

FOR LEASE OR BUILD-TO-SUIT



UNDER CONSTRUCTION, LOT 1



HGO/WILCO BUILDING

DONALD INDUSTRIAL PARK

21256 BUTTEVILLE ROAD NE • DONALD, OREGON

- **LOCATION:** Just off I-5 Exit 278, south of the Ehlen Road NE & Butteville Road NE intersection. **Only 25 minutes from Portland CBD or Salem, and 9 minutes from Wilsonville!**
- **SIZE:** ±30.5 Acres
- **ZONING:** "EI" - Employment Industrial, City of Donald
- **AMENITIES:** Rail Served and "Shovel Ready"
- **DELIVERY DATE:** 9-12 Months

Contact:
DAN SLEVIN
Broker/Senior
Investment
Advisor


**BERKSHIRE
HATHAWAY**
HomeServices
Northwest Real Estate
Commercial Division

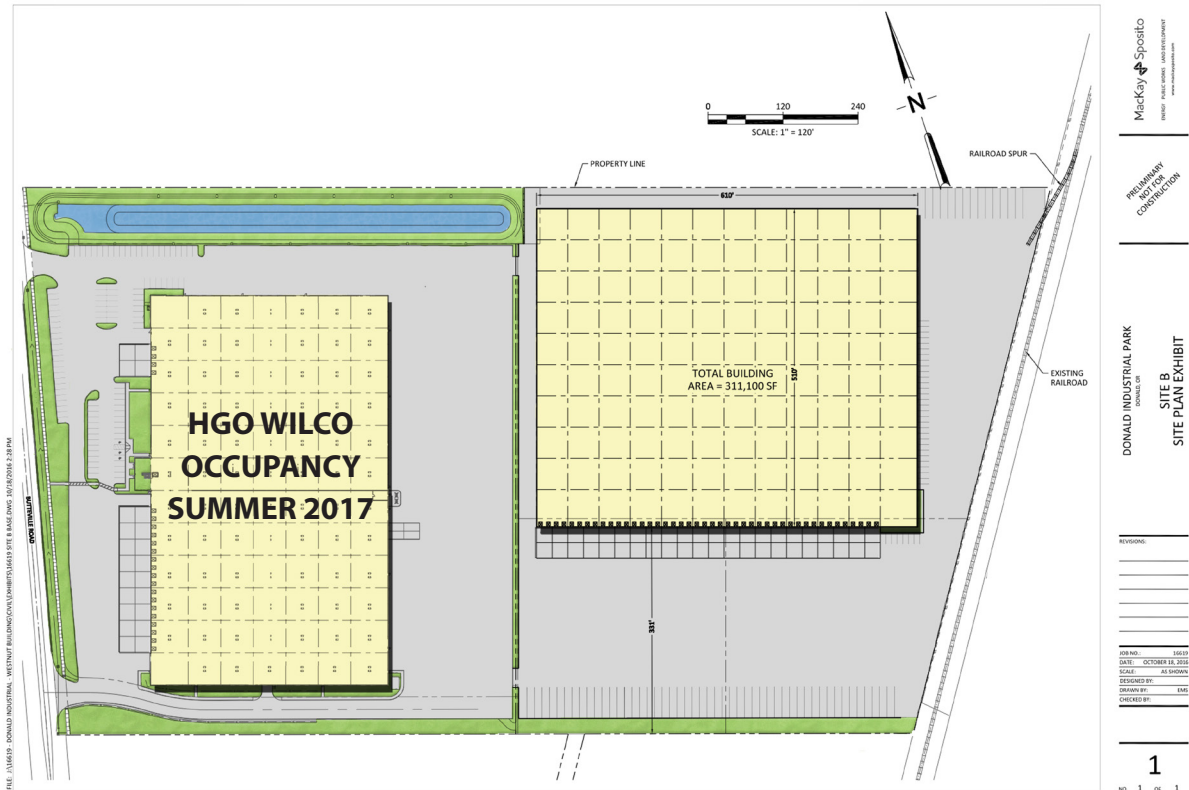
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DONALD INDUSTRIAL PARK

