



Appleton
Fox Cities
Wisconsin

June 19, 2009

RiverHeath project on Fox River in Appleton switches from condominium sales to leases

Developer makes riverfront units more affordable

*By Steve Wideman
Post-Crescent staff writer*

APPLETON — Plans to build a residential and commercial complex on the Fox River remain on target, but developers of RiverHeath are changing the marketing strategy for the \$55 million project.

The complex, to be built at the east end of the College Avenue bridge, will offer leased units rather than condominiums, said Mark Geall, a Neenah native and principal in the Chicago-based development firm of Tanesay Development.

The development will occur in stages, the first stage being the construction of 56 housing units, two restaurants and recreation trails open to the public. Ultimately, the plan calls for construction of 198 housing units and 114,550 square feet of commercial space.

Geall said the change from condominium to leased arrangements makes it easier to finalize financing and for potential occupants to live at RiverHeath.

"We've been thinking how to make RiverHeath more affordable in these tough economic times," he said. "People have been telling us that they would love to live on the water, but don't want to make a 20 percent down payment.

"We've taken those comments to heart and decided to switch from condos to leasing. In this climate, financing for leased space is easier."

Lease agreements will become available beginning July 15 although construction isn't slated to begin until later in July. Developers have not set a date for opening the first phase.

Geall said lease rates will be fixed for up to five years and be adjusted only with changes in the Consumer Price Index, which uses the average price of consumer goods to measure inflation.

"We've had to do some belt-tightening, but if the question is should we live with a bit less or put the project on hold for a few years we would much rather live with less," Geall said.

He said the demolition of the concrete foundation of a former industrial building on the 15-acre site is nearing completion.

Geall said the exact state of foundation work will coincide with the signing of a development agreement between Tanesay and the city to cover infrastructure improvements, including sewer and water utilities.

The Common Council on Wednesday approved going out for bids to construct a road from Telulah Park to RiverHeath.

Ald. Jeff Jirschele has expressed caution in the project, but said Geall has been responsible and responsive in his dealings with the city.

"It's not his fault the economy has gone this way," Jirschele said. "The times are what they are and the economy is what it is."

Jirschele said a development agreement will not be approved until aldermen are assured the agreement will protect taxpayers.
