

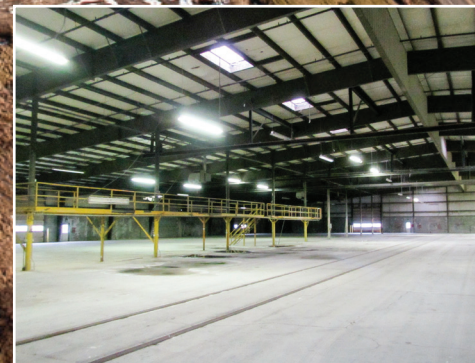


# REAL ESTATE AUCTION

*Price Reduced to Less Than \$15 per SF!*

**SHERIDAN, OREGON**

*214,540± SF Former Manufacturing Complex on 24.25± Acres*



**Sealed Bids Due March 8, 2017**

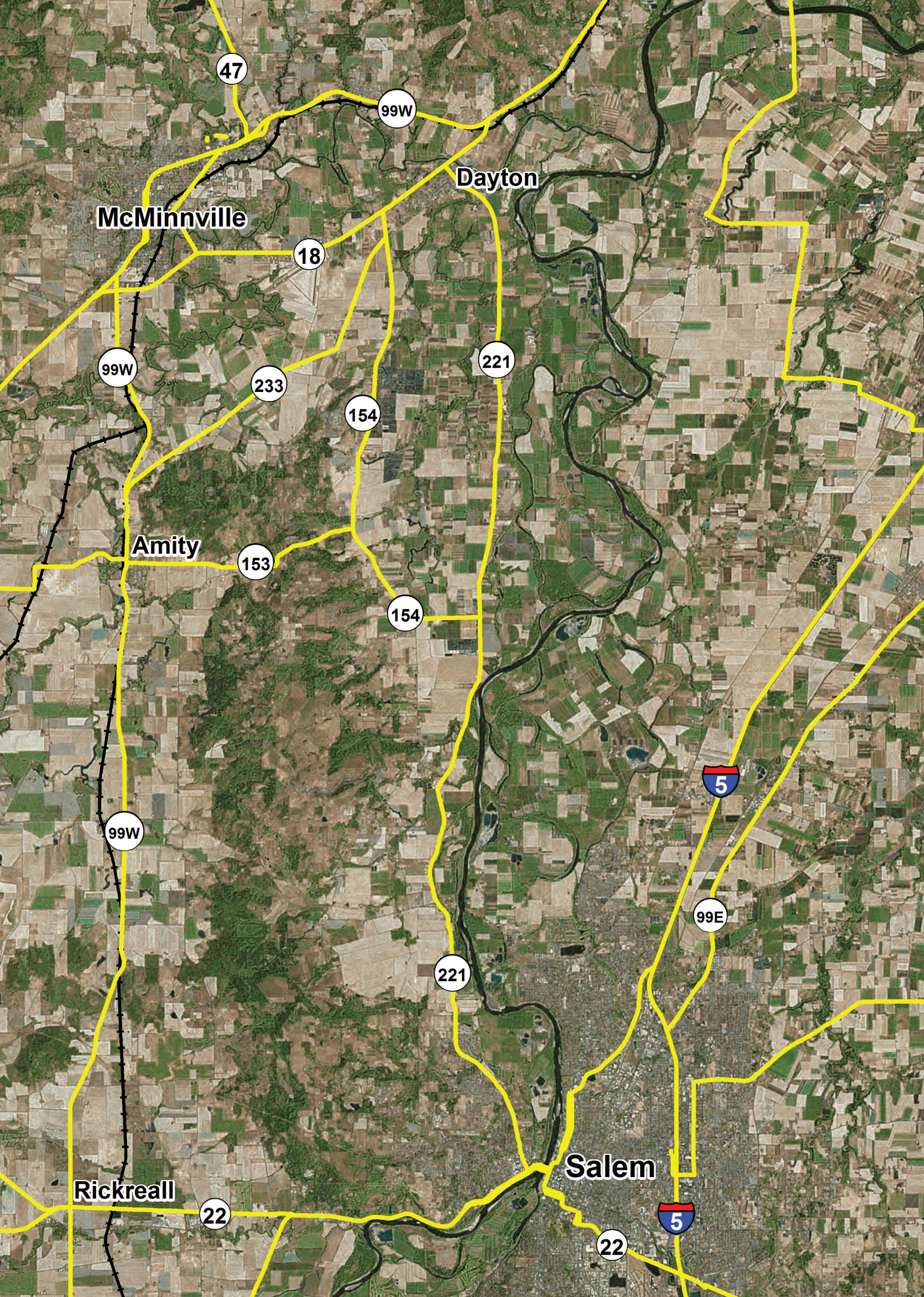


**ONE OF THE LARGEST INDUSTRIAL PROPERTIES  
READY FOR OCCUPANCY WITHIN MID-WILLAMETTE  
VALLEY REGION, A THIRTY-FIVE MINUTE DRIVE TO  
SALEM, AND I-5**