21256 BUTTEVILLE ROAD NE • DONALD, OREGON

CONCEPTUAL SITE PLAN



DONALD INDUSTRIAL PARK

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DISTANCE AREA MAP FROM DONALD INDUSTRIAL PARK



365 MI → VANCOUVER, BC

195 MI → SEATTLE, WA

165 MI → TACOMA, WA

33 MI → VANCOUVER, WA

24 MI → PORTLAND, OR

42 MI → TROUTDALE, OR

455 MI → BOISE, ID

26 MI → SALEM, OR

90 MI → EUGENE, OR

250 MI → MEDFORD, OR

400 MI → REDDING, CA

555 MI → SACRAMENTO, CA

607 MI → OAKLAND, CA

938 MI → LOS ANGELES, CA

DONALD INDUSTRIAL PARK

DONALD INDUSTRIAL PARK PROPERTY TAX SITE COMPARISON

SITE STATISTICS

Site Size: 14.0 AC (609,840 SF)

Building Size: 250,000 SF

CITY OF DONALD - MARION COUNTY

<u>Site Size</u>		<u>RMV Land</u>	<u>Total</u>				
609,840	x	\$2.50	\$1,524,600				
<u>Improvements Size</u>		<u>RMV Improv.</u>	<u>Total</u>				
250,000 SF	x	\$40.00	\$10,000,000				
Total RMV			\$11,524,600	x	<u>CPR</u>	<u>Est. Assessed Value</u>	
					0.72	=	\$8,297,712
						Mill Rate:	0.01191
						Estimated ANNUAL Property Taxes	\$98,825.75
						Estimated 5 YEAR Property Taxes (including Enterprise Zone Abatement for Years 1-3)	\$197,651.50

MULTNOMAH COUNTY

<u>Site Size</u>		<u>RMV Land</u>	<u>Total</u>				
609,840	x	\$5.50	\$3,354,120				
<u>Improvements Size</u>		<u>RMV Improv.</u>	<u>Total</u>				
250,000 SF	x	\$40.00	\$10,000,000				
Total RMV			\$13,254,120	x	<u>CPR</u>	<u>Est. Assessed Value</u>	
					0.57	=	\$7,611,848
						Mill Rate:	0.020354
						Estimated ANNUAL Property Taxes	\$154,931.56
						Estimated 5 YEAR Property Taxes	\$774,657.81

CLACKAMAS COUNTY

<u>Site Size</u>		<u>RMV Land</u>	<u>Total</u>				
609,840	x	\$6.75	\$4,116,420				
<u>Improvements Size</u>		<u>RMV Improv.</u>	<u>Total</u>				
250,000 SF	x	\$40.00	\$10,000,000				
Total RMV			\$14,116,420	x	<u>CPR</u>	<u>Est. Assessed Value</u>	
					0.903	=	\$12,747,127
						Mill Rate:	0.01617
						Estimated ANNUAL Property Taxes	\$206,121.05
						Estimated 5 YEAR Property Taxes	\$1,030,605.24

WASHINGTON COUNTY

<u>Site Size</u>		<u>RMV Land</u>	<u>Total</u>				
609,840	x	\$5.00	\$3,049,200				
<u>Improvements Size</u>		<u>RMV Improv.</u>	<u>Total</u>				
250,000 SF	x	\$40.00	\$10,000,000				
Total RMV			\$13,049,200	x	<u>CPR</u>	<u>Est. Assessed Value</u>	
					1.00	=	\$13,049,200
						Mill Rate:	0.0176676
						Estimated ANNUAL Property Taxes	\$230,548.05
						Estimated 5 YEAR Property Taxes	\$1,152,740.23

