

Fully Leased Multi-Tenant Commercial Property



**Greg Martineau, CCIM**  
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\$3,600,000	Three Buildings - 1022, 1026, & 1028/1030
Price based on 6.7% cap rate + \$485k excess land (2011 appraised land value)	Four Tenants: 1022—Skagit Habitat for Humanity 1026—Wirefab 1028—Mission Foods 1030—Guy Nielson, Co.
44,000 SF leased space (100% occupied)	Excellent location near I-5 & City Center
8.14 Acres, including 44,000 SF of buildings	M-1 Light Manufacturing & Commercial Zoning
Recent building upgrades (including all newer roofs)	Abundant parking and room for trucks





New Exterior LED Lights

23,280 SF building

Long-Term Tenant (10+ year history)

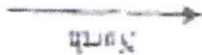
New Roofs

Half warehouse space, Half retail (store)

New fire alarm system (Cost in excess of \$25K)

RIVERSIDE DRIVE

# EXHIBIT A SITE PLAN



Areas Leased to Skagit Habitat for Humanity

WILSON TRAIL








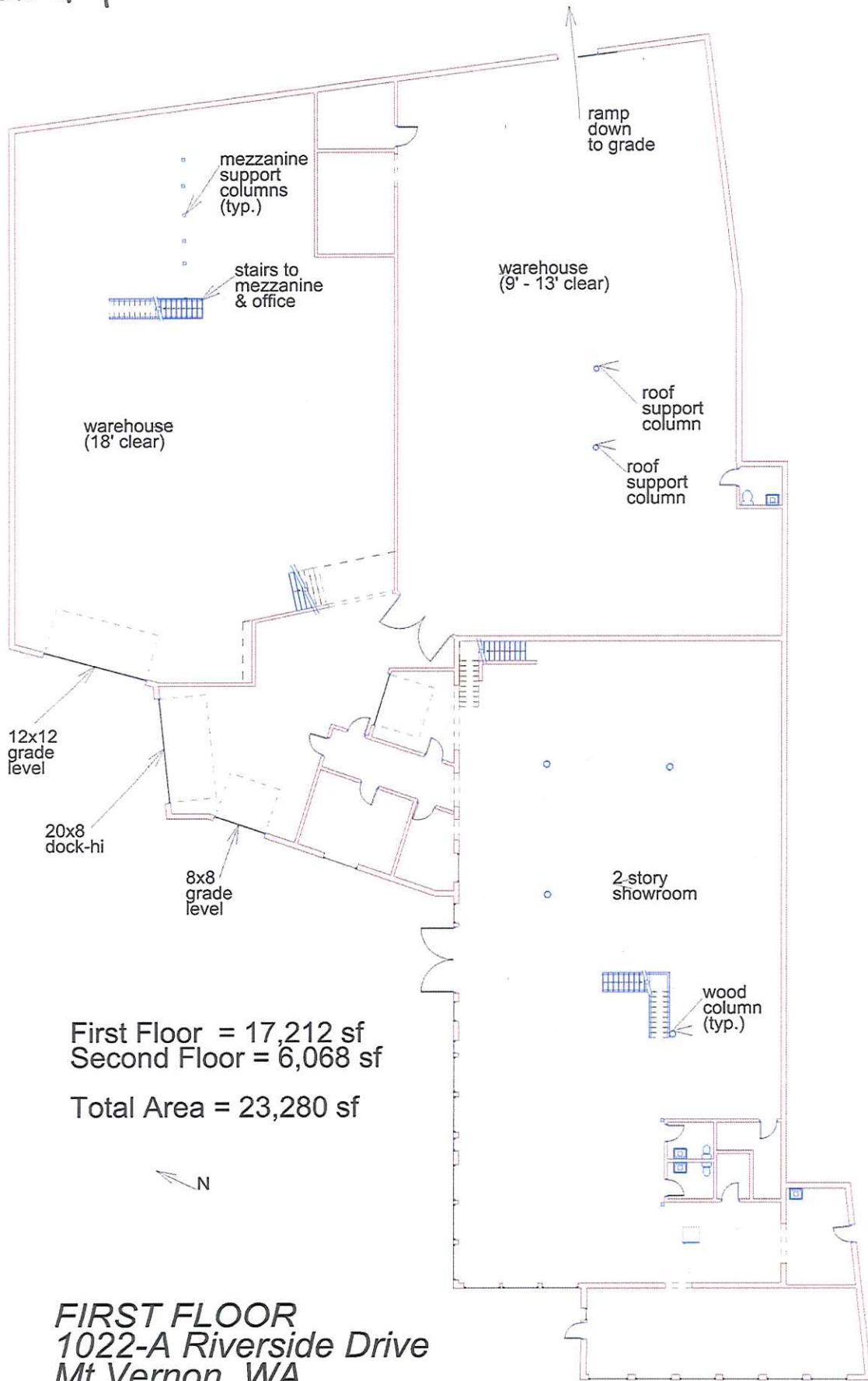
-  Total Ground Area of Leases
-  Lease Area A (15,516sf)
-  Lease Area B (4,874sf)
-  Lease Area C (4,080sf)
-  Lease Area D (4,000sf)
-  Lease Area E (5,200sf)
-  Lease Area F (7,000sf)

EXHIBIT A-1



Drawing prepared for marketing purposes only. All dimensions and angles are approximate. Not suitable for construction purposes. (c) West Coast As Builts - 2010 (360)-255-1477



**Located directly behind "Skagit Habitat for Humanity" store**

7,500 SF Building	10' to 12' ceiling heights
New roof, insulation, office improvements , phase 3 power	250a 277/480v electrical
Heated warehouse	No Sprinkler system
Dock high loading	900 SF office space

