

26.6 ACRES OF LAND AT INTERSTATE 5 EXIT 266

2240 Grandview Rd. | Ferndale, WA

Sale Price: \$6,952,176.00

Access from Freeway, Adjacent to South Bound Off-ramp
Level, Unencumbered, Free of Wetlands
Suitable for a Range of Development

Scott Walker, Broker

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Commercial Sales | Leasing | Management

Pacific Continental Realty, LLC - 114 W Magnolia St. Suite 201, Bellingham WA 98225



The Offering

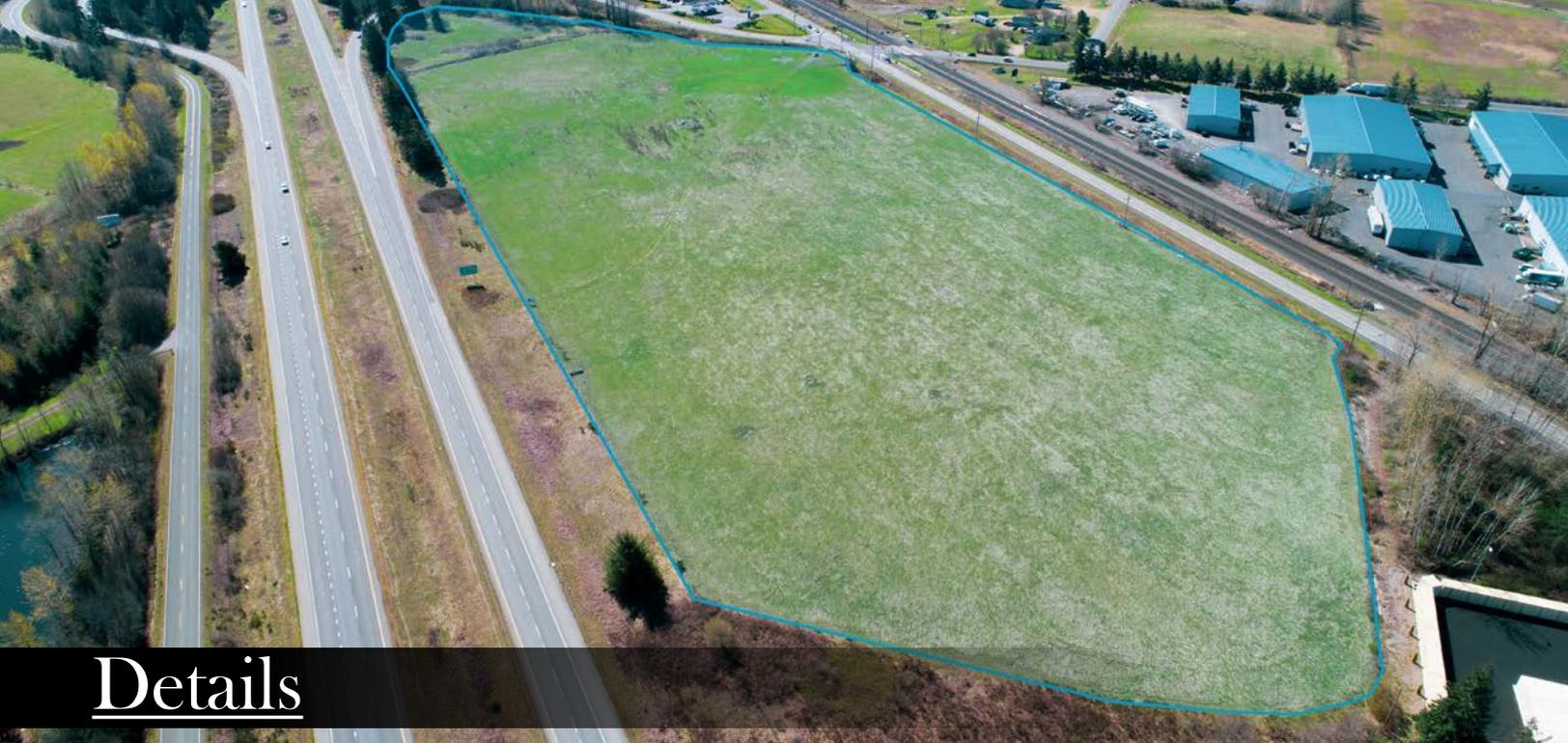
Inquiries and offers are to be directed to the Exclusive Listing Broker at the address and phone numbers listed.

This Property is offered on an as-is basis. Legal documents and reports summarized in this Offering Memorandum are not intended to be comprehensive statements of the terms or contents of such documents and reports. Although the Seller and Pacific Continental Realty believe the information to be accurate, no warranty or representation is made as to its accuracy or completeness. Interested parties should conduct independent investigation and reach conclusions without reliance on materials contained herein.

The material contained in this Offering Memorandum is furnished solely for the purpose of considering the purchase of the Property described herein.

Offers should be delivered to the office of the Exclusive Listing Broker, Pacific Continental Realty, LLC, attention Scott Walker. To facilitate the analysis of offers, Buyers are encouraged to provide information relative to funding sources, experience in owning and operating similar properties, familiarity with the market and any other information which is likely to favorably reflect on the Buyer's ability to close this proposed transaction in a timely manner.

Seller reserves the right, for any or no reason, to withdraw the Property from the market. Seller has no obligation, expressed or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until Seller executes and delivers a signed contract of sale on terms acceptable to Seller, in its sole discretion. By submitting an offer, the Buyer will be deemed to have acknowledged the foregoing and agreed to release Seller, its affiliates, advisors, and its Broker from any liability with respect thereto.



Details

PROPERTY:

26.6 acres of land.

LEGAL DESCRIPTION:

Tract A, Banner Business Park General Binding Site Plan, as recorded under Whatcom County Auditor's File No. 2000502388

ADDRESS:

2240 Grandview Road, Ferndale, WA 98248.

PRICE:

\$6.00 per square foot for the entire Property. \$6.84 per square foot for a portion of the Property, if agreement is reached upon a division thereof.

