



LEARNED

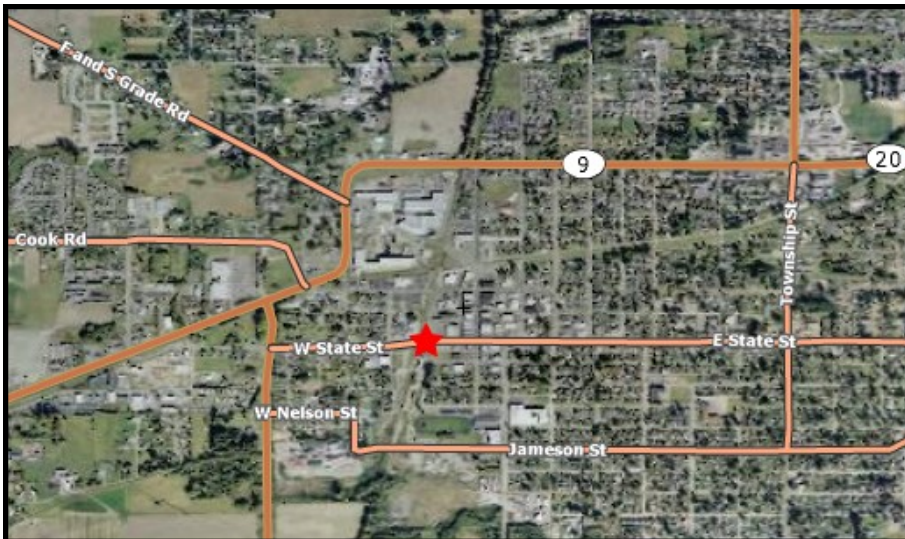
COMMERCIAL, INC.

Providing Select Commercial Real Estate Services

For Lease

**100 State Street
Sedro Woolley, WA**

- ◆ 19,740+/- sf building on corner of State Street and Eastern Avenue
- ◆ 1.6+/- acre lot
- ◆ Pylon sign
- ◆ Ample parking
- ◆ \$10 psf/yr NNN



CLAY LEARNED

108 Gilkey Road, Burlington, WA 98233
ph: 360-757-3888 fx: 360-757-1850
www.claylearned.com

All info deemed reliable however verification recommended

14 13 12 11 10

P77489 P77488 P77484
20 19 18 17 16 15 14 13 12

P77476 P77474 P77477
24 23 22 21 20 19 18 17 16 15

WOODWORTH STREET

4 5 6 7
P77496 P77497

EASTERN

1 2 3 4 5 6 7 8
P77501 P77502

10 11 12 13
P77504
P77505

1 2 3 4
P77514
P77516
P77519

4 5 6 7 8 9 10
P77517
10
P77518

P77498
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P77512
P77513 P77511
27 26 25 24 23 22 21 20 19
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16 15 14 13 12 11

17 16 15 14
P77508
P77509
P77507

P77520
P77521
24 23 22 21
P76159

20 19 18 17 16 15

P105654

SUPPLEMENTAL PLAT OF BLOCK 78
SECOND ADDITION TO SEDRO
PLAT NO.