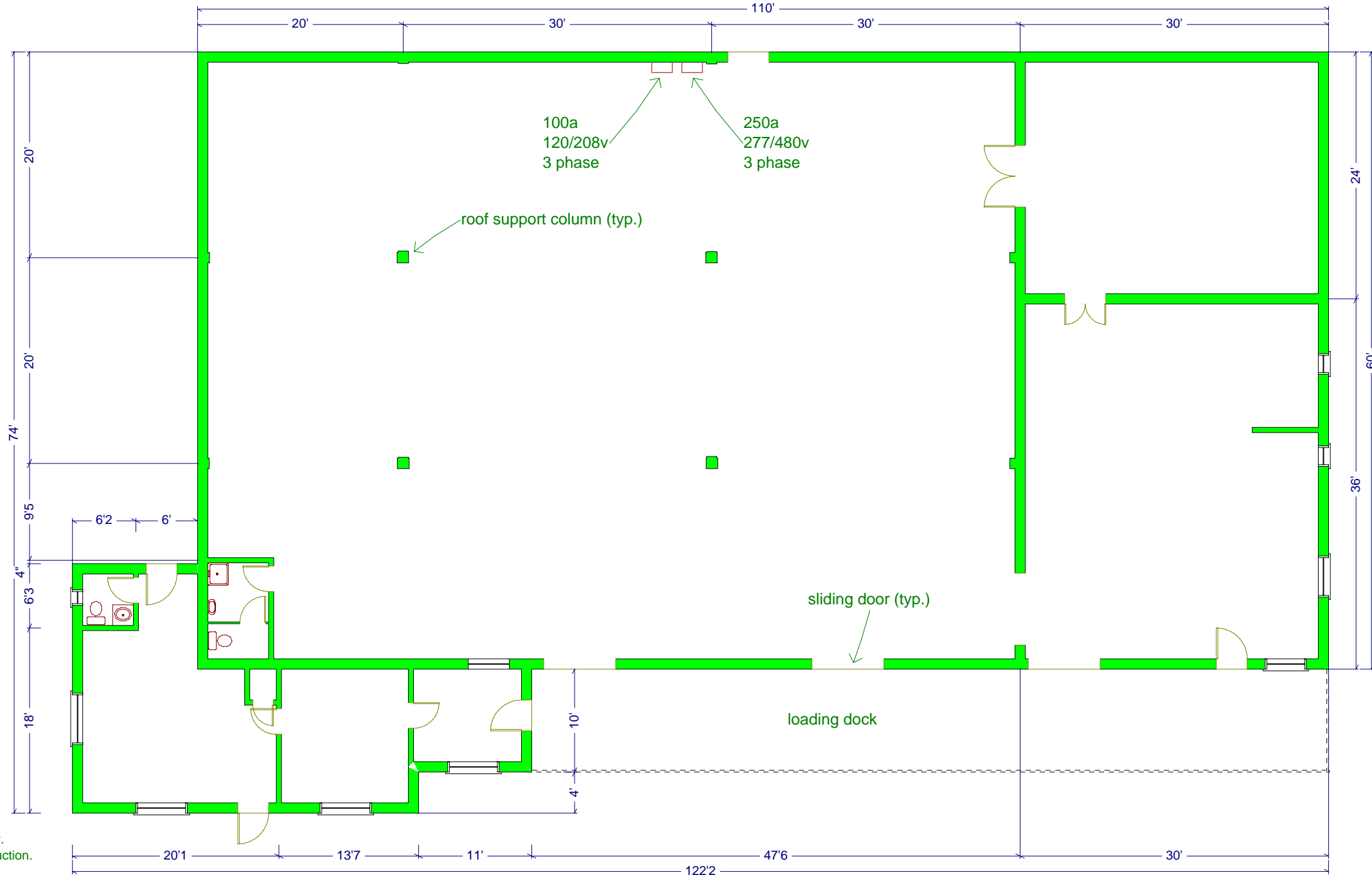
*1026 Riverside Drive*





1022-B Riverside Drive  
Mt Vernon, WA

**BUILDING AREA**  
8080 sq ft



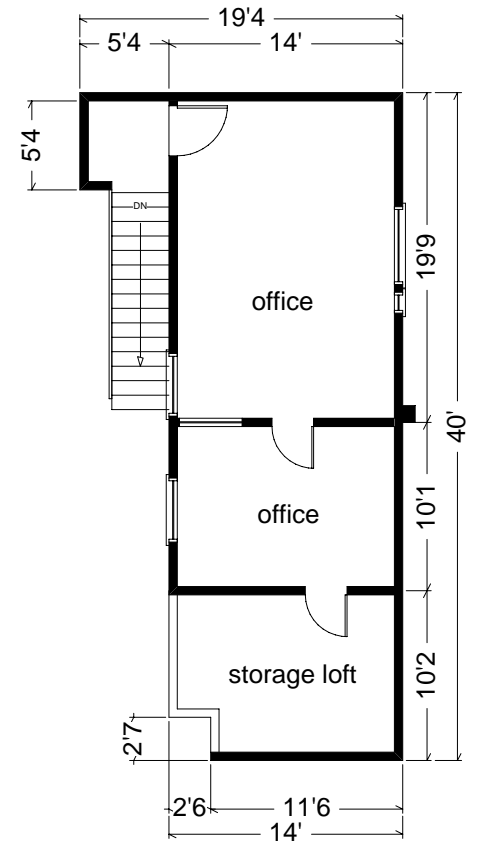
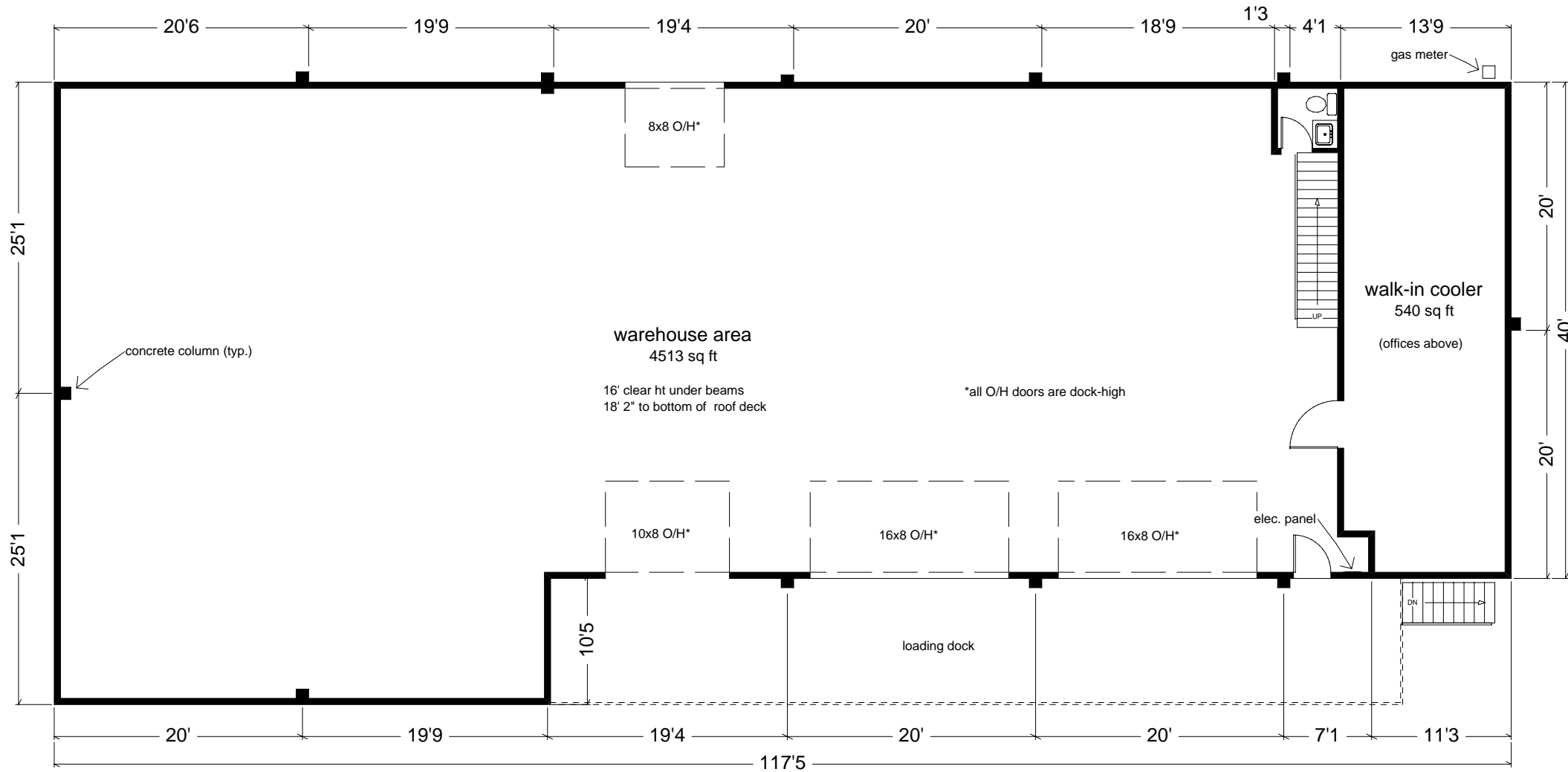
This drawing for marketing purposes only.  
Dimensions approximate. Not for construction.  
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360-255-1477



