

Wildwood Ridge Penn Valley

Residential Land Development
Investment Opportunity



- ±207.94 Acres (Per Tentative Map)
- \$10,920,000 (\$52,515 / Acre)
- 364 Tentative Mapped Lots
- \$30,000 Per Tentative Lot



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Wildwood Ridge Penn Valley

CONTENTS

- 5** THE OFFERING
- 6** INVESTMENT HIGHLIGHTS
- 8** MARKET HIGHLIGHTS
- 11** PROPERTY LOCATION
- 11** DEMOGRAPHICS
- 12** QUALITY OF LIFE
- 15** SITE DETAILS
 - Location Access
 - Size
 - APN's
 - Condition & Typography
 - Municipality
 - Zoning
 - Entitlements
 - Utilities
 - Flood Zone

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LAKE WILDWOOD

Wildwood Ridge

PLEASANT VALLEY ROAD

THE OFFERING

As the exclusive agent, Gallelli Real Estate is pleased to present this Offering Memorandum for the sale of the fee simple interest in ± 207.94 acres of tentative mapped residential land known as Wildwood Ridge located in Penn Valley, California (the "Property" or "Wildwood Ridge").

The tentative map is comprised of 364 residential lots with an approved development agreement that was recently extended with an expiration date of March 26, 2026. The project is located in a highly desirable area with unparalleled access to recreational opportunities, a growing population and a pent-up demand for new home construction.



SUMMARY

PRICE	\$10,920,000
LOT SIZE ACRES	± 207.94 (per Tentative Map)
TENTATIVE MAPPED LOTS	364
PRICE TENTATIVE LOT	\$30,000

INVESTMENT HIGHLIGHTS

- Opportunity to purchase the largest (based on number of lots), currently approved residential development site in the region.
- Capitalize on the pent up demand for newer, more efficient home designs.
- Near total absence of newer production homes in Nevada County.
- Site is nearly surrounded by almost 2,900 homes within the Lake Wildwood Community and over 4,100 homes in the same zipcode
- Potential local buyer pool of older residents seeking to own a newer more efficient home with less maintenance requirements and eliminating a nearly \$2,000 annual bill for their HOA dues, while remaining in the same area.
- Property offers multiple exit strategies



- The 364 lots are spread over ±207.94 acres, creating the possibility to develop the site in multiple phases, each marketed to a different buyer segment.
 - Age restricted senior communities are in high demand in temperate, rural communities, that offer all the amenities of a city, without the congestion.
 - Entry level homes offering modern amenity packages and energy efficiencies are in extremely short supply in the region.
 - Newer homes for established families are nearly non-existent unless the home owner is willing and able to build custom.
- Wildwood Ridge offers the ability to leverage existing infrastructure to reduce the cost of development.
 - Most available residential sites in the area are acreage located in remote parts of the county, making development considerably more expensive.
 - No significant off-site improvement requirements prior to development. Other site locations would require as much as \$30 million in off-site improvements prior to development.
 - Ample water and sewer capacity is available without additional offsite connection fees. The site includes stand-by capacity for sewer and water at a cost of approximately \$138,000 per year.
- Wildwood Ridge offers competitive advantages.
 - Newer homes with updated layouts and energy efficiencies.
 - No Homeowners Association
 - Expansive views of Lake Wildwood, the Sierras and Coastal Mountain Ranges.
 - More convenient ingress/egress to Pleasant Valley Road than Lake Wildwood.

LOT SUMMARY

Phase #2: 84 Lots 18.94 Acres 4.44 DU/AC

Phase #3: 135 Lots 35.29 Acres 3.83 DU/AC

Phase #4: 145 Lots 40.41 Acres 3.59 DU/AC

TOTAL: 364 Lots 94.64 Acres 3.85 DU/AC

PARCEL SUMMARY

Phase #4: 3.36

(Potential club house but construction is not required)

ROADWAY SUMMARY

Phase #2: 5.15 Acres

Phase #3: 9.57 Acres

Phase #4: 9.95 Acres

TOTAL: 24.67 Acres

PARK/OPEN SPACE SUMMARY

Phase #2: 47.33 Acres

Phase #3: 35.07 Acres

Phase #4: 2.88 Acres

TOTAL: 85.28 Acres

APPLICANT

WILDWOOD RESOLUTION LLC
ATTN: BRIAN MASTERMAN
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SHERMAN OAKS, CA 91403
PHONE (213) 443-5003