P76152 1
P76153 2
P76154 3
78
P76155 4
P76156 5

METCALF STREET

1
2 P76159
3 P76160
4
79
5 P76161

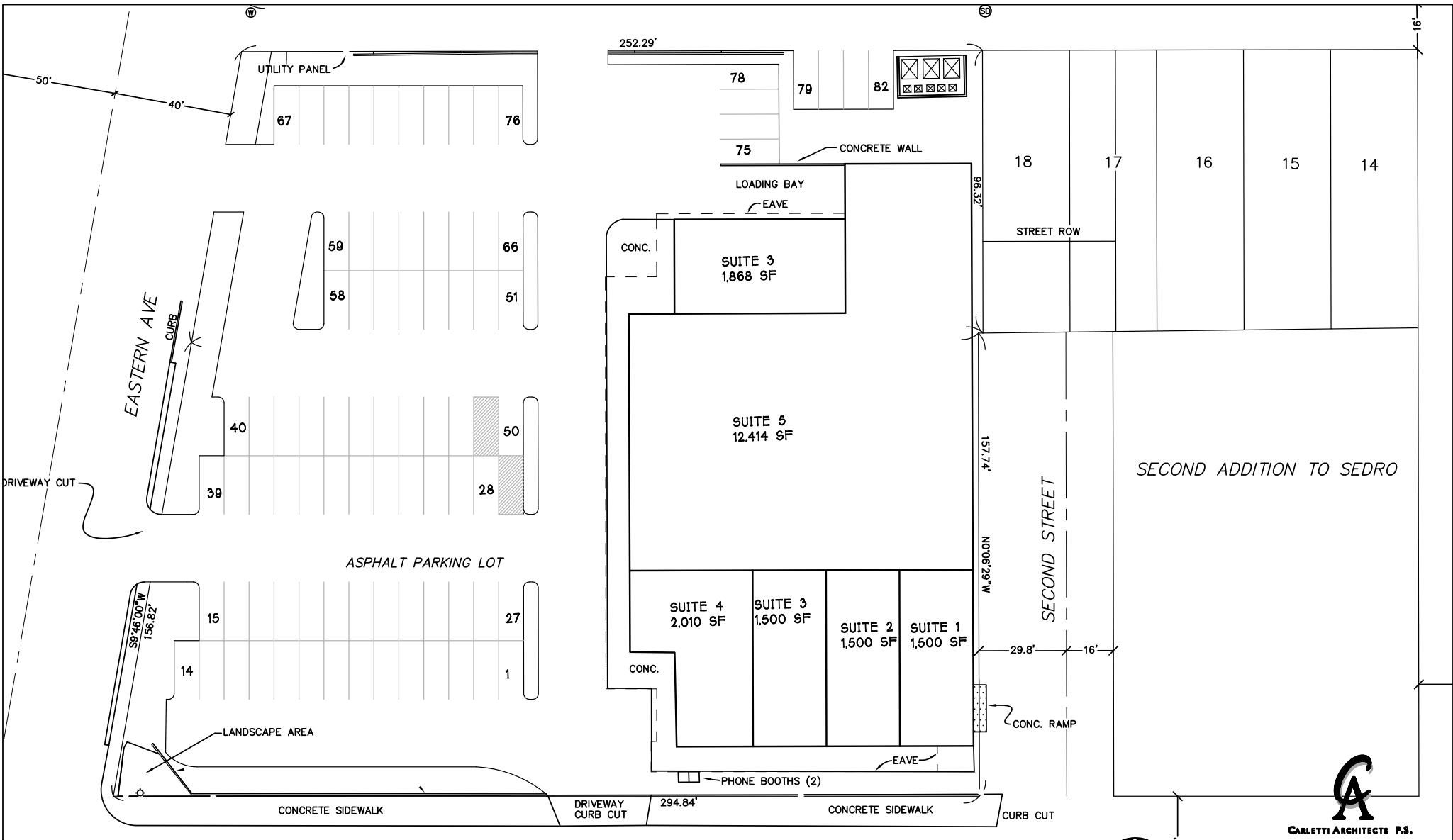
P76162 P76166
SECOND ADDITION TO
PLAT NO. 4151
P76163 P76164
6 7 8 9 10 11

STATE STREET

1 2 3 4 5 6 7 8 9
P75633 P75634 P75635 P75636 P75637 P75638 P75640

11 12 13 14 15 16
P75643 P75644 P75645 P75646 P75647 P75648

CONCEPTUAL ONLY DRAWING




CARLETTI ARCHITECTS P.S.
architecture & planning
 116 EAST FIR STREET
 SUITE A
 MOUNT VERNON, WA 98273
 Phone: (360) 424-0394
 Fax: (360) 424-5726

RESTRICTIVE COVENANT/EQUITABLE SERVITUDE

Whereas, **BROWN & COLE STORES, LLC** ("Brown & Cole"), debtor and debtor-in-possession in Bankruptcy No. 06-13950 in the Bankruptcy Court for the Western District of Washington has stated its intention to reject its real property lease of the property more particularly described in Exhibit A hereto (the "Premises") with **PACIFIC NORTHWEST PROPERTIES I, LLC** ("PNP"), under which Brown & Cole is the Lessee and PNP is the lessor; and

Whereas, PNP has agreed to Brown & Cole's assumption of three other real property leases under which Brown & Cole is the lessee and PNP is the lessor ("Assumed Leases"); and