13,271 SF total	Security and fire alarm monitoring in place
Recent building upgrades	1-phase 120/240V electrical service
Ideal for distribution	Concrete tilt-up distribution space
6 Dock high doors	New interior LED lights
16' to 18' Ceiling heights	New gutters, new roof, new Reznor heating unit

*1028-1030 Riverside Dr.*





main floor area  
5808 sq ft

TOTAL AREA  
6370 sq ft

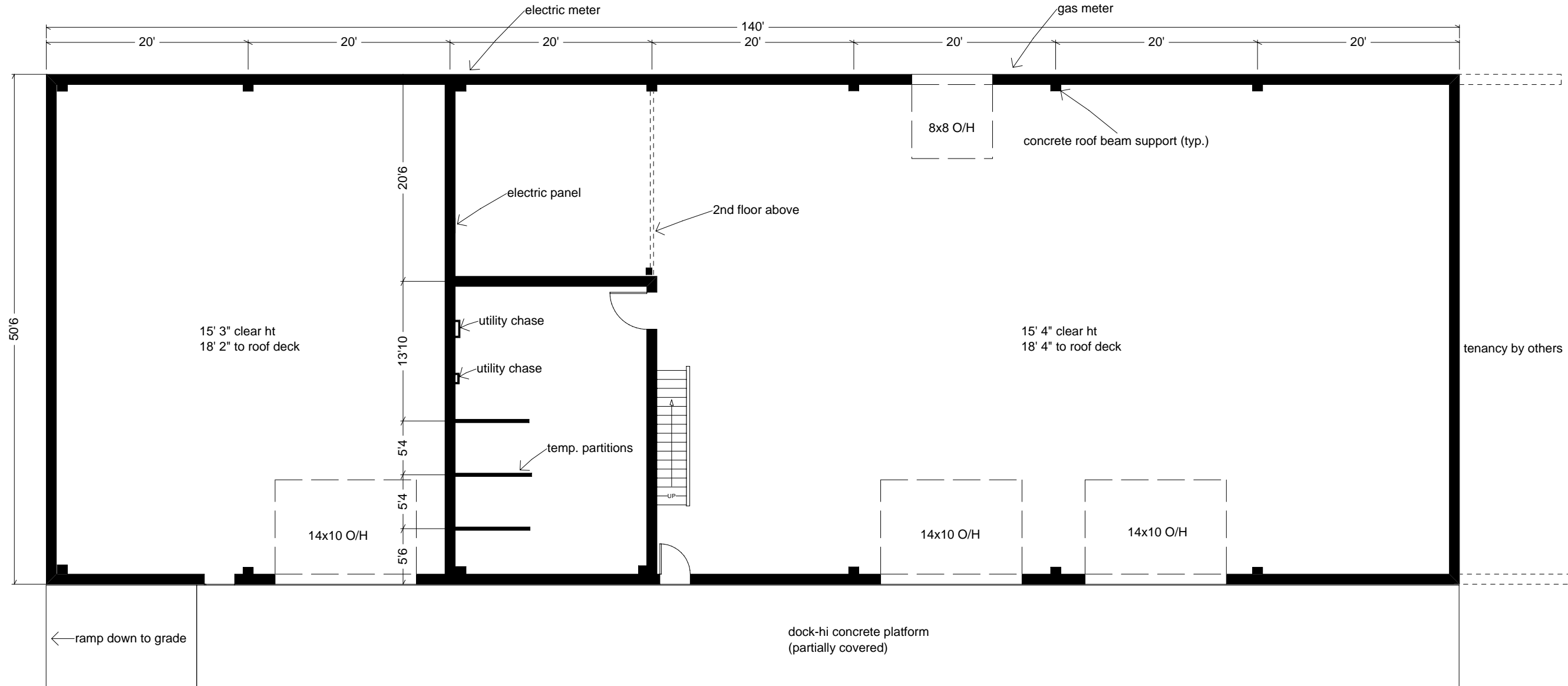
second floor area  
562 sq ft

'As Built' Floor Plan  
1028 Riverside Dr  
Mt Vernon, WA

Prepared 6/5/2015 by West Coast As Builts Division  
of Real Estate Support Services LLC Lynden, WA  
email: RESLLC@gmail.com (360) 255-1477

For marketing purposes only; not intended for  
construction, architectural nor engineering purposes.  
Dimensions approximate.



