

ARG INDUSTRIAL BUILDING

Bellingham, Washington

SALE OFFERING MEMORANDUM



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OFFERING SUMMARY

Linc Properties is pleased to present the exclusive sale offering for the ARG Industrial Building in Bellingham, Washington.

This investment property offering features a new 5 year lease from the well-established regional industrial supply leader, ARG Industrial (Alaska Rubber Group). The building has a versatile light industrial design that also serves as a retail outlet and corporate office. The property is located in the desirable Bakerview industrial submarket of Bellingham, WA. strategically located to service a wide region between Seattle and Vancouver, Canada.

The ARG Industrial Building offers the savvy investor a key light industrial acquisition with excellent intrinsic value secured by solid tenants which will provide for great cash flow and long-term rental upside.



LOCATION

2314 E Bakerview Road
Bellingham, WA 98226



PRICE

\$4,950,000

BUILDING SIZE

29,424 SF

PRICE / BLDG. SF

\$168.23

LAND SIZE

57,935 SF (1.33 AC)



INVESTMENT HIGHLIGHTS



3% ANNUAL RENT INCREASES

Scheduled 3% annual rental rate increases provide a hedge against inflation.



LOW MARKET RENT

At only \$.77/month per building square feet, the future rental upside is considerable.



STRONG REGIONAL TENANT

ARG Industrial (Alaska Rubber Group) is an extremely well established regional industrial supply provider with over 12 locations throughout WA, OR, and Alaska.



PASSIVE LEASE STRUCTURE

NNN leases offer 100% recapture of property operating expenses.



VERSATILE BUILDING

The open concept warehouse with ample roll up and dock high capabilities provides excellent flexibility for tenant use.



CORE INDUSTRIAL SUBMARKET

The Bakerview industrial corridor of Bellingham WA. is the strategic industrial hub positioned to service between Seattle and Vancouver, Canada.



DOWNTOWN
BELLINGHAM



E Bakerview Road

PROPERTY SPECIFICATIONS

ZONING	(PI) Planned Industrial	CONSTRUCTION	
PARCEL NO.	380308 422018	Industrial	Steel Siding / Beams, Steel Roof
YEAR BUILT	1969 & 2008	Office	Wood Siding / Wood Frame
GROSS BUILDING AREA	±29,424 SF	SPRINKLERS	Industrial Building Only
Industrial	±26,884 SF	HVAC	
Office	±2540 SF	Industrial	Ceiling Mounted Gas Furnace
LOT DIMENSIONS	±181 SF X ±320 SF	Office	Gas-Forced AC Units
BUILDING HEIGHT	18' Warehouse, 16' Office	SERVICES	
PARKING	34 On-Site (Incl. 2 Accessible)	Water	City of Bellingham
DOORS	4 Roll-up, 1 Dock-high	Sewer	City of Bellingham
		Electricity	Puget Sound Energy
		Natural Gas	Cascade Natural Gas
		POWER	200 Amp / 480 Volt





TENANT OVERVIEW



ARG Industrial began its journey as Alaska Rubber & Rigging Supply, Inc., in 1980. The company has grown through acquisition and expansion to five branches in Alaska, six branches in Washington, and one branch in Oregon.

In 2006 Alaska Rubber became a 100% Employee owned ESOP, this was the foundation for what would become ARG Industrial.

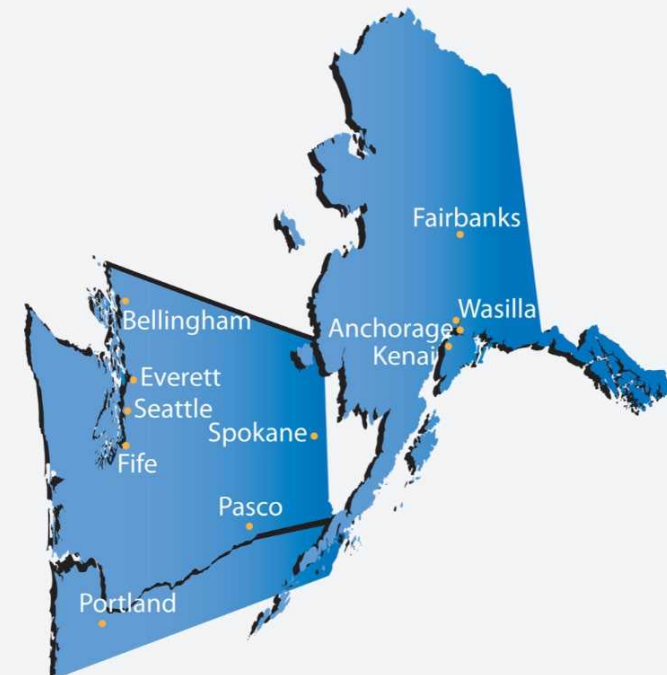
The company saw further growth in 2013 with the acquisition of five companies in Washington. Central Hose & Fittings in Pasco, Inland Pacific Hose & Fittings in Spokane, North Sound Hose & Fittings in Everett, Pacific Rubber Inc. in Seattle and Timco Inc. in Tacoma have expanded their footprint into the Pacific Northwest.

Subsequent acquisitions were then made in 2020, Arctic Wire Rope & Supply in Anchorage, AK as well as Pacific Hose & Fittings, in Portland, OR, and in 2022, Industrial Supply Inc. in Bellingham, WA.