OWNER

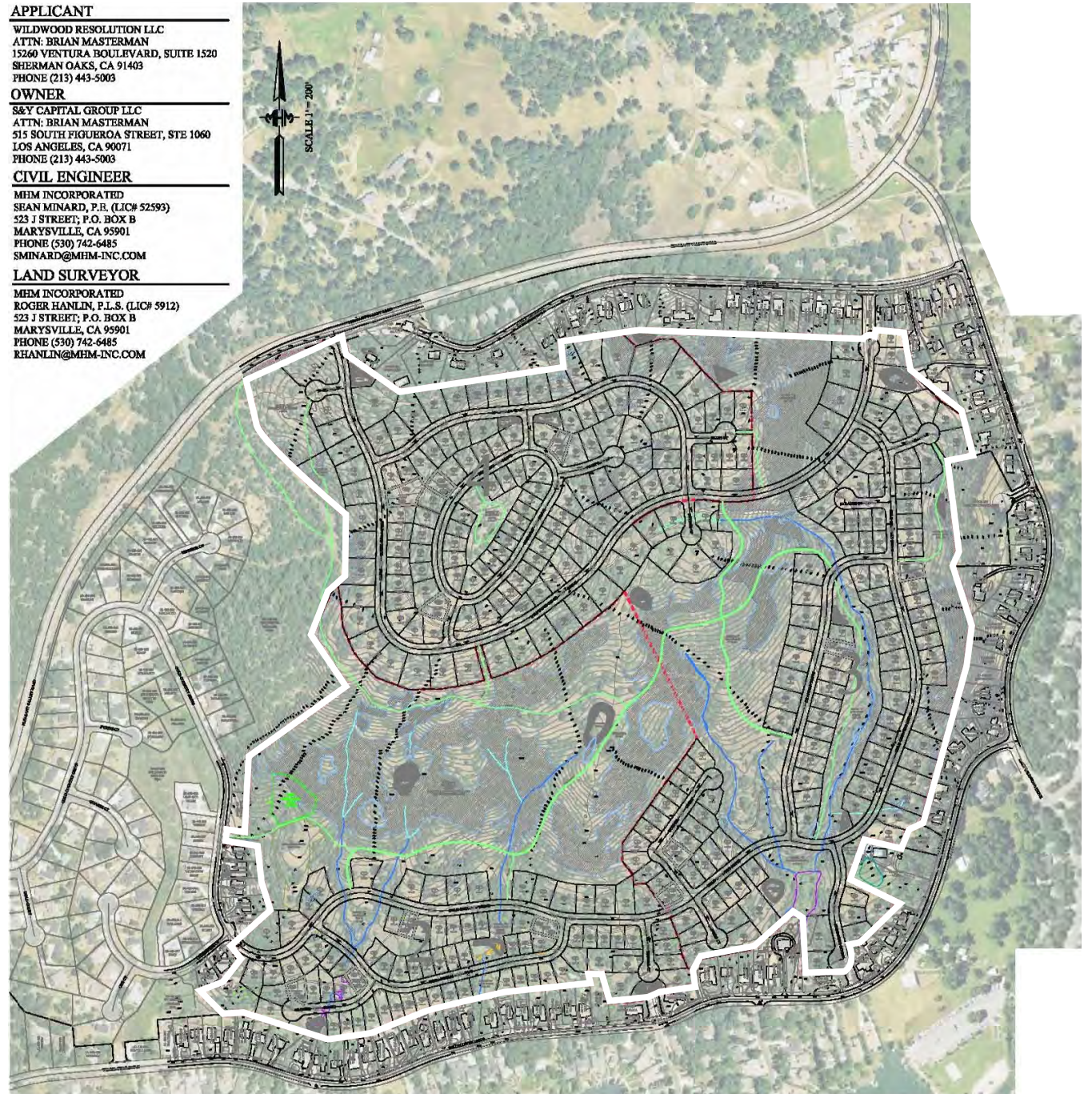
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CIVIL ENGINEER

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LAND SURVEYOR

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LAKE WILDWOOD

MARKET HIGHLIGHTS

The Wildwood/Penn Valley home market continues to pull homebuyers of varying backgrounds, from professionals who commute to their places of employment to retirees seeking to escape the bustle of city life. Existing home sales in the area have been brisk, an indication of the depth of the market for housing, which is currently severely supply constrained.