- *Proximity to leading production area for Oregon wine industry*
- *Reuse opportunities with excess land and rail*
- *Available in bulk, or in two properties - each has over 91,000 square feet of manufacturing space*







47

99W

Dayton

McMinnville

18

99W

233

221

154

Amity

153

154

99W

5

99E

221

Rickreall

22

Salem

5

22



# The Opportunity

This former manufacturing complex, with 214,540± square feet of improvements on 24.25± acres, is located along Highway 18 in the city of Sheridan, one hour from Portland. It is one of the largest industrial properties ready for occupancy, with excess land and rail service, within the mid-Willamette Valley region. It was built in 1973 and 1978.

The complex is within a thirty-five minute drive of Salem, Oregon, and the I-5 corridor. It is part of the West Valley Enterprise Zone, administered by Salem-based Strategic Economic Development Corporation (SEDCOR), providing financial incentives to a new owner in tax relief for property improvements, and capital equipment expenditures.

The property has a strategic location in the heart of the mid-Willamette Valley region, which has a reputation as one of the greatest providers of agriculture products, including the growing wine industry.

Significant outside investments have been made in nearby Yamhill County by the Santa Rosa, California-based Jackson Family Wines, who purchased more than 1,300 acres. Other recent investments have been made by Burgundy-based Maison Louis Jadot, Washington-based Chateau Ste. Michelle, and others from California and Washington. Two-thirds of Oregon's wine industry is based within the Willamette Valley.

The property has two large industrial buildings, each having over 91,000 square feet of manufacturing space, with both grade- and dock-level doors, ample power, and all utilities. There is excellent access from Highway 18, and the option to obtain rail service from Portland & Western Railroad.

The property can easily accommodate single or multiple manufacturing and distribution uses, or specialized indoor storage, including boat and RV storage. Highway 18 is the major route from the Portland metropolitan area to Oregon's central oceanfront resort community of Lincoln City.

Nearby Spirit Mountain Casino, located a fifteen-minute drive west of Sheridan, has become one of Oregon's busiest tourist attractions, drawing three million visitors a year. Yamhill County wineries attract an estimated 1.5 million visitors a year. A medium security federal correctional institution is located in Sheridan, which employs over 350.

The complex, with 214,540± square feet on 24.25± acres, can be purchased in its entirety, or in two individual properties. Building One is 112,540± square feet on 13.66± acres and Building Two is 102,000± square feet on 10.59± acres. Each property has paved parking and excess land to accommodate additional improvements. There is an estimated 15 acres of excess land between the two properties which also is paved.

The Seller has reduced pricing to less than \$15 per square foot, which includes plant site and the improvements, to accelerate a sale of the entire property, providing a rare opportunity to acquire manufacturing, distribution, and storage facilities at a significant discount to its replacement cost.

**LAST ASKING:** \$3,995,000 (bulk)

**BULK PUBLISHED RESERVE PRICE:** \$3,100,000 / \$14.44 s.f.

**Building One** - 13.66± acres and 112,540 s.f. of improvements - \$1,600,000 / \$14.21 s.f.\*

**Building Two** - 10.59± acres and 102,000± s.f. of improvements - \$1,500,000 / \$14.70 s.f.\*

*\*The sales of individual properties shall be subject to, and contingent on, receipt of qualified, successful bids equal to, or in excess of, \$3,100,000*

**FINANCING:** None. All cash.

**PROPERTY INSPECTION:** By Appointment Only - Please Call Auction Information Office to Schedule

## **SUPPLEMENTAL INFORMATION PACKAGE WITH BID DOCUMENTS**

The Supplemental Information Package with Bid Documents is available by contacting the Auction Information Office, and can be emailed and/or mailed.