FINANCIAL ENCUMBRANCES:

The Property is free and clear of any mortgage loans or any other monetary obligations, with the exception of the relatively small remaining balance owing on a water LID.

PROXIMITY TO CANADA AND SEATTLE:

The Property is located only 10 minutes south of the Peace Arch border crossing of Interstate 5 into Canada (3rd busiest U.S./Canada border crossing).
Travel time to Seattle is 1.5 hours under normal traffic conditions.

EASE OF DEVELOPMENT:

- Clean: The Property is free of any contamination or other impediments, due to the absence of any prior use that might have had a negative impact on the Property.
- Topography: The Property is essentially level.
- Free of Wetlands: The Property has no wetlands. The normally dry bed of a man-made extension of California Creek lies in the southern portion of the Property near Grandview. Its location and very low rate flow poses a very minor challenge to development.

PROPERTY OVERVIEW



PROXIMITY TO INTERSTATE 5 AND OTHER ROADS:

The Property is adjacent to Interstate 5 along its entire northeast side (approximately 2,400 lineal feet), including the full length of the southbound off-ramp at Exit 266. The Property is visible to both northbound and southbound traffic on I-5 due to the level topography and absence of other visual obstructions. The entire southern edge of the Property (approximately 970 lineal feet) is adjacent to Grandview Road (State Highway 548) at its intersection with Portal Way. Grandview is the primary route of travel between I-5 and the major industrial areas at Cherry Point (including BP Refinery and future marine-related development). It is also a primary route to the Phillips 66 refinery. The entire southwesterly side of the Property is contiguous to Portal Way, which is the primary north/south alternate to I-5 between Ferndale and the Canadian border.

HISTORY:

While title to the Property has been transferred between several different legal entities over a number of decades, those legal entities have all been owned by members of the Eiford family. During the 1990's, the owner began to move forward with plans to develop the Property into Banner Business Park. Steps were taken to accomplish this, which led to the approval by Whatcom County of the General Binding Site Plan for the Banner Business Park in 2000. Subsequent to such approval, the Eifords made the decision to defer moving forward with the development work.

ANNEXATION OF PROPERTY BY CITY OF FERNDALE:

The Property was annexed into the City of Ferndale a few years ago. Once annexation occurred, the Property was zoned Regional Retail, in apparent anticipation by the City of Ferndale that the Property would appeal to large retail operations.

CHANGE OF ZONING:

In 2016, it was concluded that the limitations of the existing zoning was a barrier to proper utilization of the Property. Accordingly, a lengthy process was undertaken to change that zoning to use designation that would permit the best use of the Property. In mid-2017, the City of Ferndale approved a change of zoning to General Business (see full text of Chapter 18.49 of the Ferndale Municipal Code at page 5).

The uses of the Property that are now permitted are deemed to allow the highest and best use of the Property given its superb location at a well-designed interchange on the most heavily used interstate on the West Coast, located between the heavily populated lower mainland of British Columbia and Vancouver (to the north) and Seattle, and its explosive growth, to the south.

18.49.010 PURPOSE.

The general business zone is a zone classification providing a use district for commercial establishments which require a retail contact with the public together with professional offices, incidental shop work, storage and warehousing, or light manufacturing and extensive outdoor storage and display, as well as retail uses with similar requirements. The zone is not intended to include those uses whose primary purpose is residential or heavy industrial in nature. This zone may be applied to some portions of the City that are designated either commercial or industrial under the City of Ferndale Comprehensive Plan. In some cases, specific use types are restricted to certain road designations in order to preserve the consistency of uses within the zone. (Ord. 1969 § 13 (Exh. 14), 2016; Ord. 1889 § 1, 2015; Ord. 1603, 2010; Ord. 1573 § 1, 2010)

18.49.020 LAND USE OBJECTIVES

All proposed developments within the general business zone must demonstrate the manner in which the proposal achieves the following objectives:

- A. Establish attractive, visually interesting facades when adjacent to or visible from primary public roadways, without diminishing the function of the use for which the structure is intended. For the purposes of this section, attractive, visually interesting facades shall reflect the guideline contained within FMC 18.58.070(A)(1) (building design guideline for facades and exterior walls), as modified by this section:
Facades should be articulated to reduce the massive scale and the uniform, impersonal appearances of buildings that are adjacent to or visible from primary public roadways, including Interstate Five, and provide visual interest that will be consistent with the community's identity, character, and scale. Facades, exterior walls and entryways shall provide consistent architectural treatment.
- B. Be authorized to establish limited food operations intended to serve workers or visitors in the area.
- C. Be required to identify and conform to specific routes for heavy truck traffic, if such traffic should exist.
- D. Obscure, to the greatest extent practical, fleet vehicle parking, machinery, equipment, storage facilities, warehouses, and machine or service shops behind principal structures or landscaping, and/or design such uses to be visually appealing.
- E. Establish public or private connecting roads between parcels where practicable, in order to increase the efficiency of primary roadways in the area.
- F. Propose architectural designs and color palettes that will serve to break up or reduce the appearance of large structures, or will reduce the visual impact of multiple structures of similar size, style, and design.
- G. Consolidate, to the greatest extent possible, the number of access points from the primary roadways in the area.
- H. Create shared parking and loading areas within and between developments.
- I. Minimize the use and appearance of large, freestanding signage, as well as establish a comprehensive sign plan when more than two uses are proposed.
- J. Facilitate the integration of low impact stormwater development and the built environment. (Ord. 1969 § 13 (Exh. 14), 2016; Ord. 1889 § 1, 2015; Ord. 1603, 2010; Ord. 1573 § 1, 2010)

