OFFERING MEMORANDUM

GOVERNORS POINT

WATERFRONT ESTATE PROPERTY

CHUCKANUT DRIVE, BELLINGHAM, WA

www.governorspointopportunity.com

PRICE REDUCED!

~~$7,950,000~~

NOW OFFERED AT

$6,950,000

($868,750 per lot for 8 lots)

POTENTIAL WATERFRONT REAL ESTATE DEVELOPMENT

PUGET SOUND –SALISH SEA

Can potentially sub-divide 8 legal lots into ±24 waterfront lots

Capital Markets | Investment Sales

CUSHMAN & WAKEFIELD

CBRE

CONFIDENTIALITY AGREEMENT

This is a confidential Memorandum intended solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property.

This Memorandum contains selected information pertaining to the Property and does not purport to be a representation of the state of affairs of the Property or the owner of the Property (the "Owner"), to be all-inclusive or to contain all or part of the information which prospective investors may require to evaluate a purchase of real property. All financial projections and information are provided for general reference purposes only and are based on assumptions relating to the general economy, market conditions, competition and other factors beyond the control of the Owner and CBRE, Inc. Therefore, all projections, assumptions and other information provided and made herein are subject to material variation. All references to acreages, square footages, and other measurements are approximations. Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective purchasers. In this Memorandum, certain documents, are described in summary form. These summaries do not purport to be complete nor necessarily accurate descriptions of the full agreements referenced. Interested parties are expected to review all such summaries and other documents of whatever nature independently and not rely on the contents of this Memorandum in any manner.

Neither the Owner or CBRE, Inc, nor any of their respective directors, officers, Affiliates or representatives make any representation or warranty, expressed or implied, as to the accuracy or completeness of this Memorandum or any of its contents, and no legal commitment or obligation shall arise by reason of your receipt of this Memorandum or use of its contents; and you are to rely solely on your investigations and inspections of the Property in evaluating a possible purchase of the real property.

The Owner expressly reserved the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions with any entity at any time with or without notice which may arise as a result of review of this Memorandum. The Owner shall have no legal commitment or obligation to any entity reviewing this Memorandum or making an offer to purchase the Property unless and until written agreement(s) for the purchase of the Property have been fully executed, delivered and approved by the Owner and any conditions to the Owner's obligations therein have been satisfied or waived.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of a confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose this Memorandum or any of its contents to any other entity without the prior written authorization of the Owner or CBRE, Inc. You also agree that you will not use this Memorandum or any of its contents in any manner detrimental to the interest of the Owner or CBRE, Inc.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return this Memorandum to CBRE, Inc.