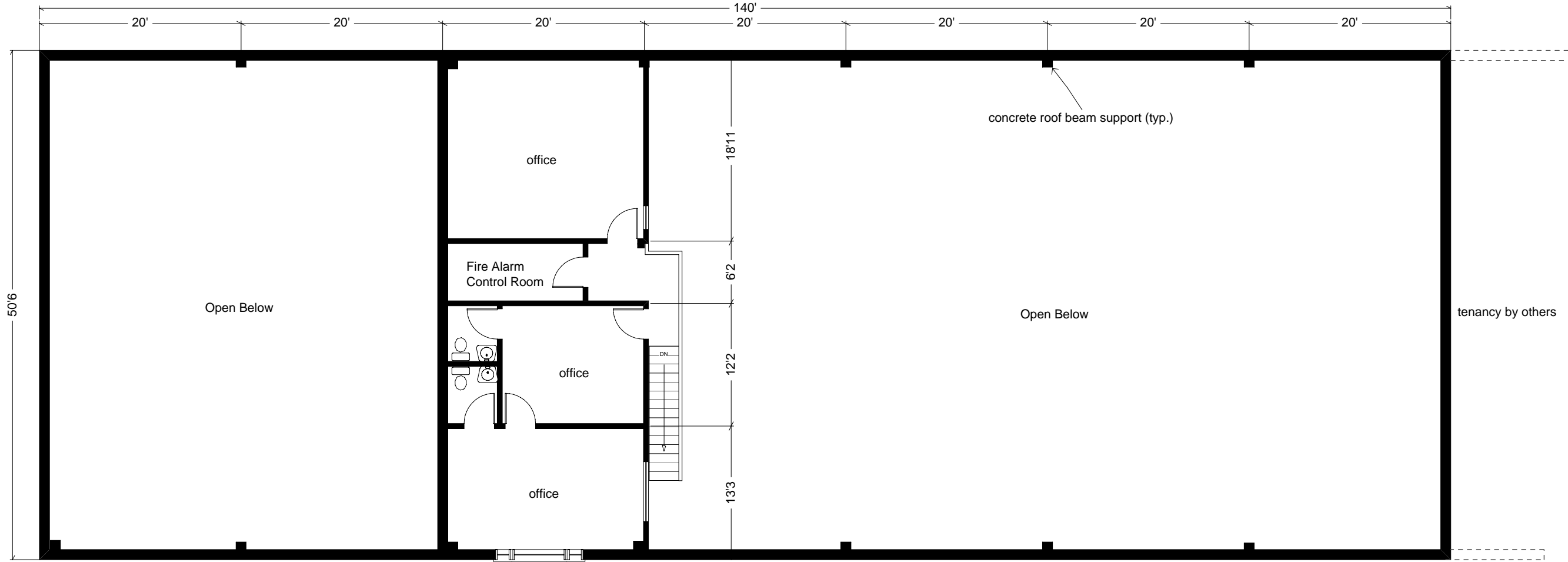


'As Built' Floor Plan prepared 2/5/2014 for Saratoga Commercial Real Estate by West Coast As Builts Division of Real Estate Support Services LLC  
Lynden, WA 98264 - (360 255-1477 - email: RESLLC@gmail.com

Dimensions and calculations approximate; not intended for construction, architectural or engineering purposes.

Main Floor = 7071 sf  
2nd Floor = 980 sf  
Total Area = 8051 sf

Main Floor Plan  
1030 Riverside Drive  
Mt Vernon, WA



'As Built' Floor Plan prepared 2/6/2014 for Saratoga Commercial Real Estate by West Coast As Builds Division of Real Estate Support Services LLC Lynden, WA - (#60) 255-1477 - email: RESSLIC@gmail.com

dimensions and calculations approximate; not intended for construction, architectural or engineering purposes.



2nd Floor = 980 sf

2nd Floor Plan  
1030 Riverside Drive  
Mt Vernon, WA

**RENT ROLL**

TENANT	SF	Pro-rata %	LEASE pro-rata	COMMENCEMENT	EXPIRATION DATE	MONTHLY RENT	NNN	NNN per mo
SHFH - Skagit Habitat for Humanity (1022)	23,280	52.85%	45.00%	1-May-15	30-Apr-20	\$7,000.00	Yes	\$ 2,959.06
				1-May-16		\$7,500.00		
				1-Oct-16		\$7,800.00		
				1-Oct-19		\$8,035.00		
WireFab (1026)	7,500	17.03%	17.03%	19-Sep-17	31-Mar-18	\$3,000	Yes	\$1,127.83
				1-Oct-17		\$1,100.00		
				1-Nov-17		\$3,000.00		
Gruma Corporation dba Mission Foods (1028)	5,200	11.80%	13.50%	1-Dec-13	30-Nov-15	\$2,819.30	Yes	\$ 994.01
				1-Dec-16	30-Nov-17	\$2,889.79		
				1-Dec-17	30-Nov-18	\$2,962.03		
Guy Nielson #1030	8,071	18.32%	18.32%	1-Jun-17	30-Nov-17	\$2,000.00	Yes	\$ 1,295.43
				1-Dec-17	31-May-19	\$4,000.00		
				1-Jun-19	31-May-20	\$4,120.00		
				1-Jun-20	31-May-21	\$4,243.00		
				1-Jun-21	31-May-22	\$4,370.00		
TOTAL	44,051	100.00%	93.85%					\$ 6,376.33

Net Rentable Area (SF)	44,051
Portion Occupied	100%
Portion Vacant	0%

2018 Proforma	
Gross Rent	\$ 212,277
NNN Income	\$ 76,516
NNN Expenses	\$ (80,456)
<b>Net Operating Income (NOI)</b>	<b>\$ 208,337</b>
Cap Rate	6.69%
Income Valuation	\$ 3,114,162
Additional Excess Land	\$ 485,000
<b>Property Value</b>	<b>\$ 3,599,162</b>
<b>Rounded/Asking Price =</b>	<b>3,600,000</b>

## Self-Contained Appraisal Report

8.14± Acres (354,578± SF) of  
Commercial-Light Manufacturing Zoned Land and  
Improvements