- A robust number of homes have sold in the Wildwood/Penn Valley region in the last six months.
 - In the past 3 months, over 70 homes have sold in the 95946 zip code.
 - The average age of the homes sold is 35 years.
 - The average size of the homes sold is $\pm 1,953$ SF.
 - The average price paid is \$321,000 (\$164/square foot).

- Limited new home competition in Nevada County.
 - Largest, new production home development is Ridge Meadows in Grass Valley at 37 single family homes.

- Grass Valley/Nevada City Economies.
 - Nevada County unemployment has fallen over 50% since its peak in March of 2010 and currently stands at just 5.0%.
 - Nevada City is the County seat for Nevada County. The Grass Valley/Nevada City area comprise the bulk of the population of the county.

- A high number of residents in the Wildwood/Penn Valley area commute to their places of employment.
 - According to the US Census, 80% of residents in the area commute.
 - Unemployment for the Wildwood area is just 2.6%.
 - Wildwood's unemployment rate is the lowest of the 7 Census Designated Places tracked in Nevada County.

- Yuba City / Marysville (together referred to as the Yuba-Sutter Community) economy.
 - The largest nearby employment center.
 - A total population of over 172,000
 - A labor force of nearly 77,000
 - Nearly 60% of residents own their homes
 - 66% of employment is in white collar positions
 - Home to Beale Air Force Base with over 4,000 military personnel as well as many civilian support personnel
 - Home of the only U2 reconnaissance squadron in the Air Force
 - Primary base for the Global Hawk unmanned aerial vehicle
 - Agriculture based businesses have over a \$1 billion impact on the economy annually
 - Nearly 5,500 total establishments
 - Over 28% of the population has a college degree





