

8th & Warren

18,368 SF
Multifamily Development Site
QUALIFIED OPPORTUNITY ZONE
Bremerton, WA



EXECUTIVE SUMMARY

DEVELOPMENT HIGHLIGHTS



Multifamily development site: 18,368 square-foot site zoned for multifamily use; feasibility study proposes 31 units



Qualified Opportunity Zone designation: Located in an area with significant tax deferral benefits



Highly walkable: Walk Score of 84; easy access to growing downtown Bremerton retail, restaurants and recreation



Proximity to major employers: Naval Base Kitsap (22,000+ employees) and Bangor Submarine Base (12,000+ employees)



Convenient access to Seattle: Less than a mile from Bremerton Ferry Dock with access to Downtown Seattle in 30 minutes



Multifamily Tax Exemption: Eligible for 8 to 12-year tax abatements through MFTE program



OFFERING SUMMARY

8th & Warren presents an attractive opportunity to acquire a well-located Opportunity Zone development site in one of the fastest growing markets in the Seattle MSA. Located in the downtown Bremerton area, 8th & Warren is centrally situated within minutes of the Puget Sound Naval Shipyard, Olympic College, Bremerton Ferry Terminal, and the downtown Bremerton core with numerous restaurants, bars, retail and recreation options. As the Bremerton submarket and greater Kitsap area continue to see rapid expansion of their major job drivers and lifestyle options, 8th & Warren will be well-positioned to capitalize on the booming growth of the population in the face of limited multifamily and single-family home supply. The 18,368 square-foot site is zoned for multifamily development, and a feasibility study completed by Caron Architecture proposes 31 units in a three-story walk-up product with surface lot parking.

FEASIBILITY STUDY

The 18,368 square-foot site is zoned DSAP / DSD, which allows for multifamily development on the site. Ownership has retained Caron Architects to perform a feasibility study of the Site for multifamily development. The proposed design consists of a three-story building with 31 residential units and surface lot parking for 31 stalls. To maximize density while maintaining cost efficiencies, the proposed development is all wood-frame construction and does not have structured parking. A mix of floorplans include a majority of one-bed/one-bath units along with two-bed/one-bath units. Given the Site's urban location and proximity to Puget Sound Naval Shipyard and Olympic College, developers are afforded the flexibility to program an efficient unit mix. A copy of the Caron Architecture feasibility study is available in the **Virtual Deal Room**.



site summary

Address	811, 813, 817, 819 Warren Ave Bremerton, WA 98337
Price	\$1,000,000
Parcel Numbers	3743-002-029-0009 3743-002-027-0001 3743-002-026-0002 3743-002-025-0003
Total Site Area	18,368 square feet (0.42 acres)
Building Height Limit	60 feet
Required Parking Ratio	1:1 (1 stall per 1 unit)
Zoning	DSAP / DSD

proposed project summary

Building Height	30 feet (3 stories stick frame)
Units	31
Residential Space	20,591 NRSF
Parking Stalls	31
Bike Stalls	4
Motorcycle Stalls	2

proposed unit mix

Unit Type	Unit Size	Unit Count
1 BR / 1 BA	597 SF	25
2 BR / 1 BA	943 SF	6
Totals/Averages	664 SF	31



8th
& Warren

Warren Avenue

MULTIFAMILY TAX EXEMPTION PROGRAM

The future development at 8th & Warren will qualify for the Bremerton Multifamily Tax Exemption (MFTE) Program providing significant tax incentives to encourage the new construction of multifamily housing units. Owners of 8th & Warren's future multifamily property will be exempt from any property taxes related to the assessed value of their residential improvements for a period of eight years.