**Location:**

1022 Riverside Drive,  
Mount Vernon, WA.

**Ostensible Owner(s):**

Dane and Jacqueline Armstrong,  
John and Nancy Rickett

**Prepared for:**

Ms. Sophia Sledge, Commercial Lending Assistant  
Anchor Community Bank  
601 Woodland Square Loop SE  
Lacey, WA 98503

**Date of Valuation:**

September 1, 2011

**Date of Report:**

September 14, 2011

Job #11-178

File: 11-178.0911

**Prepared by:**

Kelly R. Hao, Senior Associate Appraiser  
MACAULAY & ASSOCIATES, LTD.  
Everett, Washington



## Site Data

### General Location

Mailing address of the subject property is 1022 Riverside Drive, Mount Vernon, Washington 98273. The property is located on the east side of Riverside Drive, south of the Burlington Northern Santa Fe rail lines and north of E. Fir Street. Surrounding land uses consist of commercial and industrial uses on all sides. Riverside Drive is a major four-lane commercial artery running north-south through Mount Vernon and through Burlington with moderate traffic flow.

### Land Area/Dimensions/Access

The irregular-shaped tract consists of an 8.14± acre (354,578± SF) parcel with 87±' of frontage along the east side of Riverside Drive. Of the above land area, 46,371± SF is encumbered by a conservation easement; therefore, 308,207± SF (7.08± acres) is usable land. As discussed further herein, utilizing usable land area of 308,207± (7.08± acres) and a floor area ratio of 0.20, approximately 211,435± SF is needed to support the building improvements; therefore, the remaining 96,772± SF (2.22± acres) is considered excess land. Access is by Riverside Drive, with the Burlington Northern Santa Fe rail lines adjacent to the north of the access point and an additional track (vacated) to the south.

### Topography/Drainage

The parcel slopes down to the east and north from Riverside Drive and it becomes generally level for the remainder of the site. Kulshan Creek, a salmon-bearing stream runs along the west and northern boundary of the site, within the conservation easement area. From visual inspection only, it appears that there are no wetlands on the site; however, due to the location of the creek, there may be associated wetlands.

### Wetlands

Additional expertise in scientific fields such as hydrology, geology, soil science and botany is necessary in order to interpret wetlands definitions and to accurately identify and delineate wetlands boundaries. Based on visual inspection only, no wetlands were observed; however, due to the location of Kulshan Creek along the west and northern boundary of the site, there may be wetlands associated with the creek. No wetlands survey of the site was provided.

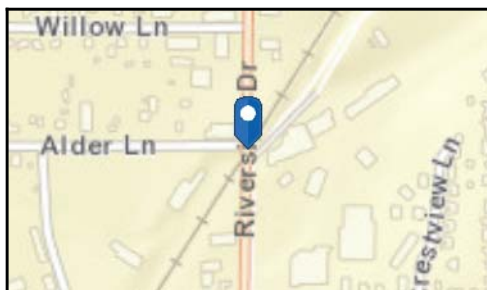
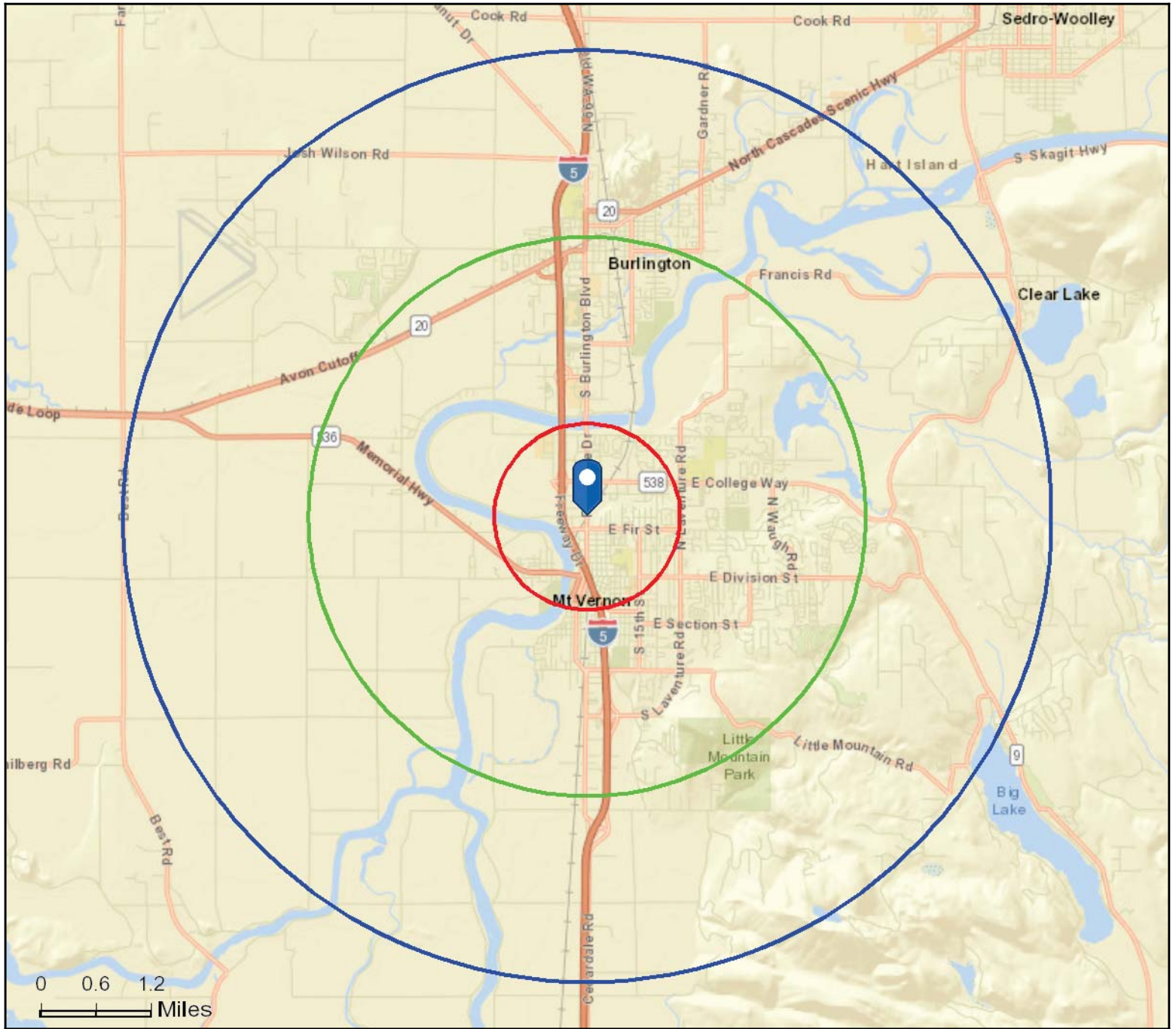
The comparable land sales show an adjusted range of \$4.75/SF to \$6.25/SF and the average is \$5.44±/SF. Although Sale Nos. 1 and 2 are more similar in size as the subject excess land, they are located near a freeway entrance and less emphasis is placed on them for this factor. Most emphasis is placed on Sale Nos. 3 and 4 for location. Therefore, considering the location, size, exposure, zoning, frontage relative to depth, surrounding uses and other pertinent factors, market value of the subject excess land is estimated as shown below.