Whereas, the above parties have agreed, that as an integral part of the parties' agreements relating to Brown & Cole's rejection of its lease of the Premises and its assumption of the Assumed Leases as set forth in the Stipulation and Agreed Order Regarding Leases ("Stipulation an Order") executed by the parties and entered by the Bankruptcy Court on _____, 2007, the Premises shall be subject to a Restrictive Covenant and/or Equitable Servitude as more particularly described herein,

Now, therefore, the parties hereto agree and covenant as follows:

- 1) For a period of seven (7) years commencing on the date of entry of the Stipulation and Order, no part of the Premises shall be used for or operated as a grocery store;
- 2) For the purpose of this covenant, a "grocery store" is defined as any retail location or operation in which more than three thousand (3000) square feet of floor or ground area, including aisle space and storage, is devoted principally to the retail sale of food and/or non-alcoholic beverages for off-premises consumption by humans;
- 3) This covenant/servitude is intended for the benefit of Brown & Cole. In the event either party shall seek to judicially enforce or interpret the terms and conditions hereof, then the prevailing party in such action shall be entitled to recover all reasonable costs and expenses, including attorneys fees, from the other party;
- 4) This covenant/servitude shall run with the land and shall bind each party and its successors and assigns.

Dated this ___ day of _____, 2007.

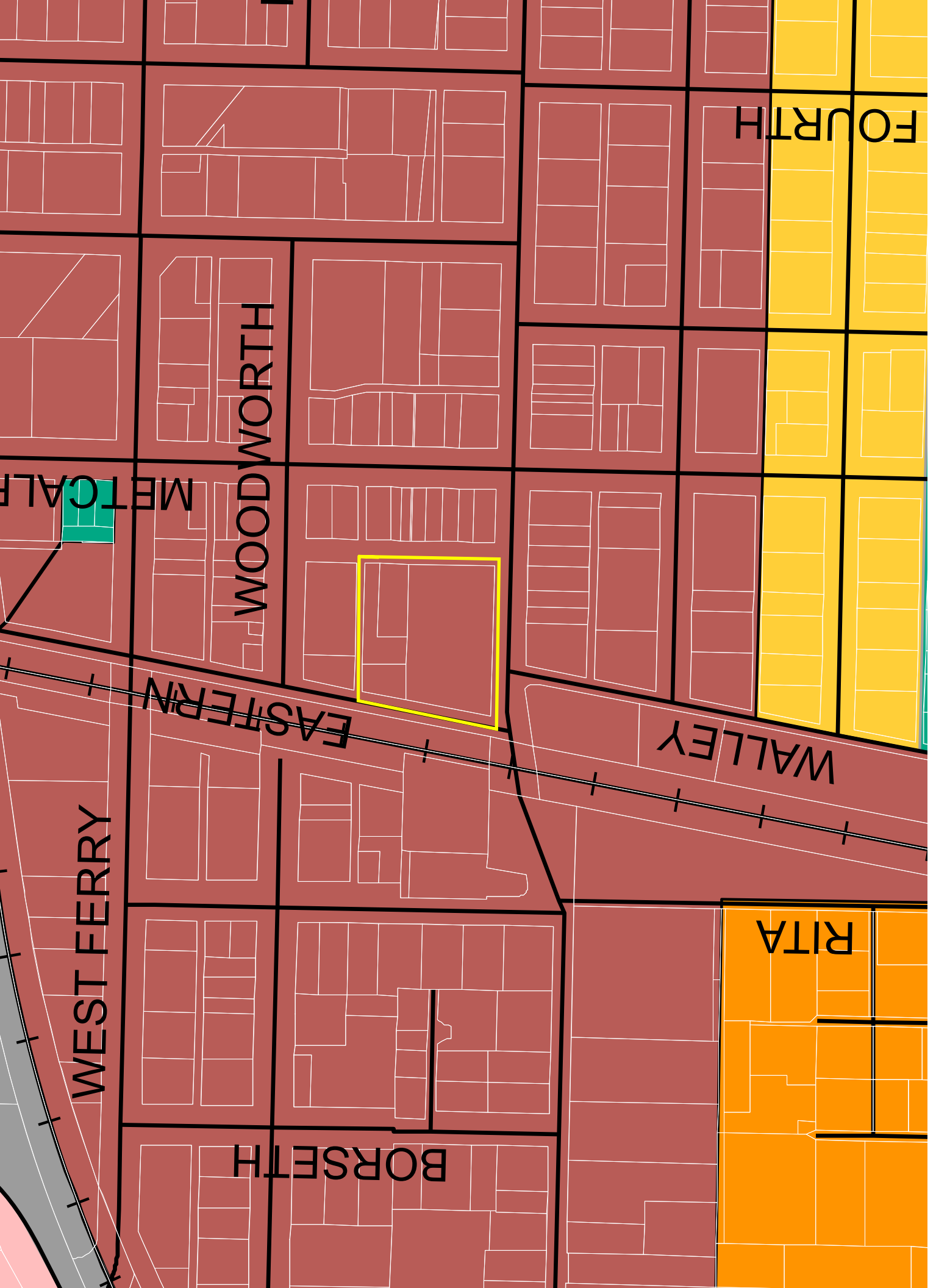
**PACIFIC NORTHWEST PROPERTIES I, LLC, a
Washington Limited Liability Company,**