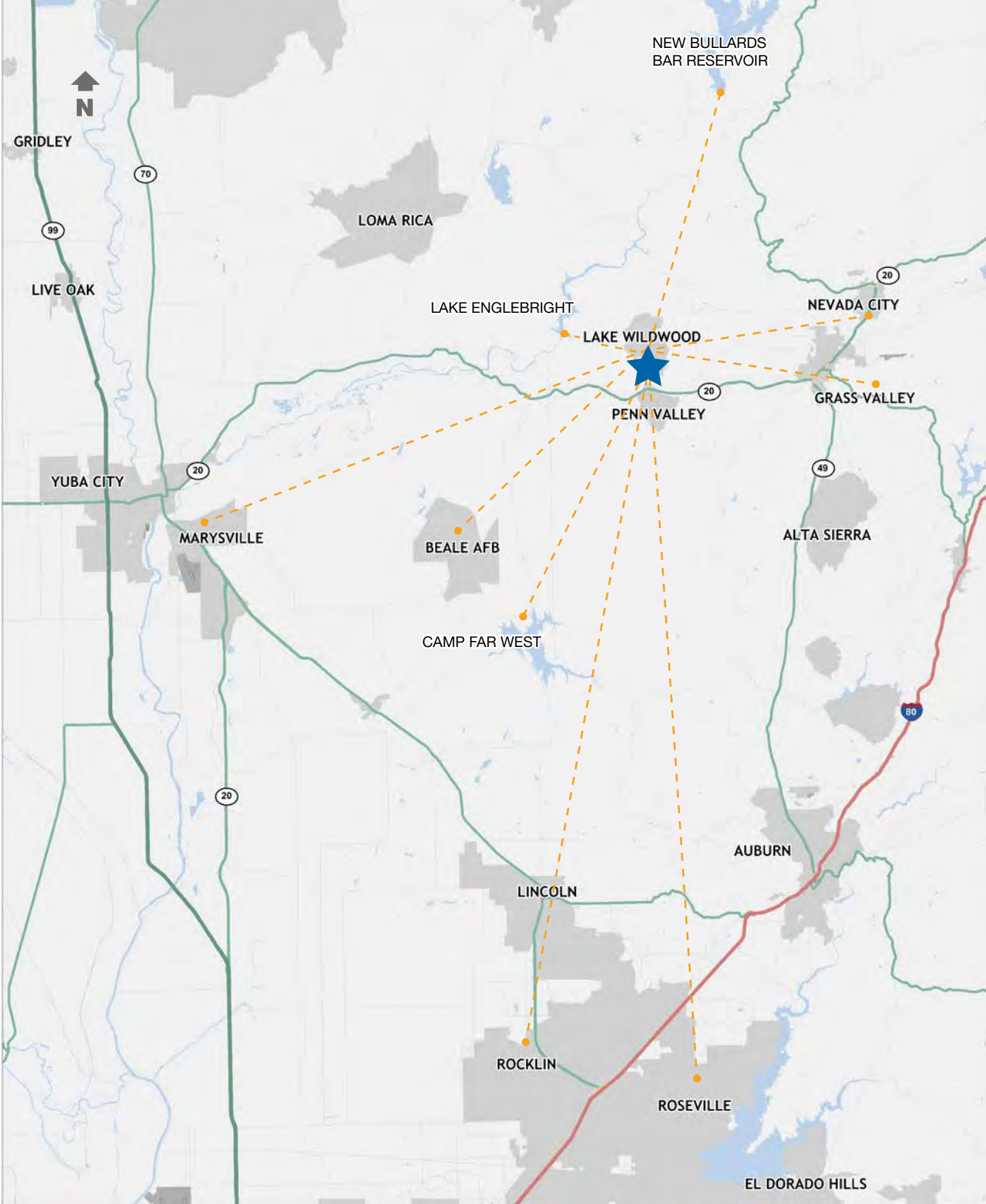
PLEASANT VALLEY ROAD

WILDFLOWER ROAD

Wildwood Ridge

LAKE WILDWOOD





ROADWAY SUMMARY

Beale Air Force Base	11 miles
Marysville/Yuba City	21 miles
New Bullards Bar Reservoir	10 miles
Lake Engelbright / Yuba River	4 miles
Downtown Grass Valley	8 miles
Downtown Nevada City	10 miles
Camp Far West	20 miles

PROPERTY LOCATION

The property is located in the Wildwood Community of Penn Valley, just minutes from the Highway 20/Highway 49 interchange. The site is a 364 lot, tentative map approved, subdivision encompassing ±207.94 acres. Sitting on the northern edge of Lake Wildwood, Wildwood Ridge offers home sites with spectacular lake views to the south, the Sierra Nevada Mountain Range to the East, the Coastal Mountain Ranges to the west and rolling foothills to the north.

- Central location to the employment centers:
 - Beale Air Force Base (20 minute drive time)
 - Yuba City/Marysville (25 minute drive time)
 - Grass Valley/Nevada City (18 minute drive time)
 - Auburn (47 minute drive time)
 - Roseville / Rocklin (1 hour drive time)
- Excellent access to local schools
 - Williams Ranch Elementary is located approximately 1/4 of a mile from the expected entrance to the project from Pleasant Valley Road
 - Pleasant Valley Elementary is located approximately 1/3 of a mile from the expected entrance to the project from Pleasant Valley Road
 - Nevada Union High School (15 minute drive time)



DEMOGRAPHICS

	1.5 MILE	20 MILE	30 MILE
2016 TOTAL POPULATION	5,489	137,210	496,904
2021 TOTAL POPULATION	5,692	139,640	517,532
2016 MEDIAN HOUSEHOLD INCOME	\$66,218	\$56,748	\$57,271
2016 AVERAGE HOUSEHOLD INCOME	\$79,551	\$76,890	\$78,332
TOTAL DAYTIME POPULATION	3,965	129,694	489,275
TOTAL EMPLOYEE POPULATION	258	40,216	168,438



QUALITY OF LIFE

Nestled in the Sierra Nevada Foothills, Wildwood Ridge is 1 hour from Sacramento and 1 hour from Lake Tahoe. The location offers unmatched recreational opportunities including hunting, fishing, snow skiing, water sports, hiking, horseback riding and bike riding. The site is above the fog line, yet below the snow line, it has a temperate climate that makes outdoor recreation a year round option.



RECREATIONAL OPPORTUNITIES

- A few of the most popular lakes include:
 - Lake Englebright (10 minutes)
 - Collins Lake (25-30 minutes)
 - Camp Far West (30 minutes)
 - Bullard's Bar (25 minutes)
 - Lake Spaulding (60 minutes)
 - Lake Tahoe (75 minutes)
- Snow Skiing (10 minutes)
- Sacramento (1 hour drive time)
- The Yuba River, located a short proximity to the north,
 - Offers both veterans and active first-timers a variety of Class 3 to Class 5 whitewater rafting thrills spread over one day to four day tours on over 35 miles of river
- North Yuba River offers rafting in smaller boats.
 - On the North Fork of the Yuba River rafting trips travel through the heavily forested Tahoe National Forest on waters fed by the snow-melt from the majestic peaks of the Sierra Buttes located at the north end of the fabled Mother Lode.