DONALD INDUSTRIAL PARK

GENERAL PROPERTY INFORMATION

OPERATING EXPENSES

With one of the lowest property and business tax rates in the Portland Metro market, Donald Industrial Park offers tenants and users an incredible opportunity to reduce operating expenses when compared to current occupancy and/or competing industrial sites. See *Industrial Park Property Tax Comparison for the complete comparison.*

Add to those Property tax savings the flat Business tax of the City of Donald (\$30.00 annually, as opposed to percentage of Gross Income and/or per-employee charges found throughout the Portland Metro market), and most businesses can expect to find \$0.04 – 0.07 per square foot monthly (\$0.48 - \$0.84 per square foot annually) in savings when compared to competing sites. For a 200,000 square foot facility, that equates to \$96,000 - \$168,000 annual savings.

LOCATION

Donald Industrial Park offers a pro-business climate and economic incentive programs not typical in the Portland Metro area. The Park's location, however, is what sets it apart from other industrial complexes in the Portland and Salem markets. As traffic congestion and drive times continue to increase, local drivers appreciate the Park's EXCELLENT LOCATION with quick and easy access from Interstate 5:

The Park is located minutes from the West Coast's primary interstate system, Interstate 5

- 1 mile from Interstate 5 (I-5)
- 10 miles from Interstate 205 (I-205)
- 14 miles from Highway 217 (Hwy 217) – the primary conduit to Highway 26

AMENITIES

- Pilot/Flying J Center (ATM, CAT Scale, Check Cashing, Game Room, Showers, Propane, etc.) – 1 mile
- ODOT Certified Truck Scales – less than ¼ mile – Fixed Scale Weigh Site

CONSTRUCTION TIME LINE

12 –14 Months from time of initial lease signing

All information in this document including, without limitation, all descriptions and data relating to the referenced areas has been obtained from various sources that Donald Industrial Park LLC believes to be reliable. However, such information is provided with no guarantee of completeness, and without warranty of any kind, express or implied. Potential purchasers or tenants are not entitled to rely on any of the information and should satisfy themselves by appropriate inquiry and inspection or otherwise with regard to the accuracy of such information. In no event with Donald Industrial Park LLC, or its owners, agents or employees be liable to you or anyone else for any decision made or action taken in reliance on the information contained herein or for any consequential, special or similar damages, even if advised of the possibility of such damages.

DONALD INDUSTRIAL PARK

FREQUENTLY ASKED QUESTIONS

WHAT IS THE SITE ZONING?

The site is located within the City of Donald's Employment Industrial District which allows for warehousing, distribution, primary and secondary processing, packaging, fabrication of finished goods and equipment with related outdoor storage.

ARE THERE LID'S, LATECOMERS, DEVELOPER AGREEMENT FEES, TRAFFIC IMPACT FEES, SYSTEM DEVELOPMENT FEES ETC., THAT WOULD AFFECT CONSTRUCTION DELIVERY DATES AND/OR PRICING?

No, there are no LID's, Latecomer/Developer Agreements, System Development Fees or other known development fees other than project-specific traffic mitigation measures which have been estimated and included in pricing.

WHAT IS THE CURRENT STATE OF THE SITE; DOES THE SITE REQUIRE SURCHARGING?

The site is currently being farmed for crops and is cultivated annually. The soils are conducive to shallow spread-footings for manufacturing, warehouse and light industrial uses without use of surcharging.

WHO IS THE TELECOMMUNICATIONS, DATA AND FIBER PROVIDER?

The site is served by Century Link for telecommunication, data and all other fiber services. For specific questions, please contact Kerry Pozder, Century Link Area Engineer at (541) 401-3099.

WHO IS THE LOCAL NATURAL GAS SUPPLIER?

Natural gas is supplied to the site by NW Natural.

WHO IS THE LOCAL POWER SUPPLIER?

Power is provided to the site by Portland General Electric (PGE). For specific power supply questions, please contact Melissa Hunting, PGE Business Development Specialist at (503) 464-7784.

WHAT IS THE WATER AND SEWER CAPACITY OF THE SITE?