By _____

STATE OF WASHINGTON - DEPARTMENT OF TRANSPORTATION
 T R I P S S Y S T E M
 ANNUAL TRAFFIC REPORT

STATE ROUTE	STATE ROUTE MILEPOST	LOCATION	FUNCT COUPLER	CLASS	TRUCK PERCENTAGES				AVERAGE DAILY TRAFFIC VOLUME			
					SNGL	DBL	TRIPLE	TOTAL	2004	2005	2006	2007
020	060.26	BEFORE JCT SR 20 WYE CONN	1						19000*	18000	18000	18000*
020	060.28	AFTER JCT SR 20 WYE CONN	1						15000*	14000	14000	14000*
020	060.85	BEFORE JCT CASCADE HWY	1							14000*	15000	15000
020	060.85	AFTER JCT CASCADE HWY	1						19000	19000*	19000*	19000
020	061.58	AFTER JCT GARDNER RD	1						19000	19000	19000*	19000
020	063.33	BEFORE JCT STERLING RD WYE CONN	1						18000*	18000	17000*	17000
020	063.36	AFTER JCT STERLING RD WYE CONN	1						18000	18000	17000*	18000
020	064.81	BEFORE JCT SR 9*CITY ST	2						15000*	15000	15000	15000
020	064.81	AFTER JCT SR 9*CITY ST	2						17000*	18000	18000	18000
020	064.98	AFTER JCT HARRISON ST	2							19000*	19000	19000
020	066.08	BEFORE JCT SR 9*TOWNSHIP ST	2						16000	16000*	16000	16000
020	066.08	AFTER JCT SR 9*TOWNSHIP ST	2						10000	10000*	10000	10000
020	066.89	AFTER JCT FRUITDALE RD	2						9300*	9300	9300*	9300
020	072.04	BEFORE JCT LYMAN HAMILTON WYE CONN	2						7900	7900	7800*	7800
020	072.06	AFTER JCT LYMAN HAMILTON WYE CONN	2						7200	7200	7100*	7200
020	078.65	BEFORE JCT LYMAN HAMILTON RD	2								5300*	5300
020	078.65	AFTER JCT LYMAN HAMILTON RD	2						5100	5100	5200*	5300
020	088.07	BEFORE JCT CONCRETE RD	2						4900	4900	5000*	5000
020	091.16	BEFORE JCT VAN HORN RD	2						2500	2500	2500*	2500
020	097.65	BEFORE JCT SR 530 WYE CONN	2						2000	2000	2000*	2000
020	097.69	AFTER JCT SR 530-E SAUK RD	2						1800	1800	1600*	1600
020	106.11	BEFORE JCT CASCADE RD	2						1800	1800	1500*	1600
020	106.12	AFTER JCT CASCADE RD WYE CONN	2						1400	1400	1500*	1500
020	117.29	AFTER JCT THORNTON CREEK RD	2						1300*	1300	1400*	1400
020	120.85	AFTER JCT GORGE POWERHOUSE	2						1200*	1200	1200	1200
020	139.25	BNDRY N CASCADE REC AREA	2						940	640*	610	640
020	145.46	ENTERING SKAGIT COUNTY	2						750*	670*	640	660
020	157.40	ENTERING CHELAN COUNTY	2						950	670*	640	660

