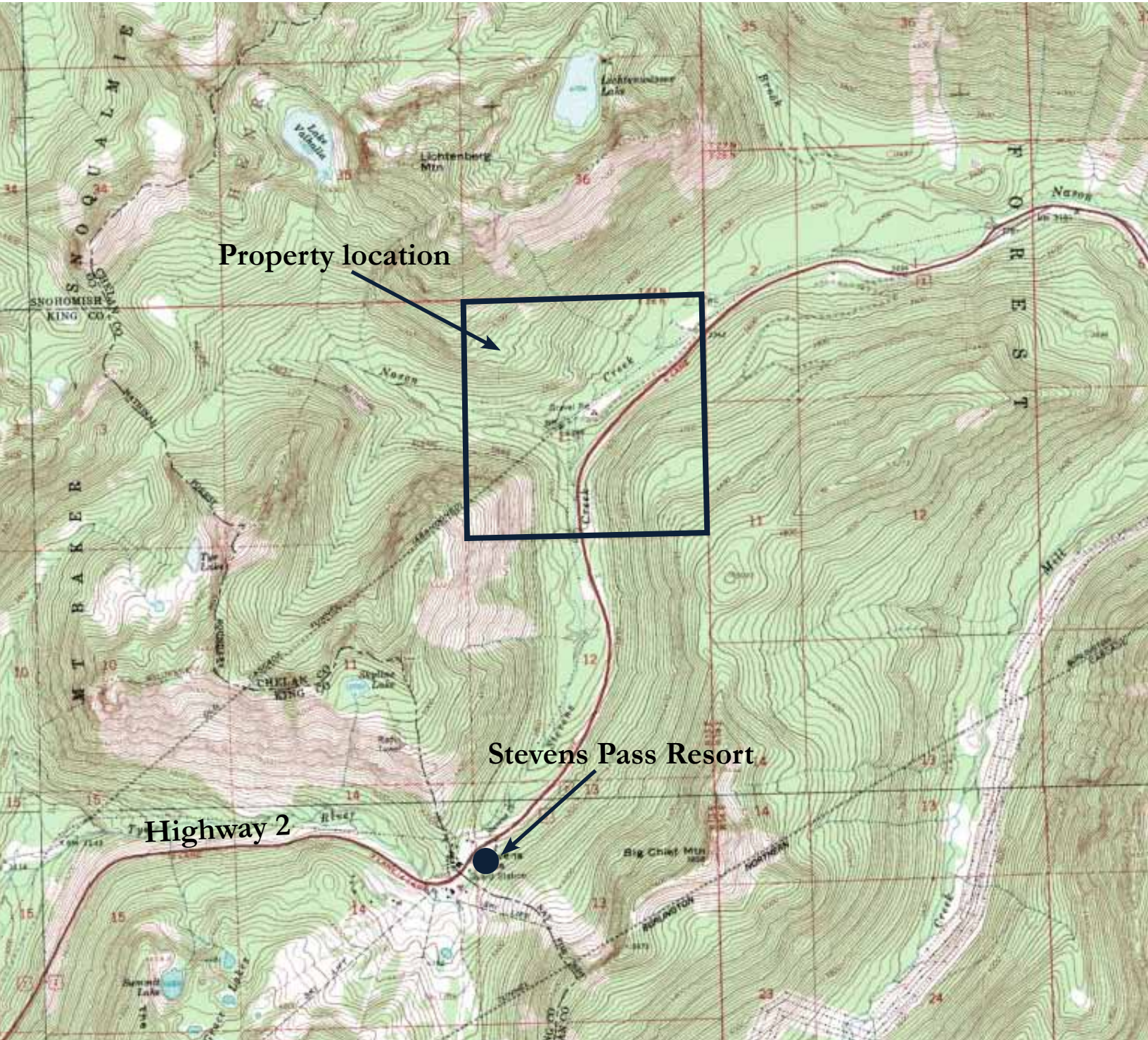


Looking East towards the Property from the Stevens Pass Ski Area

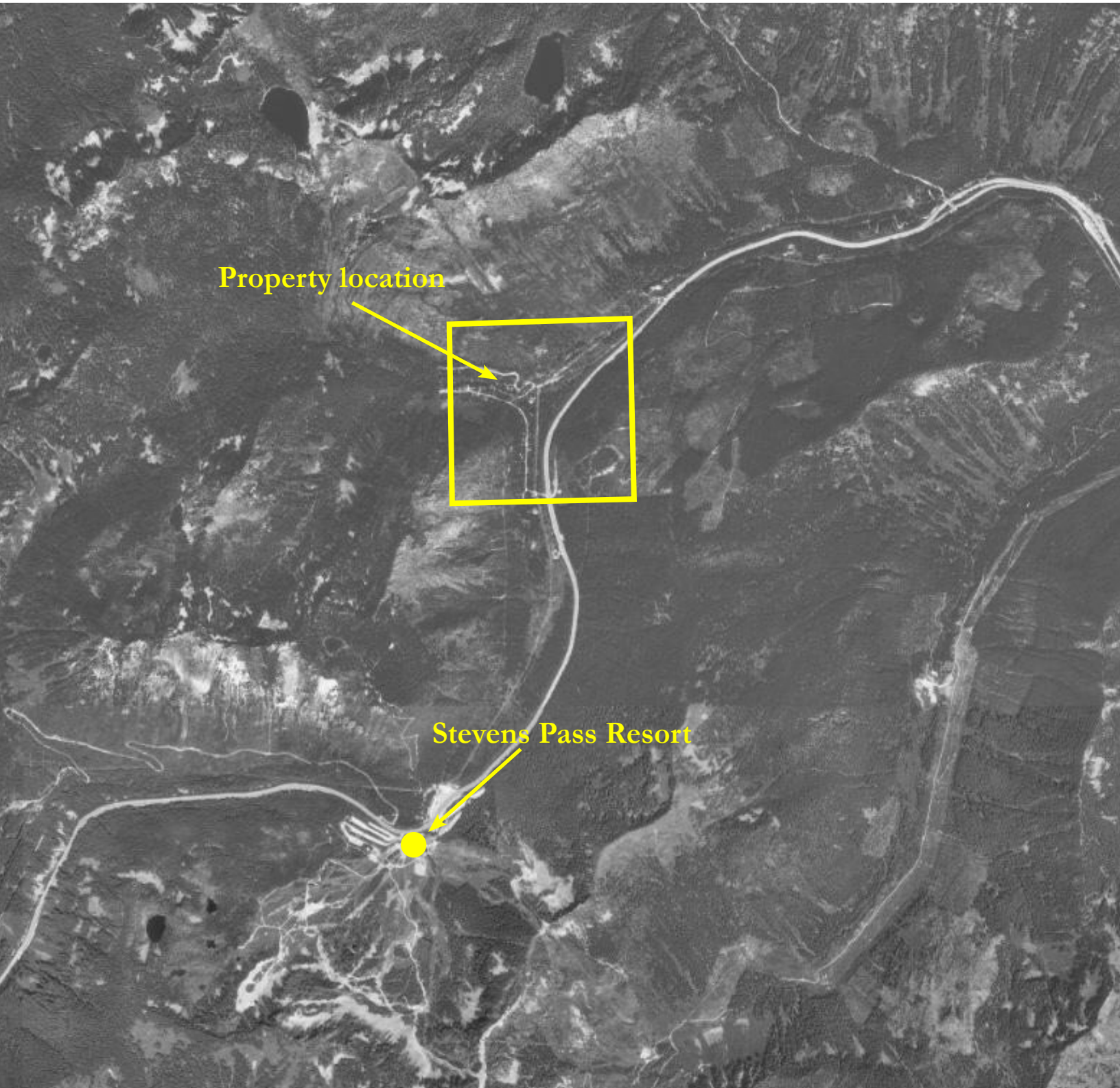
West Parcels  
Pacific Crest Parcels

East Parcels

# Topography Map



# Aerial Map







# III. Transaction Details

The offering of the Stevens Pass Resort Master Plan Opportunity and Estates is being distributed exclusively by CenturyPacific (the “Investment Team”) to a select group of pre-qualified investors. The prospective investor will be selected by the Seller in its sole and absolute discretion based on a variety of factors including, but not limited to, offer price, financial strength and ability to close in a timely fashion.

The Investment Team is available to assist prospective investors, to arrange site inspections and to answer any questions related to information contained in this Offering Memorandum.

All inquiries should be directed to:

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## DISCLAIMER

Materials contained in this Investment Offering are confidential, furnished solely for the purpose of considering the purchase of the Stevens Pass Resort Master Plan and Estates (the “Property”) located in Stevens Pass, Washington; described herein and are not to be used for any other purpose or to be made available to any other person without the express written consent of CenturyPacific, LP (the “Investment Team”) and Stevens Pass (the “Seller”). The material is based, in part, upon information supplied by Seller and, in part, upon information obtained by the Investment Team from sources they deem to be reliable. Summaries contained herein of any legal documents are not intended to be comprehensive statements of the terms of such documents, but rather are outlines of some of the principal provisions contained therein. No warranty or representation, expressed or implied, is made by Seller, the Investment Team or any of their related entities as to the accuracy or completeness of the information contained herein. Prospective investors should make their own investigations, projections and conclusions. Interested buyers should be aware that the Seller is selling the Property in “AS IS” CONDITION WITH ALL FAULTS, WITHOUT REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE. It is expected that prospective investors will conduct their own independent due diligence concerning the Property, including such engineering and environmental inspections as they deem necessary to determine the condition of the Property and the existence or absence of any potentially hazardous materials used in the construction or maintenance of the Property. No representations, expressed or implied, are made as to the foregoing matters by Seller, the Investment Team or any of their officers, employees, affiliates and/or agent. Information contained in this Offering Memorandum is further governed by the Confidentiality Agreement.

CENTURYPACIFIC, L.P.