The City of Donald provides both sanitary sewer and domestic water for the site.

The site has water availability of approximately 94,000 gallons and Sanitary Sewer discharge capacity of approximately 5,200 gallons per day. Package treatment facilities could be added to the site if project specific demands require higher volumes.

WHO IS THE RAIL SERVICE PROVIDER?

Rail service is provided by Burlington Northern Santa Fe (BNSF) with Portland & Western Railroad (PNWR) acting as the handling line carrier. Switching offered as frequently as daily.

ENVIRONMENTAL

A Phase I Environmental Site Assessment (ESA) has been completed. At time of development a small (approximately 1 cubic yard) of soil will need to be removed and properly disposed of during the development process due to gasoline contamination discovered beneath the small metal shed currently on the property's homestead per agreement with Oregon State Department of Environmental Quality. The site has no wetland areas as confirmed by an Oregon Department of State Lands Determination of no Jurisdictional Wetlands.

DONALD SITE COMPARISON

BUSINESS LOCATION	CITY OF DONALD MARION COUNTY	CITY OF PORTLAND MULTNOMAH COUNTY	CITY OF WILSONVILLE CLACKAMAS COUNTY	CITY OF HILLSBORO WASHINGTON COUNTY
BUSINESS LICENSE COST	\$30 per year	2.2% of Net Income \$100 Minimum	\$100 + \$3 per employee for businesses with annual net income of MORE than \$12,000 and \$50 + \$3 per employee for businesses with annual net income of LESS than \$12,000	\$105 plus \$5 for each additional employee after two, up to \$725

North Marion Enterprise Zone

Overview

Enterprise Zones are a five-year property tax abatement program that offers a unique resource for businesses growing or relocating with an exemption on local property taxes. In order to qualify an eligible firm must be making new investment in construction or equipment to leased or owned property within the Enterprise Zone boundary and must be creating new or additional employment. Once an authorized company enters into the program it will receive full tax abatement on all qualified property for up to five years.

Eligibility

New companies that are eligible for the program must create at least one new job, while existing companies must expand employment by at least 10% in the first year to be eligible. Non-qualifying employers include retail, commercial, most services, and other non-business-to-business operations. The total minimum investment required is \$50,000.

Eligible investments are new real property improvements (including buildings), major site improvements, large or immobile equipment and tools.

Non-qualifying investments include land, existing buildings, existing equipment, most rolling stock (forklifts, delivery trucks) and most personal property. There are no limits to the number of times a company may use the zone.

Incentives

Extended five year exemptions, an extension of the standard three-year exemption, must be approved by the zone sponsor. To qualify, companies must pay an average of 150% of the average wage (covered employment payroll for all employers) in total compensation, which can include non-mandatory benefits such as vacation pay, medical insurance, bonuses, overtime, profit sharing and retirement contributions.

The Enterprise Zone offers traded-sector employers (companies that sell goods or services outside the local area and expand its economic base) and other eligible companies three (3) to five (5) year property tax exemptions on certain new capital investments that create jobs in the designated areas.

The zone is managed by SEDCOR (Strategic Economic Development Corporation). Only new facilities or improvements not yet on the tax roll are eligible for this tax incentive.



Qualifying Criteria	3 years	5 years
Minimum Investment	\$50,000	\$50,000
Minimum New Employment for Existing Company	10% increase 1st year	10% increase 1st year
Minimum Average Compensation per Employee	None	\$56,059 (*)
* 150% of average annual wage		



Advanced Manufacturing.

Application Process

To receive investment incentives, eligible businesses must file an Enterprise Zone Pre-certification Form with the local zone manager prior to any eligible investments.

For more information, contact Chad Freeman, SEDCOR at 503-837-1800 or email cfreeman@sedcor.com.