* BASED ON ACTUAL COUNT
 + SOURCE OF TRUCK PERCENTAGES



WEST FERRY

BORSETH

EASTERN

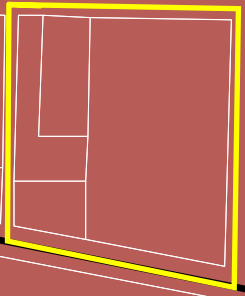
WOODWORTH

METCAL

VALLEY

RITA

FOURTH



	units
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~~Parking spaces counted for residential use shall not also be counted towards non-residential parking requirements of SWMC Ch. 17.36 for this zone. (Ord. 1484-04 § 7 (part), 2004)~~

Chapter 17.24

CENTRAL BUSINESS DISTRICT (CBD) ZONE

Sections:

- 17.24.010 Use restrictions.**
- 17.24.020 Bulk restrictions.**
- 17.24.030 Minimum lot size requirements.**
- 17.24.040 Hazardous waste.**
- 17.24.050 Parking.**

17.24.010 Use restrictions.

Use restrictions in the central business district shall be as follows:

A. Permitted Uses.

1. All forms of commerce; geared to the centralized provision of goods and services within easy walking distance. Commercial retail and office use on the first floor, and retail compatible uses on the second floor;
 2. Multifamily housing located above the first floor or at the rear of a commercial and/or retail occupancy. An exception from the buffering and fencing requirement exists for upper story residences in existing buildings in an area bordered by the tracks to the west, Puget Street to the east, the tracks to the north, and Warner Street to the south;
 3. Parking lots serving any use; provided they are at the rear of a retail or commercial building, or facing a street other than Metcalf, Ferry, Woodworth, or State.
 4. Quasi-public uses;
 5. Public uses;
 6. Public facilities.
- B. Conditional Uses. All uses not permitted above.
- C. Prohibited Uses: Adult entertainment establishments; heavy industrial uses as defined in 17.28; wireless communication towers. (Ord. 1451-03 § 3, 2003; Ord. 1312-98 § 1 (part); 1998: Ord. 1309-98 § 7, 1998: Ord. 1013 § 2.05.01, 1985)

17.24.020 Bulk restrictions.

Bulk restrictions in the central business district (CBD) shall be as follows:

- A. Minimum setbacks: none; Maximum setback: ten feet if pedestrian features are included.
- B. Maximum building height: thirty-five feet. Building height may be increased if the City Fire Department has a ladder truck and approved by the Fire Chief. (Ord. 1451-03 § 4; Ord. 1312-98 § 1 (part); 1998: Ord. 1013 § 2.05.02, 1985)

17.24.030 Minimum lot size requirements.

Minimum lot size requirements in the central business district (CBD) shall be as follows:

- A. Lot area: none;
- B. Lot frontage on a street: twenty feet. (Ord. 1451-03 § 5; Ord. 1312-98 § 1 (part); 1998: Ord. 1013 § 2.05.03, 1985)

17.24.040 Hazardous waste.

On-site hazardous waste treatment and storage facilities as accessory to a permitted or conditional use are allowed as a conditional use; provided, such facilities comply with the state hazardous waste citing standards and Sedro-Woolley and State Environmental Policy Act requirements. (Ord. 1312-98 § 1 (part); 1998: Ord. 1063 § 4 (Exh. C § 2.05.04), 1988)

17.24.050 Parking.

A. Intent: To encourage the creation of a downtown parking district administered by the city. It would be authorized to collect in-lieu parking fees from new residential uses downtown and use that revenue, with any other revenue it generates, to manage a downtown parking district. The district may construct and maintain downtown parking for motor vehicles and bikes, lease parking, or otherwise monitor the provision of adequate parking and/or promotion of alternatives to driving.