18.49.025 PERMITTED USES

- A. Automotive repair – major.
- B. Automotive repair – minor.
- C. Automotive repair – specialty shop.
- D. Automotive sales.
- E. Automotive service station.
- F. Auto part sales.
- G. Bicycle or motorcycle rental or sales.
- H. Bottling plants.
- I. Equipment rentals.
- J. Farm equipment and supplies sales.
- K. Heavy equipment sales and repair.
- L. Manufactured home sale lot.
- M. Marine equipment rentals.
- N. Marine gas sales.
- O. Marine repair.
- P. Truck rentals.
- Q. Vehicle leasing/renting.
- R. Vehicle sales.
- S. Warehousing, wholesale use.
- T. Animal shelter.
- U. Automatic teller machines.
- V. Commercial kennel.
- W. Contractor’s offices.
- X. Funeral establishments.
- Y. Laundry/dry cleaning, commercial.
- Z. Mini-warehouse/storage.
- AA. Mailing service.
- BB. Moving and storage company.
- CC. Telemarketing services.
- DD. Cafeterias.
- EE. Delicatessen.
- FF. Micro brewery.
- GG. Restaurants/drive-through.
- HH. Restaurants/lounge.
- II. Restaurants/take-out.
- JJ. Laboratory – research and development.
- KK. Light manufacturing uses.
- LL. Wholesale facilities and operations.
- MM. Financial institutions.
- NN. Newspaper offices and printing works.
- OO. Office – consulting services.
- PP. Office – corporate.
- QQ. Office – general.
- RR. Office – research and development.
- SS. Radio and television studios.
- TT. Commercial schools.
- UU. Trade schools.
- VV. General park M and O activities.
- WW. Public agency facilities.
- XX. Schools, institutions of higher education, including technical schools.
- YY. Trail head facilities.
- ZZ. Trails for equestrian, pedestrian, or nonmotorized vehicle use.
- AAA. Batting cages, racquetball and tennis courts, driving ranges, miniature golf, shooting range.
- BBB. Commercial recreation, indoor.
- CCC. Commercial recreation, outdoor.
- DDD. Building, hardware, garden supply stores.
- EEE. Commercial “card lock” fueling stations.
- FFF. Farm equipment sales and service.
- GGG. Landscaping material sales.
- HHH. Lumberyards.
- III. Nursery, plant.
- JJJ. Retail hay, grain and feed stores.
- KKK. Bus station.
- LLL. Publicly owned community signs and public art.
- MMM. Retail, with an industrial or manufacturing component.
- NNN. Food processing.
- OOO. Car wash – automatic or self service.
- PPP. Warehousing and distribution facilities.
- QQQ. Medical, dental and other clinics.
- RRR. Furniture, home furnishings, and appliance stores.
- SSS. Auction house.
- TTT. Uses similar to the above, in the judgment of the Zoning Administrator, following consultation with members of the Technical Review Committee (TRC). (Ord. 2006 § 3 (Att. 3), 2017; Ord. 1969 § 13 (Exh. 14), 2016; Ord. 1889 § 1, 2015; Ord. 1796

18.49.030 CONDITIONAL USES-

- A. Boat building.
- B. Gas/fuel station.
- C. Towing, vehicle impound lots.
- D. Truck stop - diesel fuel sales.
- E. Truck terminal/truck stop.
- F. Crematoriums.
- G. Substance abuse treatment facility that includes a housing component.
- H. Religious facility.
- I. Cultural institutions.
- J. Hospitals.
- K. Public campgrounds.
- L. Indoor cinema.
- M. Recreational vehicle campgrounds.
- N. Recreational vehicle parks.
- O. Theater (indoor).
- P. Convention center including banquet facilities and/or meeting halls.
- Q. Transportation center.
- R. Park and ride.
- S. Commercial parking lots.
- T. Uses similar to the above, in the judgment of the Zoning Administrator, following consultation with members of the Technical Review Committee (TRC). (Ord. 2006 § 3 (Att. 3), 2017; Ord. 1969 § 13 (Exh. 14), 2016; Ord. 1889 § 1, 2015; Ord. 1796 § 1, 2013; Ord. 1603, 2010; Ord. 1573 § 1, 2010)

18.49.033 Administrative conditional uses.

- A. Hospital/clinic - small animal.
- B. Substance abuse treatment facility with no housing component. (Ord. 2006 § 3 (Att. 3), 2017)

18.49.035 ACCESSORY USES.

- A. Restaurants/sit-down.
- B. Dwelling units for watchman or custodian.
- C. Outdoor sales.
- D. Convenience store without fueling facilities.
- E. Convenience store with fueling facilities.
- F. Outdoor storage.
- G. Storage in an enclosed building.
- H. Retail. (Ord. 2006 § 3 (Att. 3), 2017; Ord. 1969 § 13 (Exh. 14), 2016; Ord. 1889 § 1, 2015; Ord. 1796 § 1, 2013; Ord. 1603, 2010)

18.49.040 Minimum lot size.

Minimum lot size is as follows: none. (Ord. 1969 § 13 (Exh. 14), 2016; Ord. 1889 § 1, 2015; Ord. 1603, 2010; Ord. 1573 § 1, 2010)

18.49.050 Minimum lot width.

Minimum lot width is as follows: none. (Ord. 1969 § 13 (Exh. 14), 2016; Ord. 1889 § 1, 2015; Ord. 1603, 2010; Ord. 1573 § 1, 2010)

18.49.060 Maximum building height.

Maximum building height is as follows: 45 feet; provided, that structures which front on the primary roadway shall be as tall or taller than structures behind them. (Ord. 1969 § 13 (Exh. 14), 2016; Ord. 1889 § 1, 2015; Ord. 1603, 2010; Ord. 1573 § 1, 2010)

18.49.070 Setbacks and lot coverage.

Setbacks and lot coverage are as follows:

- A. Setbacks.
 1. Front: no setback from street right-of-way lines, contingent upon frontage improvements or right-of-way expansion required by the City.
 2. Rear and sides: 50 feet if site adjoins any residential zoning district, otherwise none.
- B. Lot coverage (maximum): none. (Ord. 1969 § 13 (Exh. 14), 2016; Ord. 1889 § 1, 2015; Ord. 1603, 2010; Ord. 1573 § 1, 2010)

18.49.080 PARKING-

For specific parking requirements, refer to Chapter 18.76 FMC. (Ord. 1969 § 13 (Exh. 14), 2016; Ord. 1889 § 1, 2015; Ord. 1603, 2010; Ord. 1573 § 1, 2010)