The package includes the following information:

- *Aerial and Site Photos*
- *Building plans*
- *Environmental reports*
- *Mid-Willamette Region West Valley Enterprise Zone - Strategic Economic Development Corporation (SEDCOR)*
- *Portland & Western Railroad contact*
- *City of Sheridan zoning, with Flood Plain map*
- *Yamhill County assessment information*
- *Conceptual sketch plans for reuse options of the property*
- *Preliminary title report*
- *Bid information: Bid instructions and Bid form, Buyer Acknowledgement form, Purchase and Sale Agreement, Agency Disclosure form, Broker Cooperation form*





## MID-WILLAMETTE VALLEY LOCATION

The former manufacturing complex has a strategic location within the mid-Willamette Valley region which contains Yamhill, Polk, and Marion Counties, mid-point between the cities of Portland and Eugene. The property has proximity to the wine, agriculture and food processing industries, and thriving manufacturing sectors which include timber products to plastic tubing, dental equipment to steel products, and textiles to electrical equipment.

The property, with two buildings containing over 91,000 square feet each for manufacturing, and excess land, provides a new owner with a number of reuse options that can take advantage of proximity to work force, raw materials, ample power and water, and easy access to the I-5 corridor, with the added tax incentives of the West Valley Enterprise Zone.





## ENVIRONMENTAL ASSESSMENT

The Seller had a Phase I Environmental Site Assessment and Focused Site Investigation prepared in July 2012, by JBR Environmental Consultants. Based on these reports, the property does not have any recognized environmental conditions. Both reports are available as part of the Supplemental Information Package with Bid Documents.

## UTILITIES

The entire manufacturing complex is served by all utilities.

Power - Portland General Electric

Natural Gas - Northwest Natural

Water (10 inch main) / Sewer (15 inch main) - City of Sheridan

Cable/Internet - Wave Broadband

## TAXES

Total 2017 real estate taxes are: \$42,196

Building One - 112,540± square feet on 13.66± acres - \$20,662

Building Two - 102,000± square feet on 10.59± acres - \$21,533

## ZONING

The property is zoned Industrial District (I) by the City of Sheridan, with the exception of tax lot 1801 which totals 3.7 acres, is part of the Building One property, and is zoned Residential Medium Density (R-2.) It contains the fire suppression pond.

A wide range of manufacturing, assembly and secondary processing uses are allowed, along with warehousing and distribution. In addition, many commercial uses are allowed, including mini-storage, equipment repair, equipment rental and sales, and other uses. Cultivation and processing of marijuana is a permitted use in the Industrial District zoning.