CUSHMAN & WAKEFIELD CBRE

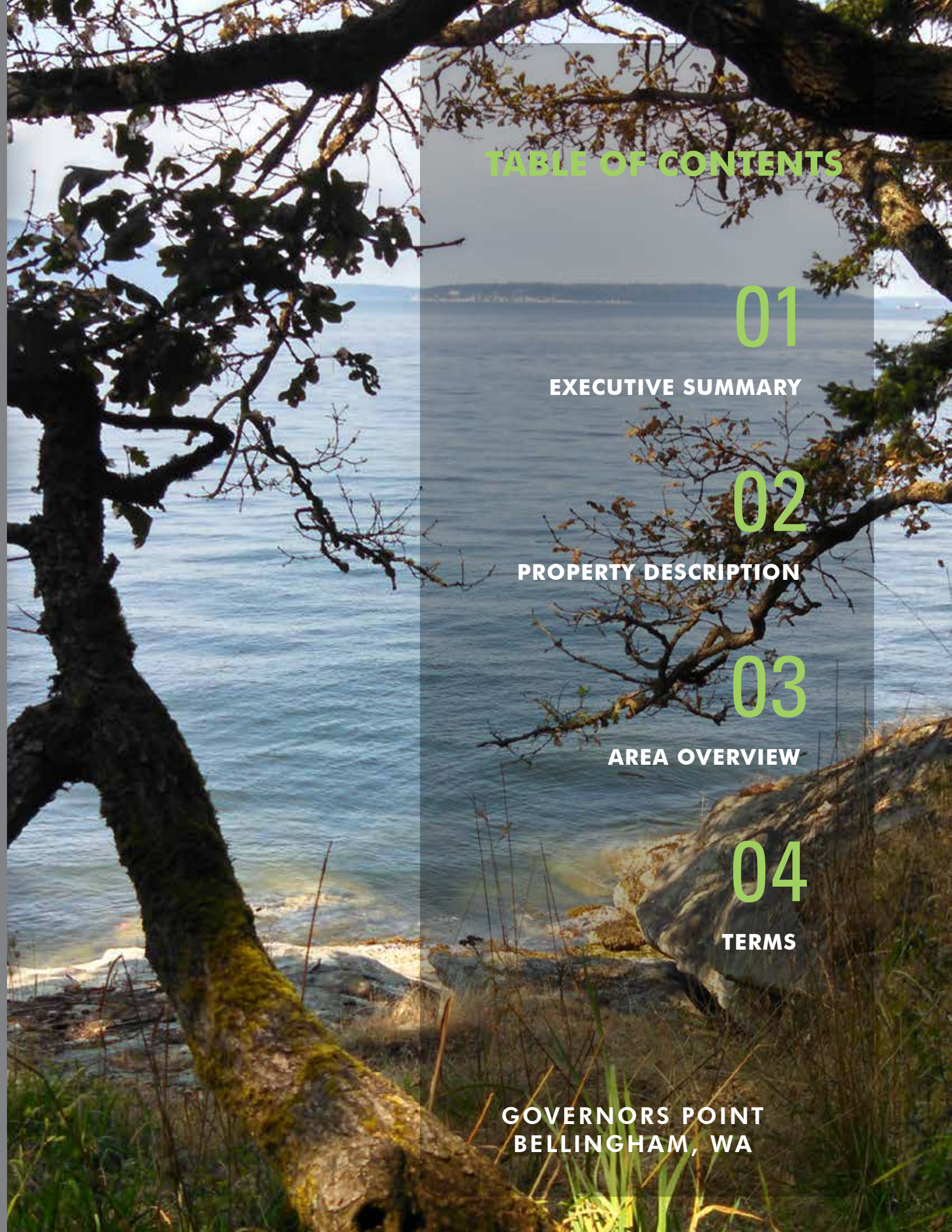


TABLE OF CONTENTS

01 EXECUTIVE SUMMARY

02 PROPERTY DESCRIPTION

03 AREA OVERVIEW

04 TERMS

GOVERNORS POINT
BELLINGHAM, WA

EXECUTIVE SUMMARY

INVESTMENT SUMMARY

CBRE with Cushman & Wakefield are pleased to present ±125.84 acres of waterfront development land known as Governors Point in Bellingham, Washington.

This unique investment opportunity features waterfront estate development on Chuckanut Bay, conveniently located between Seattle (70 miles away) and Vancouver, BC (48 miles away) with convenient access to Interstate 5. With over 9,500 linear feet of marine shoreline on Chuckanut, Pleasant, and Samish Bays, this property is ideally suited for ocean-oriented estate development that could be subdivided into ±24 extraordinary estate home sites.

Situated conveniently between Seattle, Washington and Vancouver, British Columbia, Canada, the property is located on the western side of Pleasant Bay Road and just north of Cove Road, in Whatcom County.