18.49.090 Accessory building and use regulations.

For specific regulations on accessory buildings or uses, refer to FMC 18.72.050. (Ord. 1969 § 13 (Exh. 14), 2016; Ord. 1889 § 1, 2015; Ord. 1603, 2010; Ord. 1573 § 1, 2010)

18.49.100 Sign regulations.

For specific regulations on signs, refer to Chapter 18.80 FMC. (Ord. 1969 § 13 (Exh. 14), 2016; Ord. 1889 § 1, 2015; Ord. 1603, 2010; Ord. 1573 § 1, 2010)

18.49.110 Development proposals.

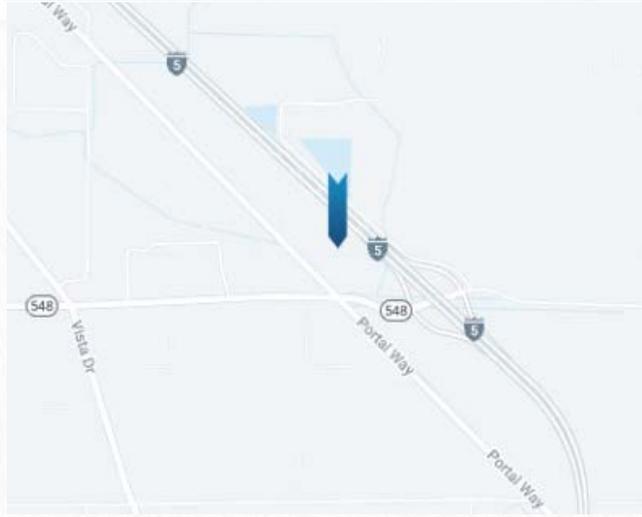
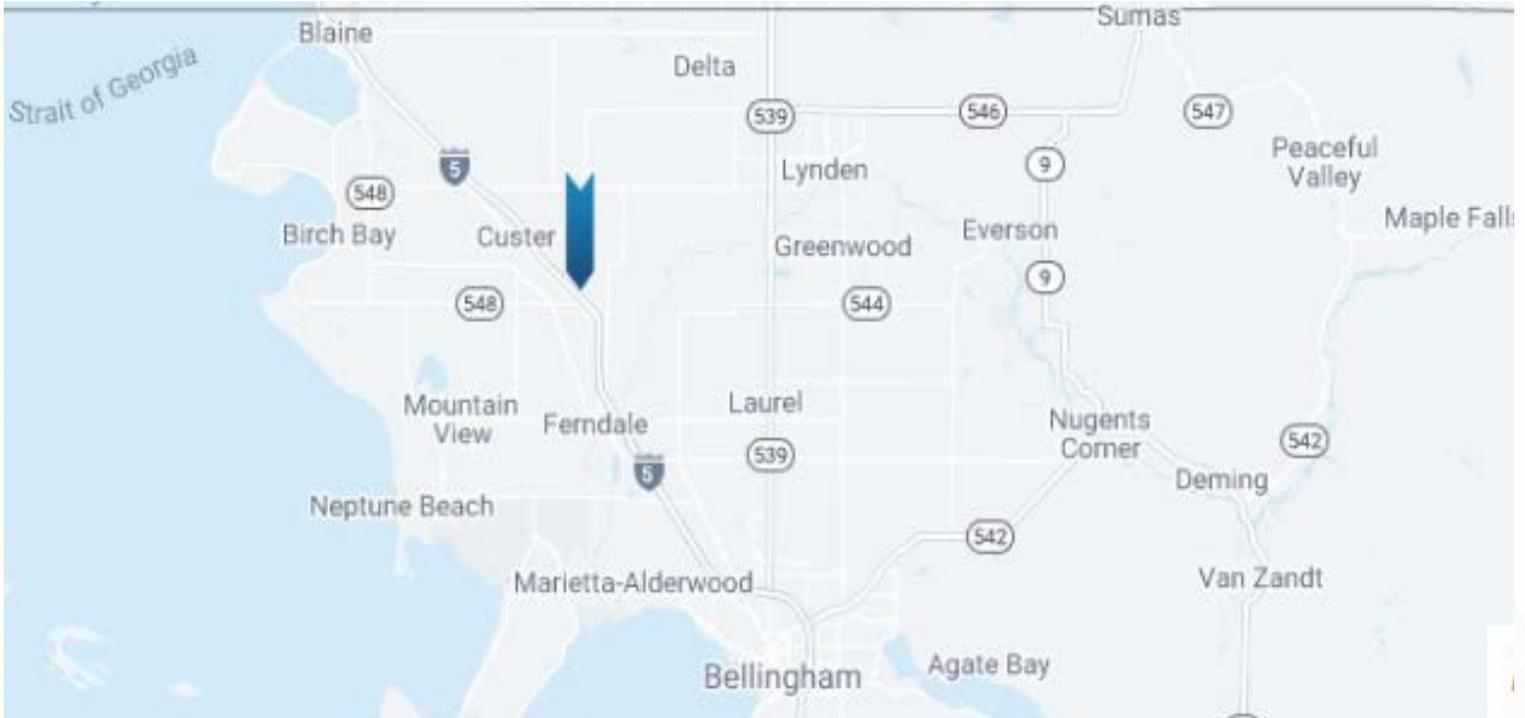
The City of Ferndale has identified the general business zone as an area in which development shall make efficient use of total lot area by consolidating development to the greatest extent practical, and by utilizing shared infrastructure such as parking and stormwater facilities. In addition, proposals which are anticipated to result in development which is phased in over time shall be required to identify the project scope on a planned unit development application or, for commercial subdivisions, propose either a planned unit development or a general binding site plan which will guide the development and be binding upon the City and the applicant, but may be amended if necessary. Commercial subdivisions such as short plats are discouraged in this zone, unless no project is identified. Short plats shall be reviewed based on the highest permitted use in the zone. (Ord. 1969 § 13 (Exh. 14), 2016; Ord. 1889 § 1, 2015; Ord. 1603, 2010; Ord. 1573 § 1, 2010)