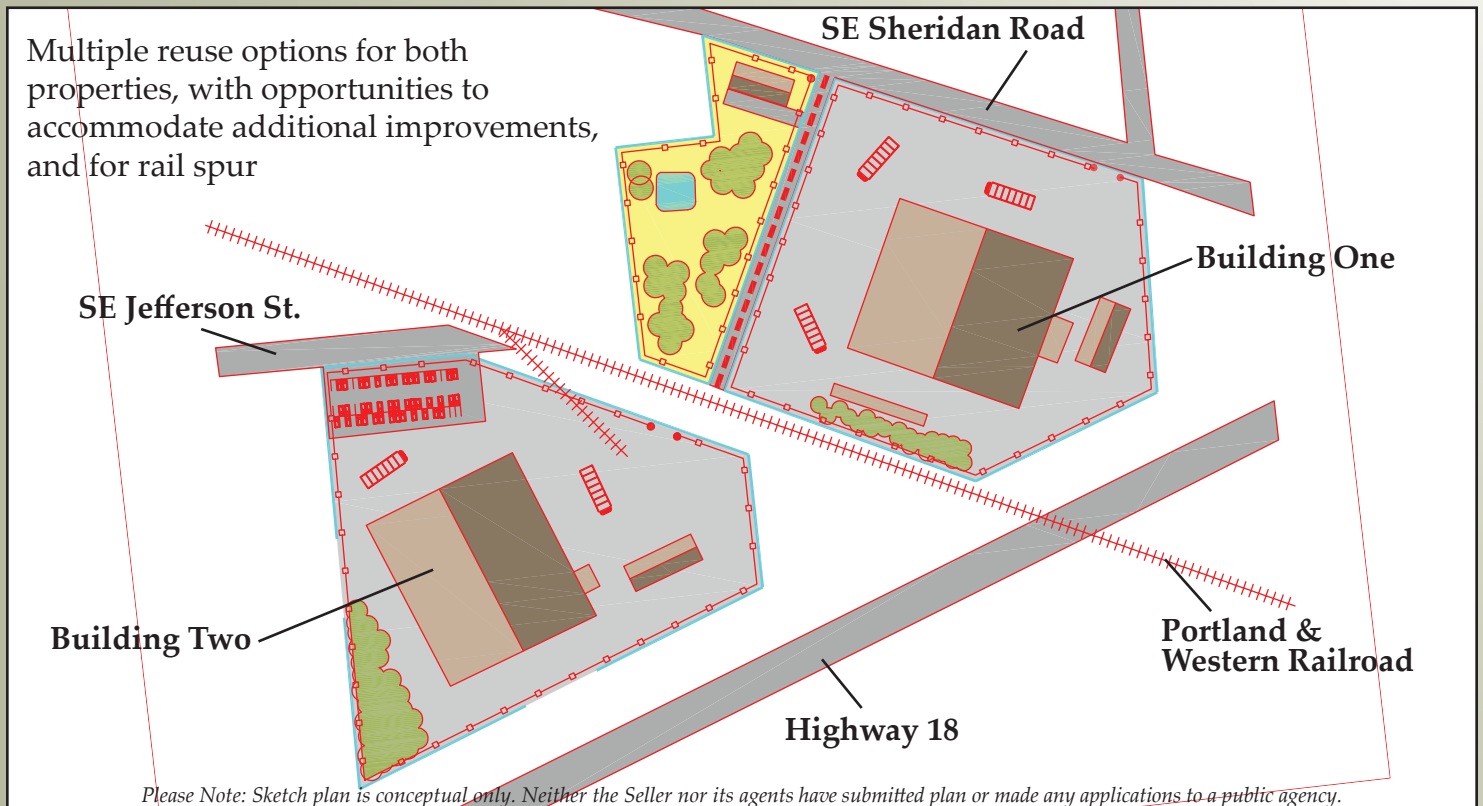
The R-2 zoning would allow both single family and multi-family housing.

Zoning and contact information for City of Sheridan is included in the Supplemental Information Package.

## WEST VALLEY ENTERPRISE ZONE

The City of Sheridan is within the West Valley Enterprise Zone, managed by the Salem-based Strategic Economic Development Corporation. It offers eligible companies three to five year property tax exemptions on certain new capital investments that create jobs. Eligible investments are new real property improvements, including buildings, major site improvements, large or immobile equipment, and tools.

Information pertaining to eligibility and incentives within the West Valley Enterprise Zone is available by contacting Chad Freeman, SEDCOR, at [freeman@sedcor.com](mailto:freeman@sedcor.com) or 503-837-1800.







## THE MANUFACTURING COMPLEX

The complex, located at 888 SE Sheridan Road, was built in 1973 and 1978. The 214,540± square feet of improvements on 24.25± acres was designed to have its primary access from SE Sheridan Road by Building One, with secondary access along SE Jefferson by Building Two. Construction of a spur could provide the added benefit of rail service to the complex.

Both Building One and Building Two are of similar design and are primarily manufacturing space, with the main office included in Building One. The bulk of the entire site is paved, with the exception of the western portion of the Building One property, which is the location of the fire suppression pond that serves both buildings.

The property has the options for reuse and redevelopment for manufacturing, distribution, storage and some commercial uses to take advantage of its location along Highway 18, a major route for visitors to the nearby Spirit Mountain Casino, wineries, and the Oregon Coast.

The complex can be sold in its entirety, or in two properties, with Building One on 13.66± acres and Building Two on 10.59± acres. Both properties could be reused for single or multiple uses, with potential for additional improvements. There is some deferred maintenance on both buildings including some minor needed repairs related to the roofs, exterior siding, and the drive-in and dock high doors. The Seller has maintained the electrical and fire suppression systems.