INVESTMENT OPTIONS

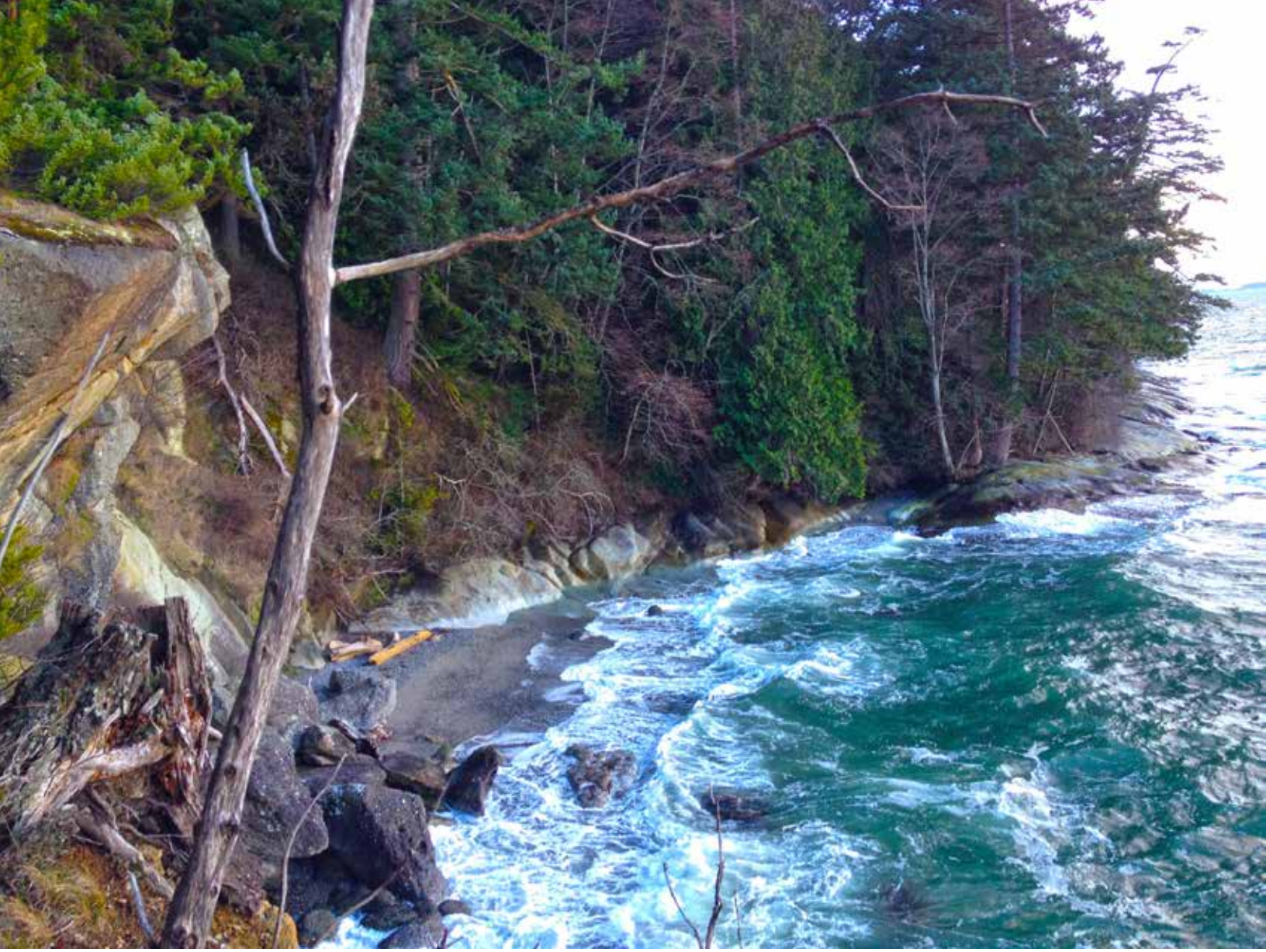
ENTIRE ±125.84 ACRES: **$6,750,000**

Boundary line adjustment under review which would include 7 magnificent 5-acre water front lots with a ±90 acre 8th lot, which could potentially be further subdivided into 17 lots for a total of 24 lots. Additional BLA's have been explored to maximize value and flexibility for the buyer.

INVESTMENT HIGHLIGHTS

- ±9,500 linear feet of Marine Shoreline and Dock rights to Pleasant Bay
- ±125.84 acres with Frontage on Puget Sound
- Paved Road Access and on-site Electricity and Well Water
- Westerly Views of the San Juan Islands
- 8 legal Lots-of-Record with the Potential for up to 24 Iconic Estate Home Sites with Water Views
- Just 6 miles south of Bellingham between Seattle, WA and Vancouver, BC
- 45 miles south of Vancouver, BC and an hour north of Seattle via I-5
- Experience San Juan Island Living without the limitations of the Ferry
- Potential to Build now and/or further Subdivide and Maximize Investment Potential

PROPERTY DESCRIPTION



LOCATION AND ACCESS

The site is located west of Pleasant Bay Road off Chuckanut Drive via Cove Road in Bellingham, Whatcom County, WA 98229. Governors Point is located conveniently between Seattle (70 miles away), Washington and Vancouver, BC (48 miles away) with convenient access to Interstate 5.