96,772± SF @ \$5.00/SF ..... \$483,860  
**(R) \$485,000**



Riverside Property  
1022 Riverside Dr, Mount Vernon, Washington, 98273  
Rings: 1, 3, 5 mile radii

Prepared by Esri  
Latitude: 48.43031  
Longitude: -122.33527





# Executive Summary

Riverside Property  
1022 Riverside Dr, Mount Vernon, Washington, 98273  
Rings: 1, 3, 5 mile radii

Prepared by Esri  
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	1 mile	3 miles	5 miles
<b>Population</b>			
2000 Population	7,803	34,892	45,158
2010 Population	8,333	41,124	52,748
2017 Population	8,586	43,636	55,895
2022 Population	8,846	45,629	58,330
2000-2010 Annual Rate	0.66%	1.66%	1.57%
2010-2017 Annual Rate	0.41%	0.82%	0.80%
2017-2022 Annual Rate	0.60%	0.90%	0.86%
2017 Male Population	49.4%	49.4%	49.6%
2017 Female Population	50.6%	50.6%	50.4%
2017 Median Age	32.6	34.2	35.3

In the identified area, the current year population is 55,895. In 2010, the Census count in the area was 52,748. The rate of change since 2010 was 0.80% annually. The five-year projection for the population in the area is 58,330 representing a change of 0.86% annually from 2017 to 2022. Currently, the population is 49.6% male and 50.4% female.

### Median Age

The median age in this area is 32.6, compared to U.S. median age of 38.2.

### Race and Ethnicity

2017 White Alone	72.3%	71.8%	73.1%
2017 Black Alone	1.4%	1.2%	1.1%
2017 American Indian/Alaska Native Alone	1.9%	1.6%	1.6%
2017 Asian Alone	2.9%	3.1%	3.0%
2017 Pacific Islander Alone	0.3%	0.3%	0.3%
2017 Other Race	17.0%	17.7%	16.9%
2017 Two or More Races	4.3%	4.3%	4.1%
2017 Hispanic Origin (Any Race)	35.5%	33.4%	31.3%

Persons of Hispanic origin represent 31.3% of the population in the identified area compared to 18.1% of the U.S. population. Persons of Hispanic Origin may be of any race. The Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, is 69.5 in the identified area, compared to 64.0 for the U.S. as a whole.

### Households

2000 Households	2,913	12,542	16,268
2010 Households	3,104	14,955	19,229
2017 Total Households	3,167	15,704	20,141
2022 Total Households	3,251	16,354	20,919
2000-2010 Annual Rate	0.64%	1.78%	1.69%
2010-2017 Annual Rate	0.28%	0.68%	0.64%
2017-2022 Annual Rate	0.52%	0.81%	0.76%
2017 Average Household Size	2.65	2.74	2.74

The household count in this area has changed from 19,229 in 2010 to 20,141 in the current year, a change of 0.64% annually. The five-year projection of households is 20,919, a change of 0.76% annually from the current year total. Average household size is currently 2.74, compared to 2.70 in the year 2010. The number of families in the current year is 13,473 in the specified area.

**Data Note:** Income is expressed in current dollars

**Source:** U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2017 and 2022. Esri converted Census 2000 data into 2010 geography.



# Executive Summary

Riverside Property  
 1022 Riverside Dr, Mount Vernon, Washington, 98273  
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	1 mile	3 miles	5 miles
<b>Median Household Income</b>			
2017 Median Household Income	\$42,118	\$53,740	\$56,113
2022 Median Household Income	\$45,458	\$58,692	\$61,852
2017-2022 Annual Rate	1.54%	1.78%	1.97%
<b>Average Household Income</b>			
2017 Average Household Income	\$57,106	\$70,162	\$72,761
2022 Average Household Income	\$64,888	\$81,268	\$83,824
2017-2022 Annual Rate	2.59%	2.98%	2.87%
<b>Per Capita Income</b>			
2017 Per Capita Income	\$22,048	\$25,741	\$26,701
2022 Per Capita Income	\$24,848	\$29,594	\$30,531
2017-2022 Annual Rate	2.42%	2.83%	2.72%

Current median household income is \$56,113 in the area, compared to \$56,124 for all U.S. households. Median household income is projected to be \$61,852 in five years, compared to \$62,316 for all U.S. households

Current average household income is \$72,761 in this area, compared to \$80,675 for all U.S. households. Average household income is projected to be \$83,824 in five years, compared to \$91,585 for all U.S. households

Current per capita income is \$26,701 in the area, compared to the U.S. per capita income of \$30,820. The per capita income is projected to be \$30,531 in five years, compared to \$34,828 for all U.S. households

<b>Housing</b>			
2000 Total Housing Units	3,038	13,112	17,013
2000 Owner Occupied Housing Units	1,411	7,574	10,259
2000 Renter Occupied Housing Units	1,502	4,968	6,010
2000 Vacant Housing Units	125	570	744
2010 Total Housing Units	3,277	15,908	20,468
2010 Owner Occupied Housing Units	1,394	8,863	11,877
2010 Renter Occupied Housing Units	1,710	6,092	7,352
2010 Vacant Housing Units	173	953	1,239
2017 Total Housing Units	3,373	16,677	21,416
2017 Owner Occupied Housing Units	1,383	9,239	12,326
2017 Renter Occupied Housing Units	1,784	6,465	7,815
2017 Vacant Housing Units	206	973	1,275
2022 Total Housing Units	3,478	17,406	22,295
2022 Owner Occupied Housing Units	1,422	9,638	12,808
2022 Renter Occupied Housing Units	1,829	6,716	8,111
2022 Vacant Housing Units	227	1,052	1,376