## SUMMARY INFORMATION, BY PROPERTY

	Building One	Building Two	Total
Site Size	13.66 acres	10.59 acres	24.25 acres
Total Improvements	112,540 sf	102,000 sf	214,540 sf
Plant - Manufacturing	94,500 sf	91,800 sf	186,300 sf
Office	3,220	----	3,220 sf
Covered Storage	10,500 sf	10,200 sf	20,700 sf
Storage Shed	4,320	----	4320 sf
Manufacturing Space	270' x 350'	270' x 340'	
Ceiling Height	19' to 28'	19' to 23'	
Manufacturing Column Spacing	every 25' with 90' span	every 25' with 90' span	
Grade Level Drive-In Doors (16' x 18')	9	9	18
Dock-High Doors (10' x 8')	3	3	6
Cranes	2 two-ton	4 electric rails	6
Sprinklers	Yes	Yes	
Primary Power	1,200 amps	1,200 amps	
Paved Parking Spaces	300	75	375
Year Built	1973	1978	
Published Reserve Price*	\$1,600,000	\$1,500,000	\$3,100,000
Price per SF	\$14.21	\$14.70	\$14.44

\*The sales of individual properties shall be subject to, and contingent on, receipt of qualified, successful bids equal to, or in excess of, \$3,100,000





Office contains 3,220± SF with reception, private offices, restrooms and lunch area

## BUILDING ONE

112,540± square feet on 13.66± acres

### PUBLISHED RESERVE:

\$1,600,000 / \$14.21 per square foot

This 13.66± acre property contains tax lots 1800 and 1801 and has gated access from SE Sheridan Road, with an estimated 386 feet of frontage along Highway 18. The main building is 97,720± square feet including 94,500± square feet of manufacturing space that is 270 feet by 350 feet. There is an attached office of 3,220± square feet and 10,500± square feet of covered storage along the southern side of the plant. An additional open storage shed of 4,320± square feet is on the property.

The manufacturing space has a concrete floor, with column spacing every 25 feet, with a 90 foot span. Ceiling height is 19 to 28 feet and there are nine drive-in doors that are 16 feet high and 18 feet wide. There are three dock doors that are 10 feet high by 8 feet wide located in the northwest section of the building.

The exterior wall of the main plant has 10 feet of cinder block with corrugated metal siding, and metal roof. Two two-ton Shaw-Box cranes are included in the sale. Roof-mounted gas units provide heat to the building.

There is a fire suppression pond located on tax lot 1801 that serves both buildings. A shared agreement will be part of the sale. In addition, an access easement from SE Sheridan Road that crosses the Portland & Western Railroad along the western boundary of tax lot 1800 will be provided as secondary access for Building Two.

An estimated 9 acres of the property is paved and had accommodated up to 300 parking spaces. Additional development can be accommodated on the property, with the added benefit of having exposure from over 320 feet of Highway 18 frontage.