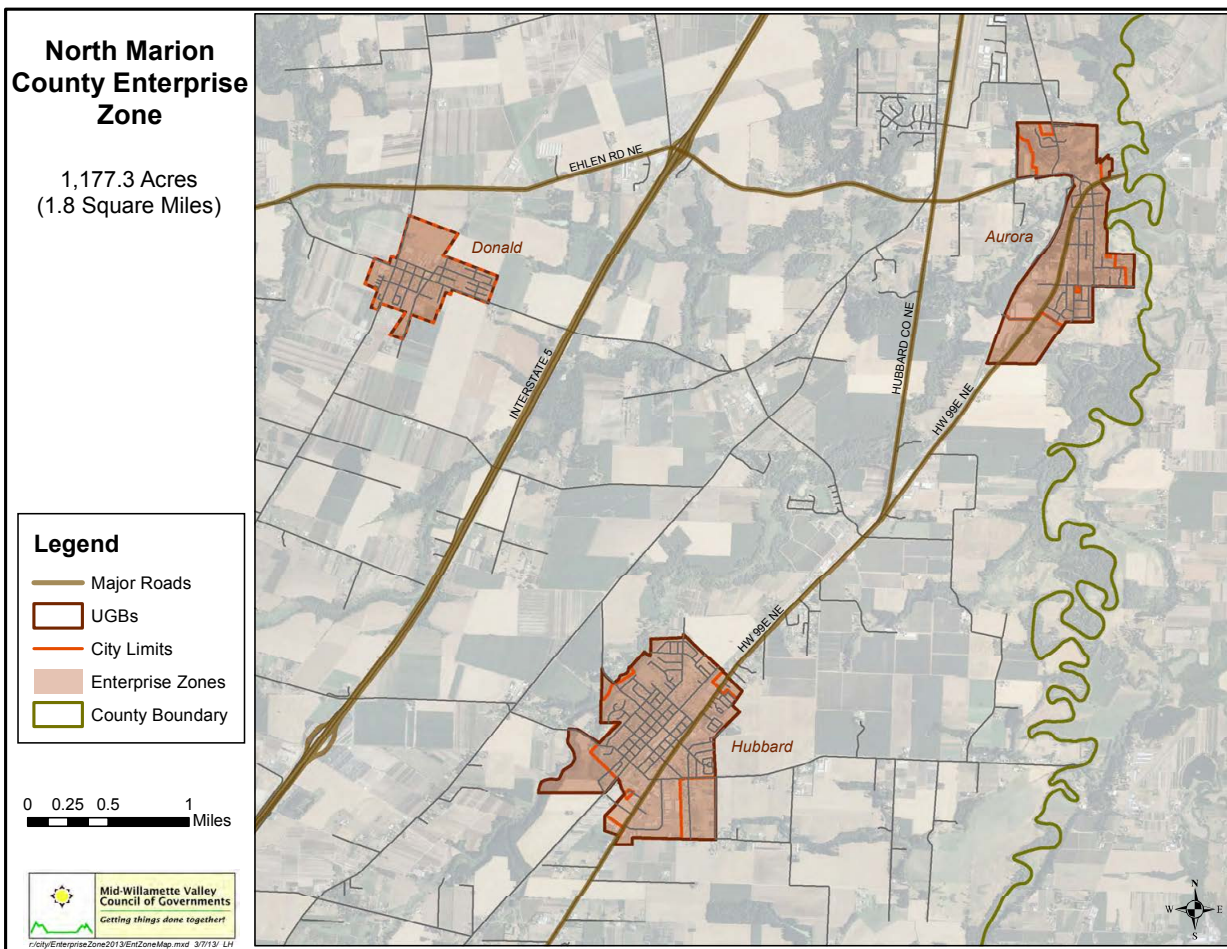


City of Aurora
www.ci.aurora.us.org



City of Hubbard
www.cityofhubbard.org

City of Donald
www.donaldoregon.org



Frequently Asked Questions

How difficult is the approval process?

The process is quick, non-bureaucratic and easy to administer. It consists of a short consultation with the Zone Manager, completion by the company of a two-page application and attachments, and approval by the Zone Manager and County Assessor. Complete applications are usually processed within one to two days.