SITE:

±125.84 Acres, Free of any Improvements

FRONTAGE

Over 9,500 linear feet of marine shoreline on Chuckanut, Pleasant and Samish Bays

UTILITIES:

Three on-site wells and Puget Sound Energy electricity are available on-site. Water can be distributed via a privately owned water system. Sanitary waste will be handled by on-site septic systems.

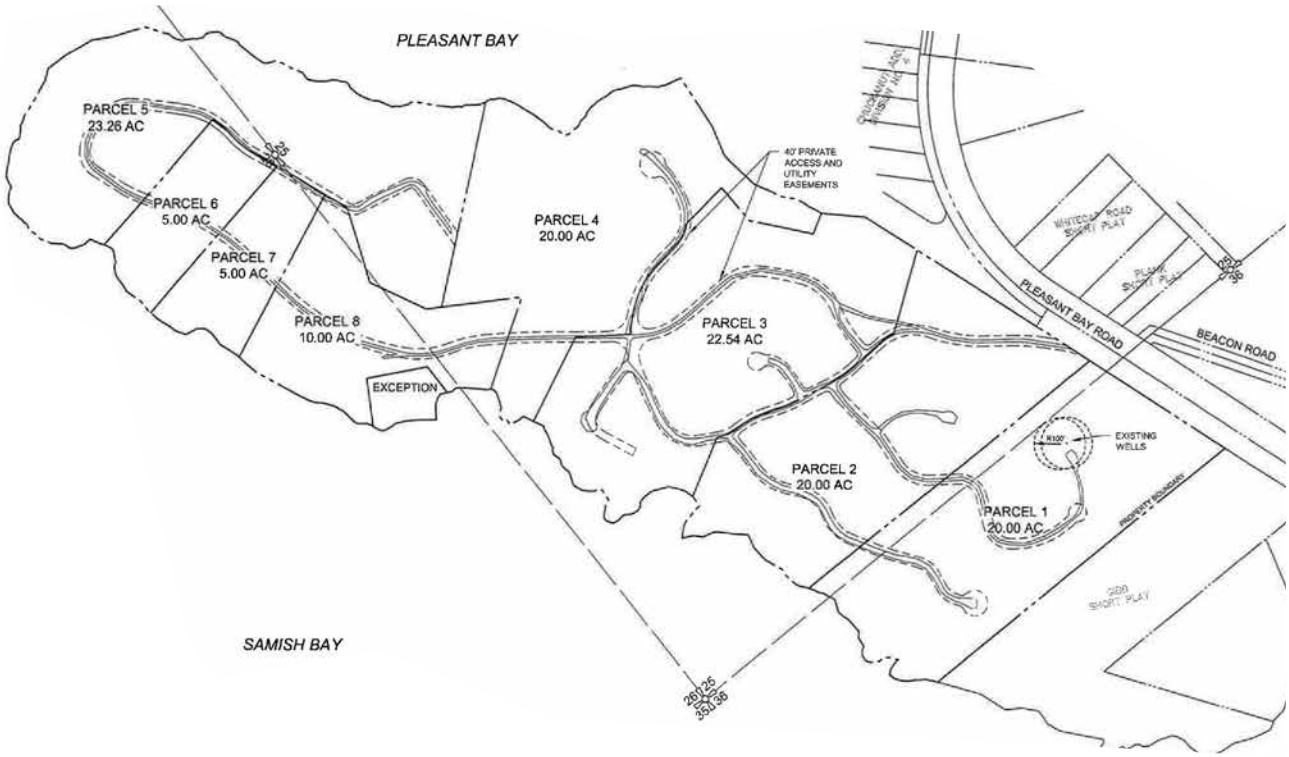
VIEWS:

Spectacular Salish Sea and San Juan Island views from all potential building sites, spanning from the southwest to the northwest, capturing the afternoon sun and evening sunsets lasting past 10:00PM during the summer.

