Arlington Purchase

Snohomish County
Arlington Purchase

Location

- Purchase of land and a commercial building
- In Snohomish County, within the City of Arlington
Arlington Purchase

Overview

- Building size: 14,160 sqft on 1.54 acres
- New construction: built in 2018
- Property is currently leased to Bartell Drugs
- Generates annual revenue of $482,526
Revenue

Lease Term: 15 years primary term (13.5 remaining) with renewal options – 5, five-year extensions for a total of 25 additional years.

<table>
<thead>
<tr>
<th>Years</th>
<th>Rent</th>
<th>Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - 10</td>
<td>$482,526</td>
<td>5.32%</td>
</tr>
<tr>
<td>11 - 15</td>
<td>$530,778</td>
<td>5.85%</td>
</tr>
<tr>
<td>16 - 20</td>
<td>$583,856</td>
<td>6.43%</td>
</tr>
<tr>
<td>21 - 25</td>
<td>$642,242</td>
<td>7.08%</td>
</tr>
<tr>
<td>26 - 30</td>
<td>$706,466</td>
<td>7.78%</td>
</tr>
<tr>
<td>31 - 35</td>
<td>$777,113</td>
<td>8.56%</td>
</tr>
<tr>
<td>36 - 40</td>
<td>$854,824</td>
<td>9.42%</td>
</tr>
</tbody>
</table>
Appraised Value:

$9,075,000

- $5,575,000 will come from the Real Property Replacement Account
- $3,500,000 will come from Land Bank funds
- The property will become Common School Trust
Arlington Purchase

Benefits

- Aids in asset diversification for a portfolio dominated by investments in timberland

- Provides stable cash flows with relatively low risk:
  The Bartell Drug Company, a family-owned Washington corporation since 1890, operates 67 stores in Puget Sound Region from Pierce to Snohomish counties.

- Produces consistent annual cash flows at market rates of return
Arlington Purchase

Resolution _____

[Image: Insert Photo if available]