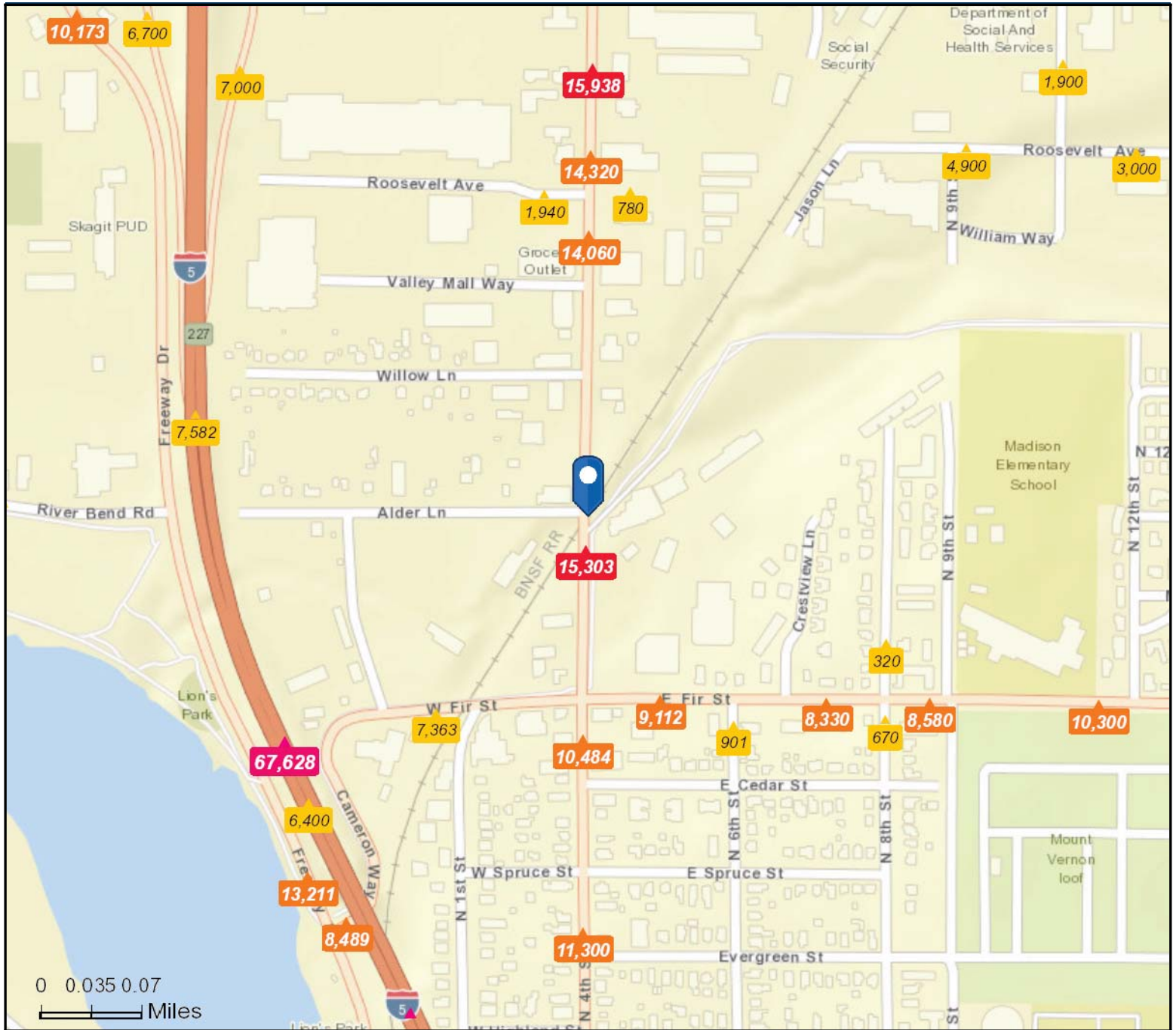
Currently, 57.6% of the 21,416 housing units in the area are owner occupied; 36.5%, renter occupied; and 6.0% are vacant. Currently, in the U.S., 55.6% of the housing units in the area are owner occupied; 33.1% are renter occupied; and 11.3% are vacant. In 2010, there were 20,468 housing units in the area - 58.0% owner occupied, 35.9% renter occupied, and 6.1% vacant. The annual rate of change in housing units since 2010 is 2.03%. Median home value in the area is \$274,319, compared to a median home value of \$207,344 for the U.S. In five years, median value is projected to change by 5.42% annually to \$357,174.

**Data Note:** Income is expressed in current dollars

**Source:** U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2017 and 2022. Esri converted Census 2000 data into 2010 geography.

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- Average Daily Traffic Volume**
- ▲ Up to 6,000 vehicles per day
  - ▲ 6,001 - 15,000
  - ▲ 15,001 - 30,000
  - ▲ 30,001 - 50,000
  - ▲ 50,001 - 100,000
  - ▲ More than 100,000 per day



Source: ©2017 Kalibrate Technologies

**Chapter 17.57**  
**M-1 LIGHT MANUFACTURING AND COMMERCIAL DISTRICT**

Sections:

- 17.57.010 Intent.**
- 17.57.020 Permitted uses.**
- 17.57.023 Accessory uses.**
- 17.57.025 Special uses.**
- 17.57.030 Performance standards – Violation deemed nuisance.**
- 17.57.040 Storage yard requirements.**
- 17.57.050 Setbacks.**
- 17.57.051 *Repealed.***
- 17.57.060 Building height.**
- 17.57.070 Landscaping.**
- 17.57.080 Parking.**
- 17.57.090 Signs.**
- 17.57.100 Site plan review.**

**17.57.010 Intent.**

The intent of this chapter is to provide areas for commercial establishments which require a limited retail contact with the public as well as incidental shop work, storage or light manufacturing. (Ord. 3315, 2006; Ord. 2352, 1989).