ZONING:

Per Whatcom County, zoning is RR5A (Residential Rural District), which has a 5 acre minimum lot size. Clustering of lots to a minimum of 15,000 SF with reserve areas is allowed. Single-family homes and non-commercial boat docks are permitted in this zone. Maximum building height is 35 feet and maximum lot coverage is 5,000 SF or 20%, whichever is greater (not to exceed 25,000 SF).

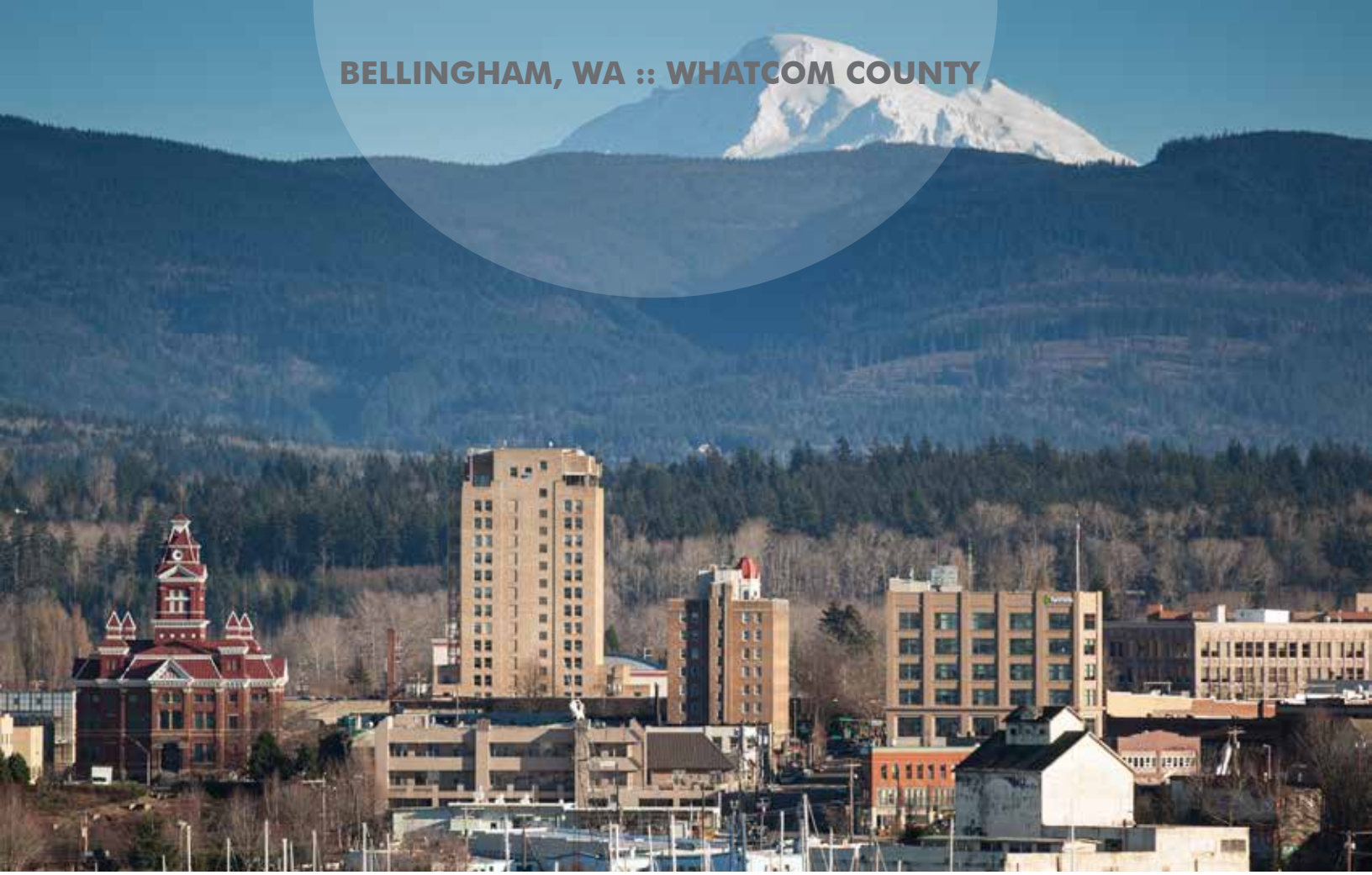
CURRENT LEGAL LOTS OF RECORD



BOUNDARY LINE ADJUSTMENT (under review) : Boundary line adjustment under review for 7 magnificent ±5 acre home site with an additional ±90 acre remainder parcel. The ±90 acre remainder parcel could potentially be subdivided into an additional 17 lots for a total of 24 lots. Ownership has explored multiple boundary line adjustments to maximize value and flexibility for the investor.

AREA OVERVIEW

BELLINGHAM, WA :: WHATCOM COUNTY



The City of Bellingham is conveniently located in Washington State's northwest corner off of Interstate 5 in Whatcom County. As the largest city in Whatcom County and county seat, Bellingham is also home to Western Washington University, St. Joseph Medical Center and Bellingham International Airport with service to Seattle, California, Hawaii, Nevada and Arizona. Bellingham provides modern amenities within a small town environment. It is strategically located near Mount Baker, the Salish Sea, Bellingham Bay, Chuckanut Mountains, and the Canadian border. Mount Baker stands at 10,781 feet dominating the southeastern horizon. Superb skiing is available at Mount Baker and numerous, nearby ski areas in British Columbia including Blackcomb and Whistler Mountains.

The western border of Whatcom County encompasses over 130 miles of meandering maritime shoreline, including frontage along the Salish Sea, which is an intricate network of coastal waterways shared by the U.S. and Canada. The Salish Sea is one of the world's largest and most biologically rich inland seas. Bellingham has been named a "Top 10 Adventurer Town" (National