ARG Industrial currently employs approximately 170 people, across 12 locations throughout Alaska, Washington, and Oregon. All 12 ARG locations are retail and wholesale distributors of Industrial and hydraulic hose, fittings and related products. Some of the markets served include agricultural, marine, oil & gas, construction, mining, OEM, fishing and government agencies to name a few. Additionally, the Anchorage Fairbanks Alaska locations have fully equipped Rigging Departments, which manufacture and test custom wire rope, chain and nylon sling assemblies as well as providing supplies for all facets of rigging. The Anchorage Rigging Department also has the distinction of having the largest rigging fabrication and testing equipment in the state of Alaska.



FEATURED BRANDS



FINANCIAL SUMMARY

\$ PRICE \$4,950,000

% CAP. RATE 5.50%

PRICE / BLDG. SF \$168.23

ANNUAL RENT / SF \$9.25 (\$0.77 / Mo.)

RENT ROLL

Tenant	Area	Annual Rent/SF	Year 1 Rent/Yr.	Avg. Rent/Mo.	Monthly Rent/SF	Lease Dates	Changes On	Rent Increase	Lease Type	Options
ARGI	26,884 SF	\$9.09/SF	\$244,376	\$20,365	\$0.76/SF	01/01/2024 - 12/31/2029	Jan 2025	3% Ann.	NNN	1 x 5 Yr.
Skid Steer	2,540 SF	\$10.98/SF	\$27,888	\$2,324	\$0.92/SF	12/23/2021 - 12/22/2026	Dec 2024	3% Ann.	NNN	1 x 5 Yr.
Total	29,424 SF	\$9.25/SF	\$272,264	\$22,689	\$0.77/SF					

ANN. OPERATING DATA 2024-2025

Sched. Gross Rental Income	\$272,264	
Less: Expenses	Tenant Reimbursed (NNN)	
Net Operating Income	\$272,264	
Less: Loan Payments	\$195,922	
Cash Flow Before Taxes	\$76,342	3.1%*
Plus Principal Paydown	\$42,436	
Total Return Before Taxes	\$118,778	4.8%*

PROPOSED NEW FINANCING

Down Payment	\$2,475,000 (50%)
New Loan Amount	\$2,475,000
Interest Rate	6.25%
Amortization	25
Maturity Date	5

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*As a Percent of Down Payment

Bellingham International Airport

To Vancouver, B.C.
(60 mi.)



DOWNTOWN
BELLINGHAM



E Bakerview Road



To Seattle
(88 mi.)





BELLINGHAM, WASHINGTON

On the shores of Bellingham Bay with Mount Baker as its backdrop, Bellingham is the last major city before the Washington coastline meets the Canadian border. Bellingham's strategic I-5 location directly between Vancouver B.C. Canada and Seattle makes it the ideal city for continued regional business success.

The City of Bellingham, which serves as the county seat of Whatcom County, is at the center of a uniquely picturesque area offering a rich variety of recreational, cultural, educational and economic activities. Bellingham is home to Western Washington University as well as two community and technical colleges, consistently drawing a large student population.

The city's commitment to growth and redevelopment, coupled with a business-friendly atmosphere, positions investors to capitalize on a dynamic market and ensures long-term value.

WHATCOM COUNTY DEMOGRAPHICS

 POPULATION 230,677

 HOUSEHOLDS 91,171

 AVG. HOUSEHOLD INCOME \$77,581

BELLINGHAM DEMOGRAPHICS

 POPULATION 90,545

 HOUSEHOLDS 39,500

 EDUCATION 94.6% 46.1%
High School + Bachelor's +

WATERFRONT REDEVELOPMENT

The Port and City of Bellingham are redeveloping 237 acres on Bellingham's central waterfront that was formerly a pulp and tissue mill. A Master Plan has been approved to create a vibrant, mixed-use neighborhood with new parks and trails and thousands of new jobs.

The Waterfront District will include roughly 2 million square feet of mixed-use development, including a significant portion of the housing necessary to accommodate the city's projected population growth. The 2016 Bellingham Comprehensive Plan projects a demand for 6,459 new infill housing units within Urban Villages by the year 2036.



VANCOUVER, B.C.

REGIONAL MAP

Canada
United States

Bellingham International Airport

BELLINGHAM

WESTERN WASHINGTON UNIVERSITY | WECU | LUMMI NATION TRIBE OF 1935 | PeaceHealth St. Joseph Medical Center



ARLINGTON

amazon | COSTCO WHOLESALE

EVERETT

BOEING | PROVIDENCE Health & Services | NULALI TRIBES | PREMERA BLUE CROSS | PUGET SOUND REGIONAL HEALTH

SEATTLE

amazon | Google | Adobe | intel. | Zillow | DocuSign | Apple | Expedia | Starbucks | Dropbox | NORDSTROM | GENERAL DYNAMICS | DARIGOLD | UNIVERSITY of WASHINGTON

Paine Field



BELLEVUE / EASTSIDE

amazon | COSTCO WHOLESALE | REI CO-OP | Google | Meta | BOEING | Microsoft | SPACEX | Nintendo | T Mobile | PACCAR | Honeywell | SAMSUNG



TACOMA

PEPSICO | GLOBE | UNIVERSITY of WASHINGTON TACOMA | CHI Franciscan Health | Berry | St. Joseph Medical Center | UNIVERSITY of PUGET SOUND

Seattle-Tacoma International Airport



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