18.49.120 Site design.

Stormwater facilities such as ponds shall not be permitted adjacent to the primary street on the property, unless landscaping and fencing are provided pursuant to Chapter 18.74 FMC (landscaping). (Ord. 1969 § 13 (Exh. 14), 2016; Ord. 1889 § 1, 2015; Ord. 1603, 2010; Ord. 1573 § 1, 2010)

DEMOGRAPHICS & ZONING

WHATCOM COUNTY POPULATION: 237,347



2016 AADT

- Peace Arch and Blaine borders: 24,000
- Mile Post 266 (Grandview): 31,000
- Mile Post 262 (Ferndale - Main St): 50,000
- Mile Post 254 (Bellingham - Lakeway): 80,000

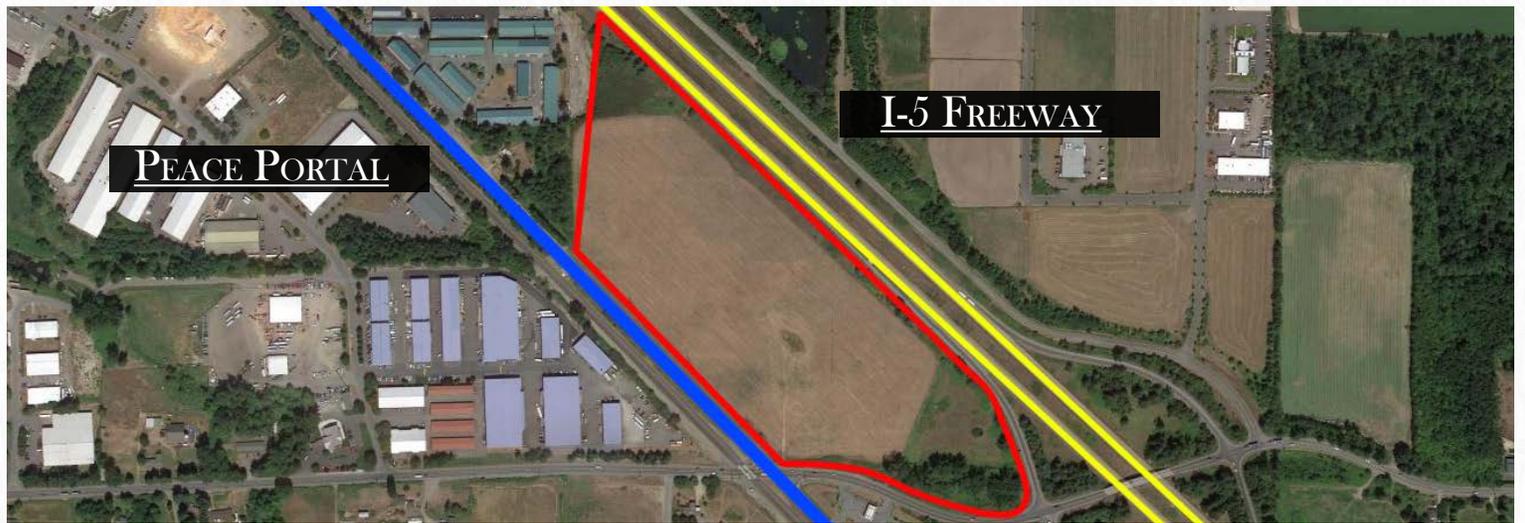
Approximately 1 hour 30 min from Seattle and 10 min south of the Canadian border.