My company is eligible for the Enterprise Zone, but I've already started construction. Can my facilities be exempted?

Typically not. Companies wishing to access the program need to complete the two page pre-certification application prior to breaking ground on new or expanded facilities. It is strongly recommended that pre-certification occur prior to obtaining building permits.

Are commercial developments eligible for Enterprise Zone exemptions?

No, only primary employers are eligible. The test for commercial versus primary/industrial is that 75% of a company's products or services must be sold or delivered outside the region.

When the exemption period expires, does my property come back on the tax roll?

Yes. Property (buildings and equipment) are assessed throughout the exemption period, but come back on the tax rolls at a depreciated or appreciated value. During the period that a company participates in the Enterprise Zone, property taxes on real and some personal property are exempted, not deferred.

May my company use the Enterprise Zone multiple times for future expansions?

Yes. Expansion projects for qualifying employers are eligible as long as the employer adds at least 10% to their existing workforce each time the program is used.

Can eligible employers who rent their facilities qualify?

Yes. If a facility has not been previously occupied or is a build-to-suit for an eligible company, landlords are required to pass on savings resulting from property tax exemptions to their tenants.

North Marion County Enterprise Zone

Cities of Donald, Hubbard and Aurora

Zone Manager:

Chad Freeman
SEDCOR
503-837-1800
www.sedcor.com



Tax Incentives Credit & Loans

Oregon State Tax Incentives

Enterprise Zones

In exchange for locating or expanding into an enterprise zone, eligible businesses receive exemption from property taxes on new plants and equipment for at from three to five years in the standard Enterprise Zone program. In addition, the Electronic Commerce Zone may benefit businesses locating in zones with the special status.

Strategic Investment Program

Exempts a portion of large capital investments from property taxes. The program is available statewide for projects developed by traded-sector businesses, most often used for manufacturing firms. "Traded sector" is defined in Oregon law as "industries in which member firms sell their goods or services into markets for which national or international competition exists." Depending on the investment size, the Strategic Investment Program can offer exceptional benefits in terms of net present value.

Business Energy Tax Credit (BETC)

The Business Energy Tax Credit (BETC) has been instrumental in growing Oregon's expanding renewable energy industry. The BETC is administered by the Oregon Department of Energy. Oregon facilities that manufacture renewable energy resource equipment may be eligible for the credit. Eligible costs may include the building, equipment, machinery and other expenses related to the manufacturing of renewable energy products such as solar cells and wind turbines.

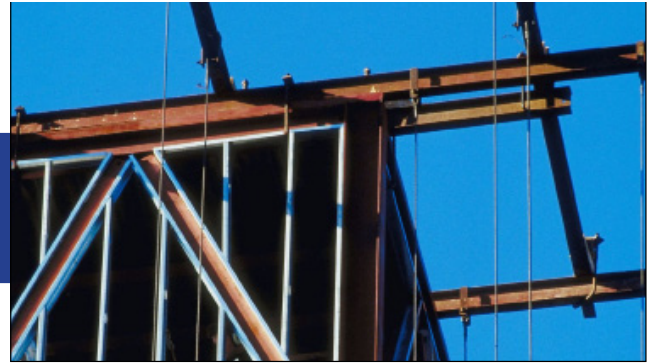
Construction-in-Process (C-i-P) Enterprise Zone Exemption

For up to two years, all structures and heavy equipment are exempt from taxation. This exemption is available for each year, in which on January 1 the facility has been neither placed in service nor used or occupied for intended, commercial operations.

Entrepreneurial Development Loan Fund

Provides direct loans to help start-ups, micro-enterprises and small businesses expand or become established in Oregon. This fund fills a niche not provided through traditional lending markets. Loans are a maximum amount of \$50,000, a maximum term and amortization of 5 years and a fixed interest rate of Prime plus 2% APR.

A complete list of State Incentives is available on the Business Oregon website at www.oregon4biz.com.