B. The goal of the central business district is to create a pedestrian-friendly environment and to encourage commerce. Parking requirements in the downtown shall be as follows:

1. There shall be no off-street parking requirement for residential dwellings in association with a commercial or retail use in the Central Business District. New commercial or retail development may propose a shared parking arrangement to the planning director for review and approval. (Ord. 1451-03 § 6)

~~Chapter 17.28~~

~~INDUSTRIAL (I) ZONE~~

Sections:

- ~~17.28.005 Intent.~~
- ~~17.28.010 Use restrictions.~~
- ~~17.28.020 Bulk restrictions.~~
- ~~17.28.030 Minimum lot size requirements.~~
- ~~17.28.040 Screening requirements.~~
- ~~17.28.050 General regulations on uses and property.~~
- ~~17.28.060 Design review.~~

17.28.005 Intent.

The intent of the industrial zone is to provide appropriately located areas for manufacturing, warehousing, distribution, and office uses to enhance the city's economic base in a manner that minimizes impacts to surrounding non-industrial zones. The standards recognize the market preferences and construction techniques characteristic of this type of use. Commercial, retail, and residential uses are permitted at a limited scale so as to preserve the majority of land in this category for industrial and business uses. (Ord. 1484-04 § 8 (part), 2004)

17.28.010 Use restrictions.

Use restrictions in the industrial (I) zone shall be as follows:

A. Permitted Uses.

1. Office parks, medical services wholesaling, and light manufacturing, processing, and industrial development;
2. Industrial equipment, supplies, services, including storage;
3. Agriculture;
4. Parking lots serving any use;
5. Trade schools, warehouses, storage, utilities other than wireless communications facilities, government services;



Site Type: Radius	100 State St Sedro Woolley, WA 98284 Radius: 1.0 mile	100 State St Sedro Woolley, WA 98284 Radius: 3.0 mile	100 State St Sedro Woolley, WA 98284 Radius: 5.0 mile
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2008 Population

Total Population	13,204	15,977	12,475
Male Population	48.0%	48.6%	51.0%
Female Population	52.0%	51.4%	49.0%
Median Age	36.3	36.4	34.3

2008 Income

Median HH Income	\$50,325	\$50,927	\$51,360
Per Capita Income	\$22,952	\$22,933	\$22,312
Average HH Income	\$59,762	\$60,308	\$62,278

2008 Households

Total Households	4,992	5,860	4,408
Average Household Size	2.59	2.66	2.75
1990-2000 Annual Rate	2.37%	2.35%	2.8%

2008 Housing

Owner Occupied Housing Units	65.7%	67.3%	67.0%
Renter Occupied Housing Units	30.5%	28.9%	28.2%
Vacant Housing Units	3.8%	3.8%	4.8%

Population

1990 Population	8,929	11,027	7,872
2000 Population	11,481	14,053	10,413
2008 Population	13,204	15,977	12,475
2013 Population	14,619	17,608	14,009
1990-2000 Annual Rate	2.55%	2.45%	2.84%
2000-2008 Annual Rate	1.71%	1.57%	2.21%
2008-2013 Annual Rate	2.06%	1.96%	2.35%

In the identified market area, the current year population is 12,475. In 2000, the Census count in the market area was 10,413. The rate of change since 2000 was 2.21 percent annually. The five-year projection for the population in the market area is 14,009, representing a change of 2.35 percent annually from 2008 to 2013. Currently, the population is 51.0 percent male and 49.0 percent female.

Households

1990 Households	3,435	4,081	2,818
2000 Households	4,342	5,149	3,714
2008 Households	4,992	5,860	4,408
2013 Households	5,525	6,461	4,946
1990-2000 Annual Rate	2.37%	2.35%	2.8%
2000-2008 Annual Rate	1.71%	1.58%	2.1%
2008-2013 Annual Rate	2.05%	1.97%	2.33%

The household count in this market area has changed from 3,714 in 2000 to 4,408 in the current year, a change of 2.1 percent annually. The five-year projection of households is 4,946, a change of 2.33 percent annually from the current year total. Average household size is currently 2.75, compared to 2.72 in the year 2000. The number of families in the current year is 3,158 in the market area.

Housing

Currently, 67.0 percent of the 4,632 housing units in the market area are owner occupied; 28.2 percent, renter occupied; and 4.8 percent are vacant. In 2000, there were 3,882 housing units— 65.7 percent owner occupied, 29.8 percent renter occupied and 4.6 percent vacant. The rate of change in housing units since 2000 is 2.16 percent. Median home value in the market area is \$278,681, compared to a median home value of \$192,285 for the U.S. In five years, median home value is projected to change by 2.3 percent annually to \$312,280. From 2000 to the current year, median home value changed by 8.45 percent annually.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2008 and 2013. ESRI converted 1990 Census data into 2000 geography.