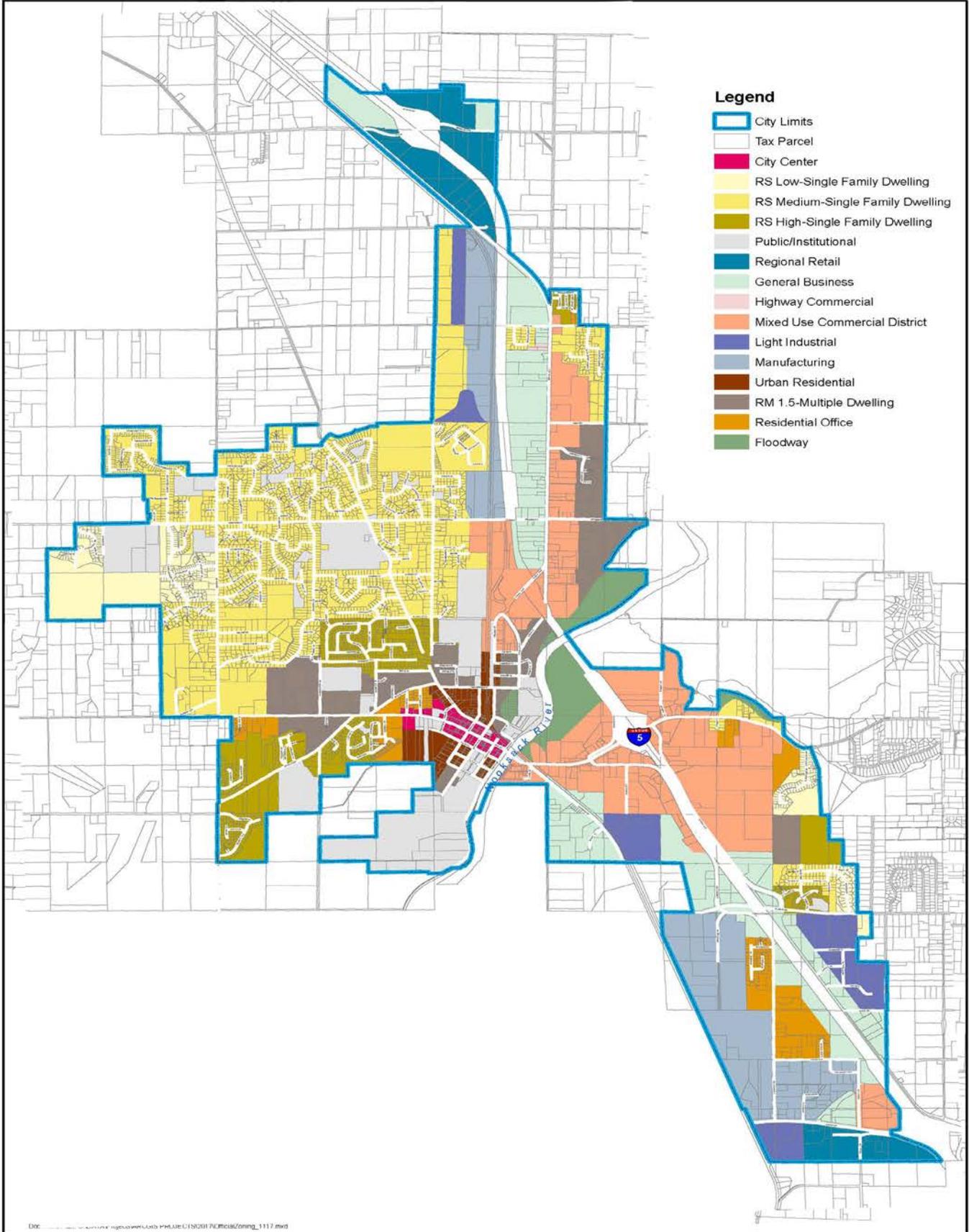
Ferndale, WA Population: 16,623

Bellingham, WA Population: 96,014

Mile Post 266 - 2240 Grandview Road

31,000 Daily Average Traffic Count





Legend

- City Limits
- Tax Parcel
- City Center
- RS Low-Single Family Dwelling
- RS Medium-Single Family Dwelling
- RS High-Single Family Dwelling
- Public/Institutional
- Regional Retail
- General Business
- Highway Commercial
- Mixed Use Commercial District
- Light Industrial
- Manufacturing
- Urban Residential
- RM 1.5-Multiple Dwelling
- Residential Office
- Floodway

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Map Content Date: May 5, 2017
Map Print Date: May 5, 2017

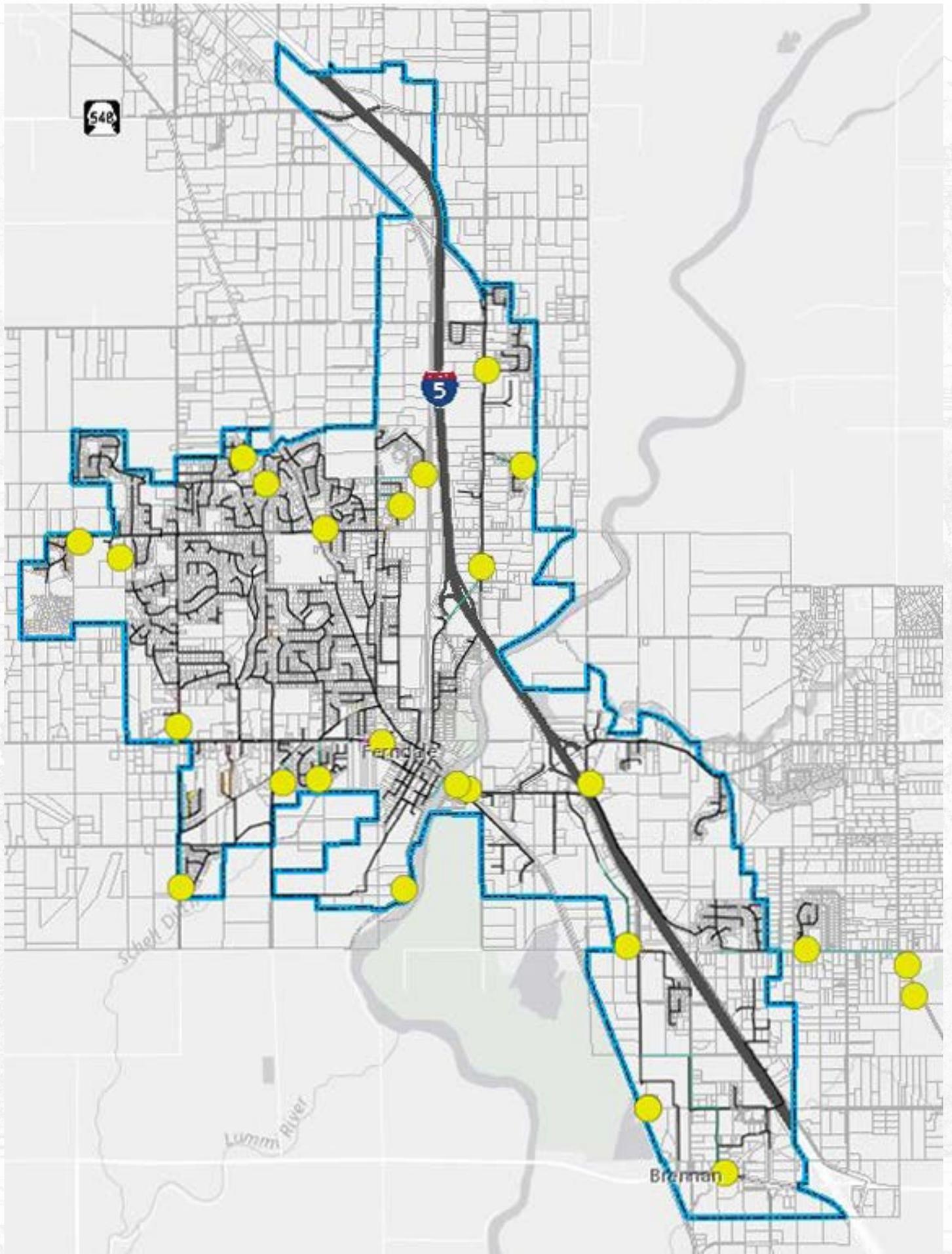
Official Zoning

City of Ferndale, WA



DISCLAIMER: USE OF THIS MAP IMPLIES THE USER'S AGREEMENT WITH THE FOLLOWING STATEMENT:
The City of Ferndale has taken every measure of responsibility in the creation of this map. The user of this map is responsible for its use. The City of Ferndale is not responsible for any errors or omissions on this map. The City of Ferndale is not responsible for any damages or losses resulting from the use of this map. The City of Ferndale is not responsible for any actions taken by the user of this map.