CLIMATE

Wildwood Ridge lays at an elevation roughly $\pm 1,200$ feet above sea level. The area receives, on average, an abundant 32 inches of rain per year, compared to the US average of 37 inches per year or the Sacramento average of 17 inches per year. The number of days with any measurable precipitation is 73. On average, there are 240 sunny days per year at Lake Wildwood. During the summer, the July high is around 87 degrees. During the winter months, the average January low is 32, with an average snowfall of zero inches.





PLEASANT VALLEY ROAD

Wildwood Ridge

LAKE WILDWOOD



SITE DETAIL

Location / Access

Wildwood Ridge is located in the lake Wildwood Area of Penn Valley, unincorporated Nevada County. The neighborhood boundaries correspond with the Lake Wildwood census designated place (CPD) which is generally bounded by Pleasant Valley Road to the north and west, Lake Wildwood Drive to the east and Black Forrest Road to the south.

Wildwood Ridge is located along the southern boundary of Pleasant Valley Road about one mile north of State Highway 20. Pleasant Valley Road will be the primary point of entry with access also provided by Gold Country Drive. The property is conveniently located about a 10 miles east of Grass Valley and Highway 49 and about 15 miles east of Nevada City. Yuba City/Marysville is located about 25 miles west at State Highways 20 and 99/70.

Condition / Topography

The property is undeveloped and in raw condition with vegetation including native grasses and oak trees. The topography ranges from sloping to steep, gently sloping terrain. Existing roadways providing access to the property include Pleasant Valley Road and Gold Country Drive.

Entitlements

January 19, 2006 the Wildwood Ridge Phases 2, 3 and 4 received tentative subdivision map approval to subdivide the property into 352 market rate single-family residential lots and 12 affordable lots received approval for a use permit to implement the Comprehensive Master Plan that describes the amenities necessary to implement the proposed planned development.

Inclusionary Housing Requirement

Twelve lots have been designated for duplexes, totaling 24 dwelling units to be sold to residents that qualify as low income. Given the low interest rate environment for new home loans, these units can still be sold at a profit. Granny units, built over the garage or on the lot of the primary residence, are to be built within the project site. These granny units do not have a requirement to be rented or leased by the homeowner, but serve to satisfy the remaining inclusionary housing requirement.

In December 2005, the property received certification of the Environmental Impact Report and March 16, 2006 the Development Agreement became effective. The Development Agreement was approved for an initial 15 year term and set to expire March 16, 2021; in March 2016 the Development Agreement was extended for five years