Site Type: Radius	100 State St Sedro Woolley, WA 98284 Radius: 1.0 mile	100 State St Sedro Woolley, WA 98284 Radius: 3.0 mile	100 State St Sedro Woolley, WA 98284 Radius: 5.0 mile
Median Household Income			
1990 Median HH Income	\$24,130	\$24,883	\$28,554
2000 Median HH Income	\$38,419	\$39,154	\$40,738
2008 Median HH Income	\$50,325	\$50,927	\$51,360
2013 Median HH Income	\$58,966	\$59,685	\$59,366
1990-2000 Annual Rate	4.76%	4.64%	3.62%
2000-2008 Annual Rate	3.33%	3.24%	2.85%
2008-2013 Annual Rate	3.22%	3.22%	2.94%
Per Capita Income			
1990 Per Capita Income	\$10,957	\$11,072	\$11,473
2000 Per Capita Income	\$17,742	\$17,931	\$19,151
2008 Per Capita Income	\$22,952	\$22,933	\$22,312
2013 Per Capita Income	\$25,926	\$25,802	\$24,906
1990-2000 Annual Rate	4.94%	4.94%	5.26%
2000-2008 Annual Rate	3.17%	3.03%	1.87%
2008-2013 Annual Rate	2.47%	2.38%	2.22%
Average Household Income			
1990 Average Household Income	\$28,351	\$29,396	\$32,297
2000 Average Household Income	\$46,425	\$47,572	\$53,716
2008 Average HH Income	\$59,762	\$60,308	\$62,278
2013 Average HH Income	\$67,633	\$67,980	\$69,781
1990-2000 Annual Rate	5.06%	4.93%	5.22%
2000-2008 Annual Rate	3.11%	2.92%	1.81%
2008-2013 Annual Rate	2.51%	2.42%	2.3%

Households by Income

Current median household income is \$51,360 in the market area, compared to \$53,154 for all U.S. households. Median household income is projected to be \$59,366 in five years. In 2000, median household income was \$40,738, compared to \$28,554 in 1990.

Current average household income is \$62,278 in this market area, compared to \$73,126 for all U.S. households. Average household income is projected to be \$69,781 in five years. In 2000, average household income was \$53,716, compared to \$32,297 in 1990.

Current per capita income is \$22,312 in the market area, compared to the U.S. per capita income of \$27,916. The per capita income is projected to be \$24,906 in five years. In 2000, the per capita income was \$19,151, compared to \$11,473 in 1990.

Population by Employment

Total Businesses	589	656	610
Total Employees	3,668	3,905	3,551

Currently, 94.1 percent of the civilian labor force in the identified market area is employed and 5.9 percent are unemployed. In comparison, 93.4 percent of the U.S. civilian labor force is employed, and 6.6 percent are unemployed. In five years the rate of employment in the market area will be 94.3 percent of the civilian labor force, and unemployment will be 5.7 percent. The percentage of the U.S. civilian labor force that will be employed in five years is 93.9 percent, and 6.1 percent will be unemployed. In 2000, 62.0 percent of the population aged 16 years or older in the market area participated in the labor force, and 0.4 percent were in the Armed Forces.

In the current year, the occupational distribution of the employed population is:

- 48.0 percent in white collar jobs (compared to 60.2 percent of U.S. employment)
- 18.5 percent in service jobs (compared to 16.5 percent of U.S. employment)
- 33.5 percent in blue collar jobs (compared to 23.3 percent of U.S. employment)

In 2000, 79.1 percent of the market area population drove alone to work, and 3.7 percent worked at home. The average travel time to work in 2000 was 27.4 minutes in the market area, compared to the U.S. average of 25.5 minutes.

Population by Education

In 2008, the educational attainment of the population aged 25 years or older in the market area was distributed as follows:

- 15.7 percent had not earned a high school diploma (16.4 percent in the U.S.)
- 31.1 percent were high school graduates only (29.6 percent in the U.S.)
- 10.7 percent had completed an Associate degree (7.2 percent in the U.S.)
- 9.9 percent had a Bachelor's degree (17.0 percent in the U.S.)
- 5.1 percent had earned a Master's/Professional/Doctorate Degree (9.7 percent in the U.S.)