Stormwater System (Work in Progress)

Stormwater Structures

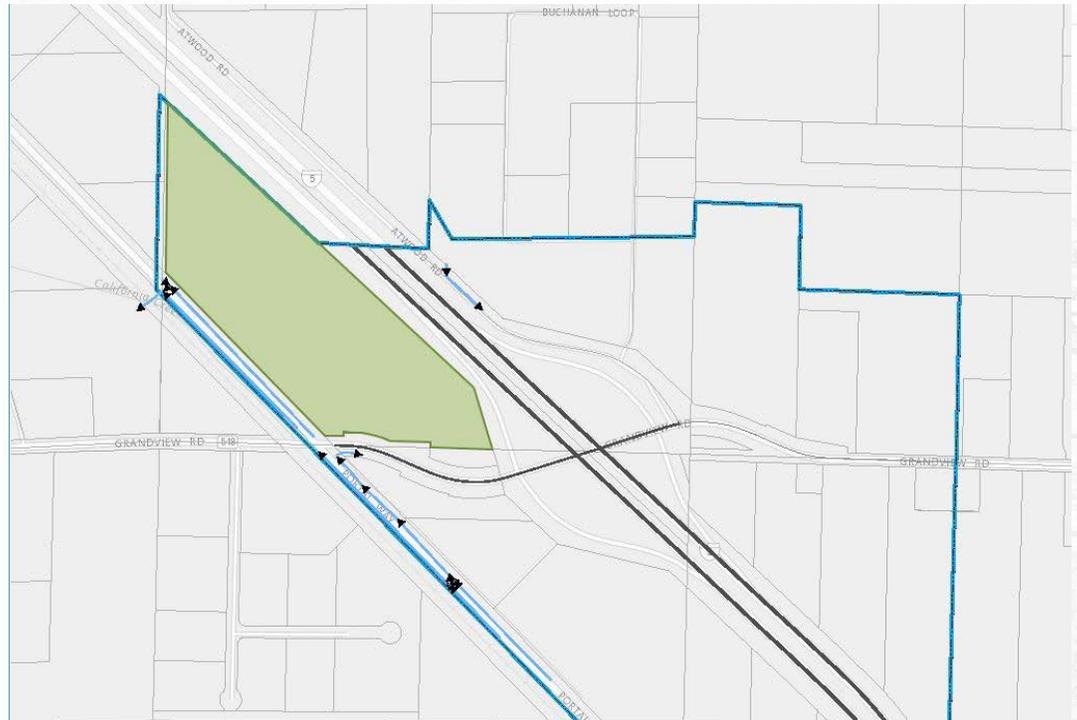
- Culvert
- DEFUNCT
- Outfall
- SDCB
- SDCO
- SDMH

Stormwater Conveyance

- Abandoned
- Culvert
- Dispersion Trench
- Ditch
- Gutter Drain
- Lot Drain
- Outfall
- Roof Drain
- SD Pipe
- Storm Stub
- Swale
- Vault

City Boundary

City Boundary



Health	
With a disability, under age 65 years, percent, 2015-2019	10.3%
Persons without health insurance, under age 65 years, percent	8.1%

Economy	
In civilian labor force, total, percent of population age 16 years+, 2015-2019	64.2%
In civilian labor force, female, percent of population age 16 years+, 2015-2019	56.9%
Total accommodation and food services sales, 2012 (\$1,000) (c)	19,148
Total health care and social assistance receipts/revenue, 2012 (\$1,000) (c)	D
Total manufacturers shipments, 2012 (\$1,000) (c)	839,430
Total merchant wholesaler sales, 2012 (\$1,000) (c)	D
Total retail sales, 2012 (\$1,000) (c)	157,469
Total retail sales per capita, 2012 (c)	\$13,125

Transportation	
Mean travel time to work (minutes), workers age 16 years+, 2015-2019	22.3

Income & Poverty	
Median household income (in 2019 dollars), 2015-2019	\$73,074
Per capita income in past 12 months (in 2019 dollars), 2015-2019	\$29,602
Persons in poverty, percent	11.9%

BUSINESSES

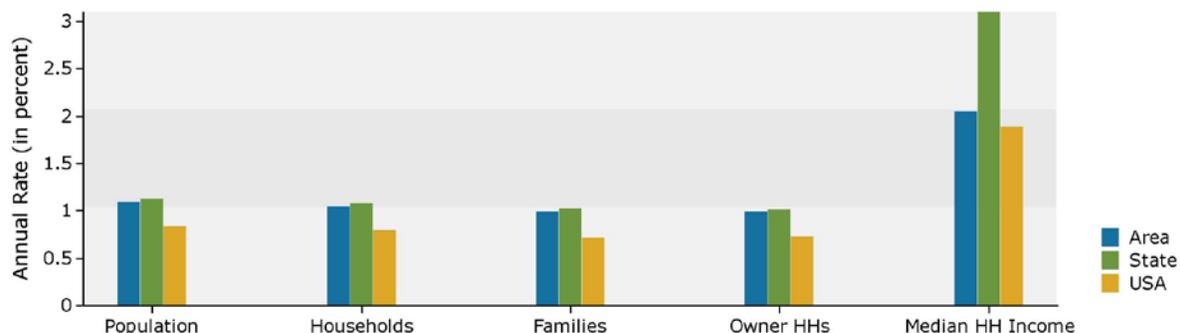
Businesses	
Total employer establishments, 2018	X
Total employment, 2018	X
Total annual payroll, 2018 (\$1,000)	X
Total employment, percent change, 2017-2018	X
Total nonemployer establishments, 2018	X
All firms, 2012	979
Men-owned firms, 2012	527
Women-owned firms, 2012	257
Minority-owned firms, 2012	147
Nonminority-owned firms, 2012	767
Veteran-owned firms, 2012	62
Nonveteran-owned firms, 2012	800

GEOGRAPHY

Geography	
Population per square mile, 2010	1,726.1
Land area in square miles, 2010	6.61
FIPS Code	5323620