4,320± SF Storage Shed



94,500± SF of manufacturing space with nine grade level doors



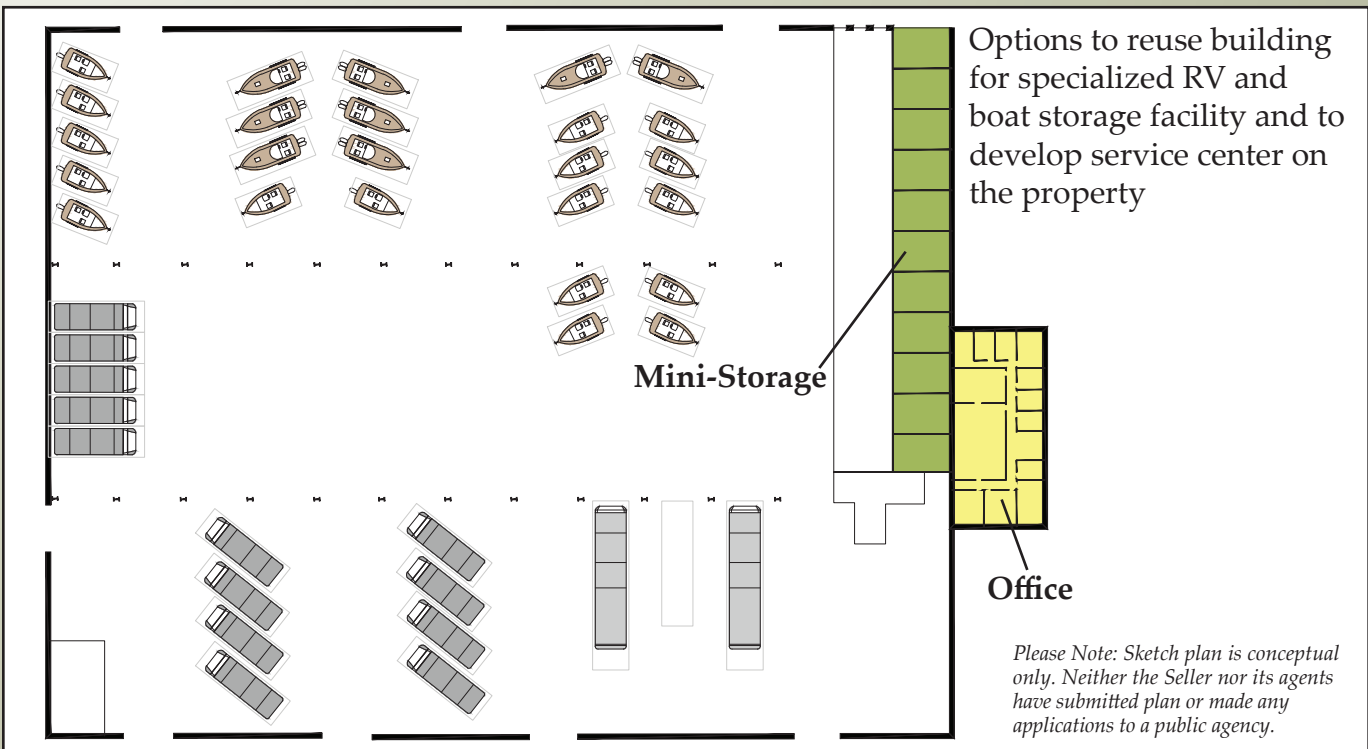
2 two-ton cranes are part of sale



Exterior walls of both buildings: 10 feet of cinder block with balance metal siding, and metal roof



Excess land by office could accommodate additional development



or call 1-800-845-3524



## BUILDING TWO

102,000± square feet on 10.59± acres

### PUBLISHED RESERVE:

\$1,500,000 / \$14.70 per square foot

This 10.59± acre property has access from SE Jefferson Street in the northwest corner, with over 650± feet of frontage along Highway 18. The building was constructed in 1978 and totals 102,000± square feet, with 91,800± square feet of manufacturing space that is 270 feet by 340 feet. There is also a total of 870± square feet of office space overlooking the manufacturing space, with an additional 10,200± square feet of covered storage along the eastern side of the building.

The manufacturing space has a concrete floor with the same column spacing as Building One, and ceiling height of 19 to 23 feet. There are also nine drive-in doors that are 16 feet high and 18 feet wide, and three dock doors that are 10 feet high by 8 feet wide along the southeast section of the building.

The exterior wall of the building has ten feet of cinder block with corrugated metal siding, and metal roof. Four electrified rails are part of the sale. Roof-mounted gas units provide heat.

The secondary access, as part of the sale, will be provided through the Building One property to SE Sheridan Street. The bulk of the property is paved. The adjoining property to the west had been used for a shop and service area, and was sold to CEC several years ago.

Excess land to the east of the building provides opportunities to reuse and redevelop the property to take advantage of its Highway 18 exposure.



91,800± SF manufacturing space that can accommodate multiple reuses



North side of building has three dock high doors and 10,200 SF of outdoor covered storage







*Total of nine garage level drive in doors with ceiling height of 19 to 23 feet*



*There is opportunity for rail spur from Portland & Western Railroad to serve either Building One or Two*



*Construction Equipment Company (CEC) is adjoining owner. Building was originally part of complex*





## TERMS AND CONDITIONS OF THE AUCTION – Catalog 1705

### REALTY MARKETING/NORTHWEST AUCTION INFORMATION OFFICE

Oregon Office:  
522 S.W. 5th Avenue, Suite 725  
Portland, OR 97204

#### Phone:

Portland Metro Area (503) 228-3248  
Toll-free (800) 845-3524  
Facsimile (503) 242-1814

#### Email:

info@rmnw-auctions.com

### SUPPLEMENTAL INFORMATION PACKAGE

More detailed information is available for the property. A Supplemental Information Package, which includes all pertinent data provided by the Seller on the property, is available by calling Auction Information Office at 1-800-845-3524.