Financial Assistance Or Low-Cost Financing

Oregon Industrial Development Bonds

Tax-exempt bonds issued by the state of Oregon to provide long-term debt financing at a rate below prime for land, buildings and equipment. These bonds finance job creation and business growth for Oregon traded-sector, value-added manufacturers and processors.

Oregon Express Bond Program

This program uses much less paperwork and highly standardized documents to save borrowers time and money during the tax-exempt bond borrowing process. Express Bonds are placed with the borrower's bank; and may be feasible for financing projects within the \$500,000 to \$5 million cost range.

Oregon Business Development Fund (OBDF)

A revolving loan fund that provides long-term fixed-rate financing for land, buildings, equipment, machinery and permanent working capital. Participants must create or retain jobs and must be a traded-sector business in manufacturing, processing or a regionally significant tourist facility.

Oregon Credit Enhancement Fund (CEF)

A loan insurance tool available to lenders to help businesses needing extra security to obtain financing. This program is accessed through traditional private lenders and provides guarantees for working capital or fixed-asset bank loans. The program is available for manufacturing, production and processing companies with fewer than 200 employees; assists businesses in distressed areas and businesses that use proceeds to clean up a brownfield site; funds can be used for real property, buildings, machinery and equipment, working capital and export financing.

Oregon Capital Access Program (CAP)

Similar to the Oregon Credit Enhancement Fund, the CAP helps lenders make more commercial loans to small businesses and provides capital for startup or expansion. CAP is used for most business purposes, except to purchase or improve residential housing or real property not used for business operations, or for refinancing an existing balance of a non-enrolled loan. All types of loans and lines of credit are available.

Other

Small Business Loan Programs

The Mid-Willamette Valley Council of Governments provides assistance to businesses with government finance programs. The incentives are designed to help companies expand or start new ventures by providing loan packaging and assistance services for loan programs and obtaining financing from private sector lenders. www.mwvcog.org.

On-the-Job Training Program

This is a hire-first program. The trainee is employed by the company that provides the training. This is not subsidized employment. OJT training payments to employers are compensation to the employer for the extraordinary costs associated with training participants and lower productivity of the participants during the training period.

Energy Incentives

State Energy Loan Program (SELP)

The SELP promotes energy conservation and renewable energy resource development. The program offers low-interest loans for projects that save energy; produce energy from renewable resources such as water, wind, geothermal, solar, biomass, waste materials or waste heat; use recycled materials to create products; or use alternative fuels

Loan are available for individuals, businesses, schools, cities, counties, special districts, state and federal agencies, public corporations, cooperatives, tribes and non-profits.

Energy Trust of Oregon

Energy Trust of Oregon, Inc., is a nonprofit organization dedicated to changing how Oregonians use energy by promoting energy efficiency and clean renewable energy for Oregon customers of Pacific Power, Portland General Electric and NW Natural. The Energy Trust offers Oregonians cash incentives for energy-efficient improvements by new and existing businesses.

Oregon State Trade and Export Promotion (STEP) Program

Funds available for small businesses seeking to begin or grow international sales. Participating in international trade shows and trade missions is among the most effective ways for companies to enter into global markets or expand their visibility in existing markets. Apply now for grant funds to be used through September, 2013.

For additional information contact:

Chad Freeman
SEDCOR
503-837-1800

Doing Business in Oregon

Oregon ranked as the #1 Location for Manufacturing

– American Institute for Economic Research, 2011

Oregon has the #2 Lowest Taxes on New Investment

- Ernst & Young C.O.S.T. Study, 2011

Oregon ranked in Top 10 Lowest Cost of Doing Business

- CNBC, 2011

Oregon is a Top State for Quality of Life

– Business Facilities, 2011

PDX Airport ranked Best Airport 4 of last 5 Years

- Conde Nast, 2006–2010

Oregon is a Top Ten Best State for Business – Forbes, 2011

Oregon has Fastest Growing GDP in Western U.S. U.S. Department of Commerce, 2011



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