10 miles

Trends 2017-2022



Population	
Population estimates, July 1, 2019, (V2019)	14,897
Population estimates base, April 1, 2010, (V2019)	11,411
Population, percent change - April 1, 2010 (estimates base) to July 1, 2019, (V2019)	30.5%
Population, Census, April 1, 2010	11,415
Age and Sex	
Persons under 5 years, percent	△ 6.9%
Persons under 18 years, percent	△ 25.4%
Persons 65 years and over, percent	△ 13.8%
Female persons, percent	△ 49.9%
Race and Hispanic Origin	
White alone, percent	△ 81.7%
Black or African American alone, percent (a)	△ 0.3%
American Indian and Alaska Native alone, percent (a)	△ 3.4%
Asian alone, percent (a)	△ 5.6%
Native Hawaiian and Other Pacific Islander alone, percent (a)	△ 0.2%
Two or More Races, percent	△ 3.1%
Hispanic or Latino, percent (b)	△ 11.7%
White alone, not Hispanic or Latino, percent	△ 76.9%
Population Characteristics	
Veterans, 2015-2019	1,089
Foreign born persons, percent, 2015-2019	12.1%
Housing	
Housing units, July 1, 2019, (V2019)	X
Owner-occupied housing unit rate, 2015-2019	69.5%
Median value of owner-occupied housing units, 2015-2019	\$300,600
Median selected monthly owner costs -with a mortgage, 2015-2019	\$1,633
Median selected monthly owner costs -without a mortgage, 2015-2019	\$470
Median gross rent, 2015-2019	\$996
Building permits, 2019	X
Families & Living Arrangements	
Households, 2015-2019	5,112
Persons per household, 2015-2019	2.75
Living in same house 1 year ago, percent of persons age 1 year+, 2015-2019	84.6%
Language other than English spoken at home, percent of persons age 5 years+, 2015-2019	15.3%





About The City of Ferndale

Located in the northwest corner of Washington State near the Nooksack River, Ferndale was officially incorporated on March 19, 1907. Once called Jam because of its location next to a logjam on the river, the City was renamed Ferndale by the school teacher who admired ferns that once grew around the original school house.

Today, Ferndale is a vibrant community of 14,600 people (April 1, 2020 Washington State Office of Financial Management population estimate), located on the Interstate 5 corridor, approximately 6 miles north of Bellingham and 13 miles south of the Canadian Border. There are many nearby attractions including Mount Baker, the San Juan Islands, numerous lakes, and the Nooksack River. Ferndale also enjoys a close proximity to Vancouver, British Columbia.

“Welcome to Ferndale, WA, one of the fastest growing cities in the Northwest (ranking 24th out of 281 Washington cities in growth from 2010 - 2016 and still growing)! With a population of 14,700 friendly folks (30,000 including unincorporated Ferndale), Ferndale is the best of what the Pacific Northwest has to offer. Located almost equally between Seattle, WA and Vancouver, BC, we boast fishing, hiking trails, boating, camping, hunting, skiing, golfing, historical parks and so much more and that’s just within minutes of our front door. We have great schools, affordable housing, commercial land for your business, and a beautiful Historic downtown. Unlike it’s neighbors, Ferndale began as a timber and dairy town and holds strong to its agricultural roots. But today is considered a more industrial or manufacturing city. With strong economic growth, small town charm, and stunning views of Mt. Baker and the San Juan Islands, it’s one of the most desirable cities to live in in Whatcom County and Washington State.” - Downtown Ferndale Website



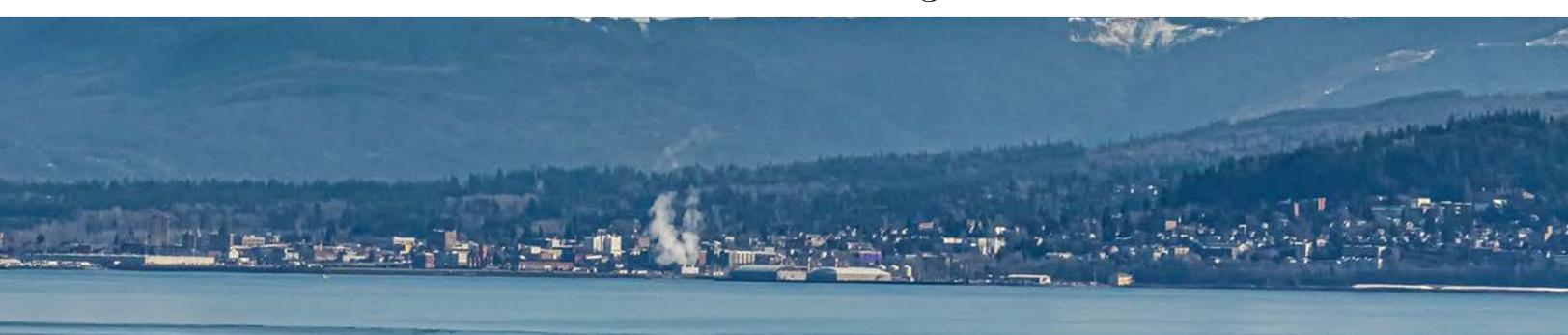


Washington State Office of Financial Management estimates that the total population of Whatcom, Skagit, Island, and San Juan combined is approximately 439,700 as of 2017. With its current population estimated at 216,300, Whatcom County, home to the city of Ferndale, is by far the most populous segment of these counties.

Whatcom County has seen steady population growth of about 2.06% since 2010, which is higher than the corresponding rate for Washington State (1.4%). Whatcom County attracts firms relocating out of the Seattle metropolitan area due to the quality of life found in cities like Bellingham, as well as the much lower housing and living costs.

Industrial Market

Ferndale and the nearby city of Bellingham have great positives to their name; a steady unemployment percentage that rests around 5%, a growing number of jobs, and close proximity to the Canadian border. What it doesn't have is a large number of available warehouses. CBA lists 31 sales and 35 leasing offers found in Whatcom County. Only eight of these are in the Ferndale area. The rental vacancy rate in Bellingham was 2.59 as recently as 2017, and Ferndale's proximity suggests low vacancy rates as well. The market for Ferndale's industrial buildings is an owner's market.



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COMMERCIAL SALES | LEASING | MANAGEMENT