Geographic Traveler), "Best Place to Play Year-Round" and "Best Place to Live" (Sunset Magazine), "Best Place to Retire" (Forbes) and "Trail Town USA". Locals and visitors enjoy a four-season playground with an abundance of outdoor activities, internationally recognized sporting events, and a vibrant arts and music scene.

DEMOGRAPHICS

Population | According to the Washington State Office of Financial Management, Whatcom County's estimated population was 212,540 residents in 2016. Since 2000, the County's population has increased by 27.4%; which is mildly higher than the 21.6% population increase in Washington State over the same time period.

Households | According to 2016 estimates by the CBRE Fast Report, Whatcom County has 84,145 households. Family households account for 72.2% of this total, while non-family households make up the other 27.8%. Whatcom County has a median household income of $53,256.

BUSINESS AND TAX INCENTIVES

Bellingham is the hub of a robust local and regional economy and home to a diverse business community featuring large and small companies across many sectors. Healthy partnerships among business and community leaders have resulted in successful community revitalization efforts, numerous business service organizations, and economic development agencies. Public investment in transportation, utilities and other key infrastructure, extensive public amenities and support for tourism and the arts complements its business community.

Bellingham enjoys the comprehensive tax incentives offered by the state of Washington. Incentive categories include:

- General Manufacturing
- Rural County/Community Empowerment
- Zone (CEZ) Incentives
- High Unemployment County/CEZ
- High Technology Industry
- Aerospace Industry
- Extracting & Timber Manufacturing
- Food Processing/ Manufacturing Industry
- Biofuel Industry
- Semiconductor Industry
- Aluminum Smelting Industry
- Farming & Agriculture
- Renewable Energy/Green Incentives
- Miscellaneous Incentive Programs
- Warehouse Incentive Programs