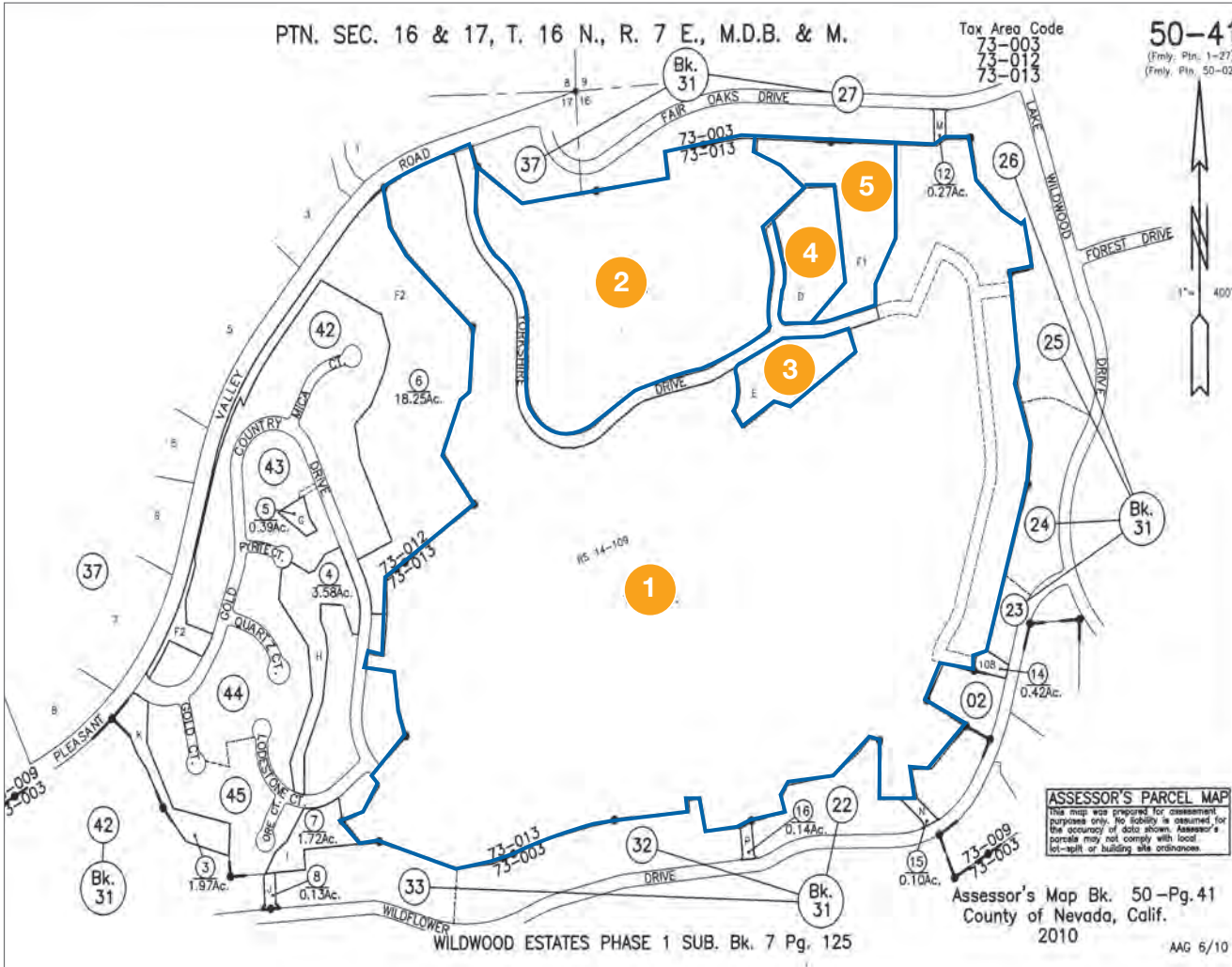
SITE DETAILS

SIZE	±207.94 Gross Acres
ZONING	R-1-PD
MUNICIPALITY	County of Nevada
FLOOD ZONE	Zone X - Area
UTILITIES	County of Nevada
Water	To be provided by Nevada Irrigation District
Sewer	To be provided by County of Nevada
Drainage	To be provided by County of Nevada
Electricity	To be provided by PG&E
Telephone	To be provided by AT&T
Cable	To be provided by Comcast

DEVELOPMENT COSTS AND FEES

MHM, Inc. has estimated development costs to be \$54,200 per finished lot. Development fees (including fee credits, impact fees, and building permit fees), based on a home with an average square footage of 2,150 square feet with a 400 square foot garage are estimated to be \$32,300 per lot. The property is free of prior Bond obligations

Nevada County Planning Department: www.mynevadacounty.com/nc/cda/planning/Pages/Home.aspx
 Nevada Irrigation District: www.nidwater.com (water)
 County of Nevada: www.mynevadacounty.com/nc/cda/pw/www/Pages/New-Sewer-Connections.aspx (Sewer)
 County of Nevada: <https://www.mynevadacounty.com/nc/cda/pw/Pages/About-Road-Maintenance.aspx> (Drainage)
 PG&E: www.pge.com/en_US/business/services/building-and-renovation/overview/overview.page (Electricity)
 AT&T: <https://communities.att.com/> (Telephone)
 Comcast: support/?CMP=ILC:MA:MA:SUB:COM:GEN:INT55c0dbd681e38 (Cable)



APNs

1. 50-410-02-000	167.76 Acres
2. 50-410-01-000	26.35 Acres
3. 50-410-09-000	3.36 Acres
4. 50-410-10-000	3.95 Acres
5. 50-410-11-000	6.52 Acres

(All sizes per Tentative Map)



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