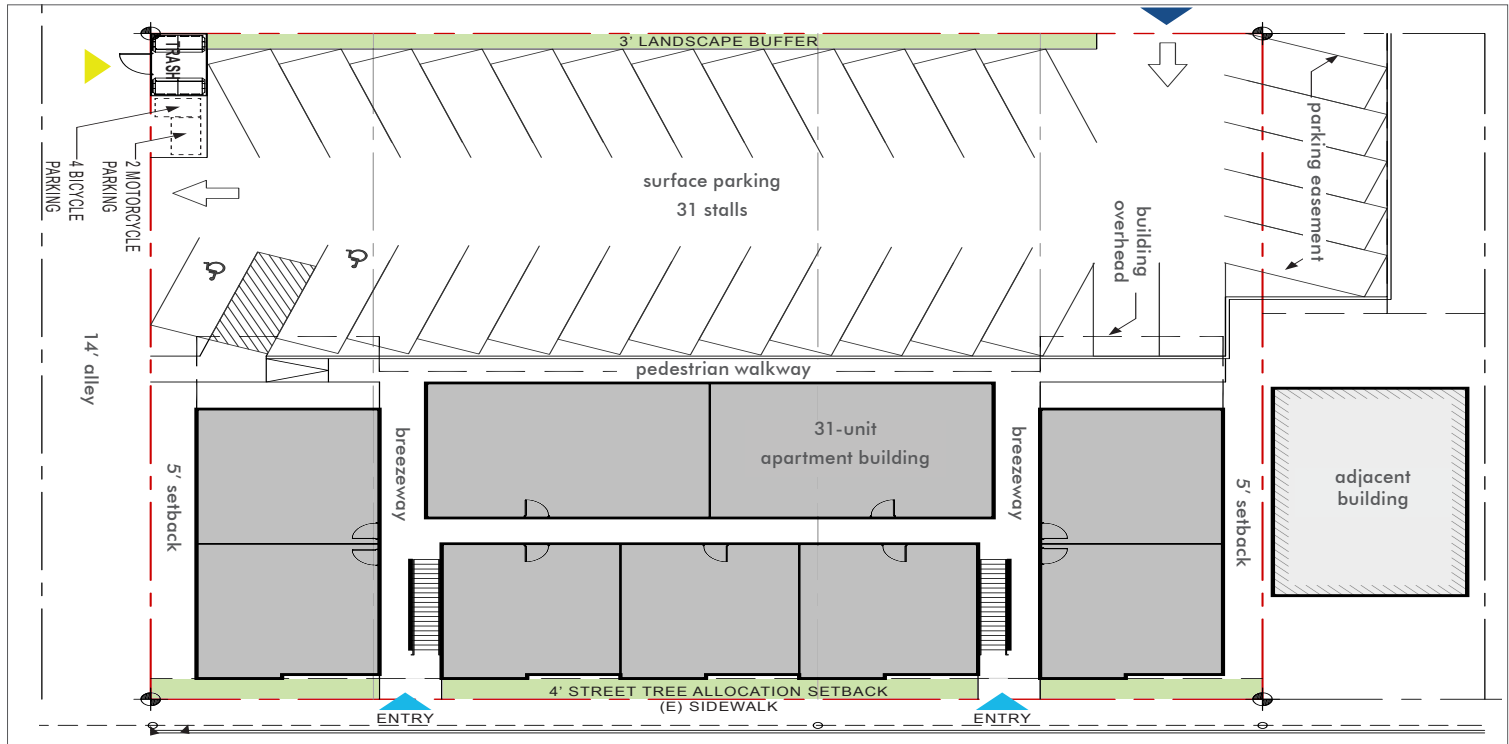
Alternatively, developers can extend the tax exemption period to twelve years if 20% of the units are rented as affordable housing to low and medium income-earning tenants. Developers are encouraged to utilize the MFTE Program and include the real estate tax abatement within their underwriting.

For more information, please visit: www.ci.bremerton.wa.us/280/MFTE.

SITE PLAN

KEY

- Proposed Building
- Context Buildings
- Planting Strip
- Residential Access
- Vehicular Access
- Service Access



DOWNTOWN BREMERTON'S TRANSFORMATION

Bremerton is undergoing a massive transformation of its downtown as significant private and public investment flows to the area. Driven in part by Opportunity Zone capital, a \$129 million-dollar mixed-use development along Bremerton's waterfront will bring a 125-key hotel, 145 luxury multifamily units, and a waterfront restaurant and bar. Designed with multiple open spaces and view corridors, the new project will also provide community benefit with access to the Bremerton shoreline. Nearby, a \$2 billion-dollar upgrade and expansion of the Puget Sound Naval Shipyard should bring a significant modernization of the shipyard and facilities. The improvements made to the shipyard should bring significant new job growth to complete the upgrades in the near term as well as the long term job growth with the expanded shipyard capabilities.

quincy square on 4th street

4th Street in downtown Bremerton has traditionally served as one of the main pedestrian streets of the downtown retail core. Recent efforts by citizens, professional groups, and developers have made a successful push towards redeveloping and improving the street to eventually serve as the focal point of downtown Bremerton. Dubbed "Quincy Square" to honor famous musician, Quincy Jones, the vision for the street is to revitalize the area into an active, housing-based, day-to-night urban center with focused arts, entertainment, and evening-centric retail spaces. Construction is set to take place in Spring 2021 with completion by the end of the year.



OPPORTUNITY ZONE DESIGNATION

8th & Warren is located in a qualified Opportunity Zone (OZ) while simultaneously being in the center of one of the fastest growing submarkets in the region. Because the Property has not achieved its Certificate of Occupancy, it is available as a qualified Opportunity Zone Investment under the Tax Cuts and Jobs act of 2017. The Property presents a unique opportunity to invest in a preferred neighborhood while simultaneously receiving tax deferral benefits.

what is an opportunity fund?

- ✓ Primary investment vehicle for opportunity zone investments
- ✓ Must hold 90% of assets in an opportunity zone
- ✓ Funds must certify twice annually that 90% of investments are in an OZ

Tax Advantages Example



OPTION # 1:
PAY TAXES IMMEDIATELY
ON FULL \$30 MILLION

OPTION # 2:
INVEST IN OZ FUND TO
DEFER OR DECREASE GAIN
(MUST BE WITHIN 180 DAYS)

If investment is held
in an OZ Fund for:

5 YRS

TAXABLE GAIN REDUCED BY **10%** OR **\$3 MILLION**

7 YRS

TAXABLE GAIN REDUCED BY **15%** OR **\$4.5 MILLION**

10 YRS

TAXABLE GAIN REDUCED BY **100%** OR **\$30 MILLION**

2021

Must invest by 2021
to take advantage of tax
benefits

2026

Investors can defer taxes
on capital gains **until**
2026

180

Capital gains must be
invested in an opportunity
fund **within 180 days**



Unlimited amount of
capital can be invested into
an opportunity fund



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