**17.57.020 Permitted uses.**

Permitted primary uses in the M-1 district shall include:

- A. Automobile service stations if access is available from a principal arterial, automobile repair garages, car washes, open used car sales lots for vehicles in operating condition;
- B. Retail markets;
- C. Buildings for the rental of frozen food lockers;
- D. Upholstery and furniture repair shops;
- E. Retail hay, grain and feed or garden supplies and equipment;
- F. Retail lumber and building materials;
- G. Contractors' offices and shops;
- H. Warehouses and distribution facilities;



- I. Restaurants;
- J. Transportation system terminals;
- K. Veterinary clinics;
- L. Buildings or developments necessary for the operation of a public utility;
- M. On-site hazardous waste treatment and storage facilities as an accessory use to a permitted use provided such facilities comply with the State Hazardous Waste Siting Standards and Mount Vernon and State Environmental Policy Act requirements;
- N. Public and private vocational and technical schools;
- O. Towing businesses and their associated temporary impound lots. Wrecking yards or junk vehicle storage shall not be allowed;
- P. Other industrial uses which have similar environmental influences. (Ord. 3315, 2006; Ord. 2594 § 3, 1994; Ord. 2352, 1989).

**17.57.023 Accessory uses.**

A. Each primary building or structure is permitted to have one accessory building, which is exempt from building permit requirements, by definition of the International Building Code (120 square feet or less). These exempt structures are required to be located in the rear yard and maintain a minimum of five-foot setback from any other building or property line; and

B. Card room. (Ord. 3429 § 112, 2008).

**17.57.025 Special uses.**

Uses permitted by a special use permit in M-1 districts shall include:

A. Emergency shelter for the homeless; provided emergency shelter for the homeless shall not be located within a 1,000-foot radius of any other emergency shelter for the homeless and an existing shelter shall not expand the existing square footage of their facility to accommodate additional homeless, except that the hearing examiner may approve a location within a lesser distance or an increase in square footage of the existing facility to serve additional homeless if the applicant can demonstrate that such location will not be materially detrimental to neighboring properties due to excessive noise, lighting, or other interference with the peaceful use and possession of said neighboring properties; and provided further, an emergency shelter for the homeless shall have 100 square feet of gross floor area per resident as defined by the city building code (MVMC Title [15](#)); and provided further, an emergency shelter for the homeless shall have any and all licenses as required by state and local law. (Ord. 3315, 2006; Ord. 2966 § 9, 1999; Ord. 2598 § 7, 1994).

**17.57.030 Performance standards – Violation deemed nuisance.**

All commercial business uses are permitted in this district, provided their performance is of such nature that they do not inflict upon the surrounding residential, commercial or M-2 areas smoke, dirt, glare, odors, vibration, noise, excessive hazards or water pollution detrimental to the health, welfare or safety of the public occupying or visiting such areas. The maximum permissible limits of these detrimental effects shall be defined in this section, and upon exceeding these limits shall be considered a nuisance and declared in violation of the regulations of this zoning title and shall be

ordered abated. It shall be the responsibility of the operator and/or proprietor of any permitted use to provide such reasonable evidence and technical data as the enforcing officer may require to demonstrate that the use or activity is or will be in compliance with the performance standards of this chapter.

A. Air pollution shall be controlled by the operator and/or proprietor of any land use or activity permitted by this chapter. The ambient air quality standards specified by the Northwest Air Pollution Authority shall apply to all air contaminants listed therein.

B. Liquid wastes shall be disposed of through local sanitary sewer systems only upon approval of the city engineer.

C. Liquid or solid wastes unacceptable to the city engineer shall be disposed of on a regular basis in keeping with the best operating characteristics of the industry, and in compliance with the regulations and requirements of local, regional, state or federal agencies having jurisdiction in waste disposal and environmental health and safety.

D. Any operation producing intense heat or glare shall be performed within an enclosure so as to completely obscure such operation from view from any point along the property line.

E. The use, storage, transportation and disposal of all radioactive materials and radiation machines shall be subject to the regulatory jurisdiction and control of the Radiation Control Agency of the Washington State Department of Social and Health Services as amended.

F. No use shall cause earth vibrations or concussions detectable without the aid of instruments beyond its lot lines, with the exception of the temporary vibration produced as a result of construction activity.

G. Materials used or produced in any manufacturing process shall be handled in such a manner as to prevent ground or soil pollution which destroys or endangers the support of natural vegetation or which may contaminate underground aquifers of other natural drainage systems. (Ord. 3349 § 3, 2007).

#### **17.57.040 Storage yard requirements.**

A. Storage yards and outdoor storage areas in the M-1 district shall be surrounded by a fence or wall at least six feet high. This fence or wall shall be sight-obscuring on the side of any property facing a residential or commercial district, or a public street. Outdoor storage of materials shall not exceed the height of the fence and junk shall be obscured by buildings or fencing on all sides. Outside storage areas shall not be located in the front yard setback or along a street.

B. Storage yards and outdoor storage areas shall be associated with a permitted or conditional use. (Ord. 3429 § 113, 2008).

#### **17.57.050 Setbacks.**

Minimum setback requirements in the M-1 district are as follows:

A. Front yard: 10 feet. Buildings on corner lots and through lots shall observe the minimum setback on both streets. For properties that front on an arterial, the minimum setback from the right-of-way shall be 25 feet. The community and economic development and public works directors can through a Type I decision process administratively reduce, for good cause shown, this setback.

B. Side yard: none, except that any lot developed for a manufacturing use which abuts a residential district shall have a side yard of at least 20 feet on the abutting side of the lot;

C. Rear yard: none. (Ord. 3429 § 114, 2008).

**17.57.051 Buildable area calculation – Transfer of floor area.**

*Repealed by Ord. 3315. (Ord. 3014 § 26, 2000).*

**17.57.060 Building height.**

Maximum building height in the M-1 district shall be four stories. (Ord. 3315, 2006; Ord. 2626 § 4, 1994; Ord. 2352, 1989).

**17.57.070 Landscaping.**

Landscaping shall be required pursuant to the terms of Chapter [17.93](#) MVMC. (Ord. 3315, 2006; Ord. 2626 § 5, 1994; Ord. 2352, 1989).

**17.57.080 Parking.**

Parking shall be provided pursuant to the terms of Chapter [17.84](#) MVMC. (Ord. 3315, 2006; Ord. 2626 § 6, 1994; Ord. 2352, 1989).

**17.57.090 Signs.**

Signs shall meet the requirements as provided in Chapter [17.87](#) MVMC. (Ord. 3315, 2006; Ord. 2352, 1989).

**17.57.100 Site plan review.**

All developments in this district shall be subject to site plan review as provided in Chapter [17.90](#) MVMC. (Ord. 3315, 2006; Ord. 2352, 1989).

[Mobile Version](#)