### PUBLISHED RESERVE

This property is offered with a Bulk Published Reserve Price of \$3,100,000. The Building One property is being offered with a Published Reserve Price of \$1,600,000 and the Building Two property with a Published Reserve Price of \$1,500,000. This means that when the bidding reaches or exceeds the amount of the Published Reserve Prices, the Seller is committed to sell the properties to the high bidders. Should the bidding fail to reach the amount of the Published Reserve Prices, Seller reserves the right to accept, counter or reject the high bid no later than five business days following the Auction. The sale of the individual properties will be subject to and contingent upon receipt of qualified, successful bids equal to, or in excess of, \$3,100,000. Seller has sole discretion to accept either a bulk bid, or individual bids, at less than the listed reserve prices, but is not obligated to accept those bids.

### BID PROCESSING AND CLOSING

Sealed Bids are due March 8, 2017, by 5:00 p.m. Bid must be accompanied by a certified or cashier's check in the amount of ten percent (10%) of the bid amount, made payable to Realty Marketing/Northwest Client Trust Account. Prior to making a bid, refer to the Supplemental Information Package with regard to customary closing costs including, but not limited to, recording fees, normal prorations, title fees, transfer and/or excise taxes (if applicable), sales tax on personal property (if applicable), local improvements and irrigation district assessments (if applicable), and document preparation fees. Buyers will be responsible for any real estate compensation taxes or rollback taxes and penalties as a result of a change in use or designation of the property including, but not limited to, a change from open space, agriculture, forest land or recreational. Due diligence must be completed prior to bid submission.

Bidders will be notified of acceptance or rejection of bids no later than March 15, 2017. The earnest money deposit from the successful bidder will be considered earned and become non-refundable liquidated damages in the event of Buyer's default.

Unsuccessful bidders' earnest money will be returned within three business days of Seller's rejection.

The closing of the transaction will be no later than April 10, 2017.

### FINANCING

Sale is ALL CASH.

### COOPERATING BROKERS

Broker cooperation is invited. A commission of 2% will be paid to the real estate agent whose Buyer closes on the purchase of the Sheridan Auction Property. The real estate agent must be a broker currently licensed by his/her state of residence or a salesperson licensed under such broker. Cooperat-

ing broker commission will be paid only upon close of escrow. Cooperating brokers will not share in any payment of liquidated damages.

Buyers must register their real estate agent on the Sealed Bid Form.

No real estate agent will be recognized for a Buyer where that Buyer has previously contacted, or been contacted by, the Seller, or Realty Marketing/Northwest, concerning the Auction Property purchased. No commission will be paid to any real estate agent participating as a principal in the purchase of the property. The commission will be earned and paid only upon the full and final closing by the Buyer on the conveyance of the property and the receipt of the full purchase price by Seller. No exceptions to this procedure will be made.

### ADDITIONAL CONDITIONS

(A) No claim will be considered for allowance, adjustment or rescission based upon failure of the property to correspond to any particular expectation or standard (except the Preliminary Title Report).

(B) Title insurance is available for the property, ensuring the title of such property to be in fee simple, subject to no encumbrances except for current taxes and assessments, easements, rights-of-way, reservations, covenants, conditions and restrictions of record, purchase money financing and printed exceptions in the standard form Owner's Title Policy. A copy of the Preliminary Title Report for each property is included in the Supplemental Information Package.

(C) To the extent permitted by law, properties will be sold "As Is". Prospective buyers should examine the property and all supporting documentation carefully. Each bidder is responsible for evaluating the property and shall not rely on the Seller or sales agents. Buyer will take possession at the close of escrow.

(D) Sizes and square footages set forth for the properties are approximations only, based on the best information available, but the actual sizes and square footages may be different. All sketch plans are conceptual in nature and neither Seller nor its agents have submitted plan or made applications to any public agency.

(E) Agency Disclosure. The listing agents, Realty Marketing/Northwest and Colliers International, represent the Seller in these transactions.

(F) Seller has the right to postpone or cancel the Auction in whole or in part, at its sole discretion, and to modify or add any terms and conditions of sale.

(G) Offer void where prohibited. Catalog will not be mailed to residents of any state for which this offering is not in compliance with the real estate laws or other laws of that state.

(H) The information contained herein has been gathered from sources deemed reliable; however, Realty Marketing/Northwest makes no warranties expressed or implied as to the accuracy of the information contained herein.

### NEED HELP?

Realty Marketing/Northwest prides itself on the quality of its service. If at any time you need special assistance, please contact John Rosenthal, President, at (800) 845-3524 or (503) 224-1906.

Auction Conducted by Realty Marketing/Northwest, Broker

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