TRANSPORTATION

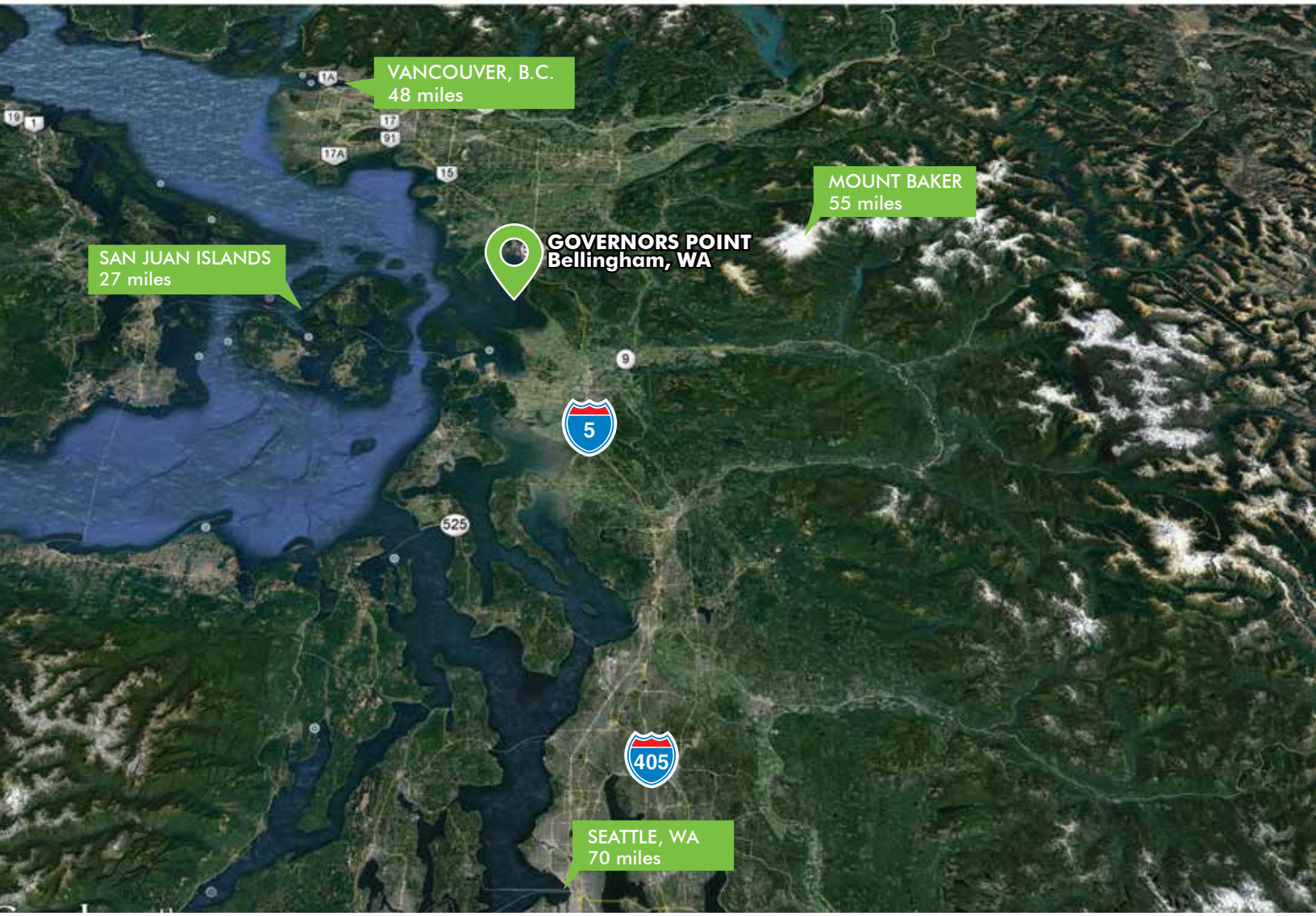
Bellingham is serviced by Whatcom County's transportation arteries which include:

- Interstate 5 Highway access
- Multiple freight companies offering service to the region
- Nationwide connections via rail freight service
- Amtrack passenger service
- Ship service at the Port of Bellingham for commercial and pleasure boaters
- Commercial, corporate and general aviation service at Bellingham International Airport

TOP 10 EMPLOYERS IN WHATCOM COUNTY

Company	Employees
St Joseph Hospital	2126
Lummi Nation	1780
Bellingham Public Schools	987
Whatcom County	881
Western Washington University	839
BP Cherry Point	820
The City of Bellingham	788
Fred Meyer	778
Haggen	751
Zodiac Interiors	607

AREA MAP



48° 39' 52.84" N
122° 30' 22.34" W

West of Pleasant Bay Road off Chuckanut Drive via Cove Road in Bellingham, Whatcom County, WA 98229

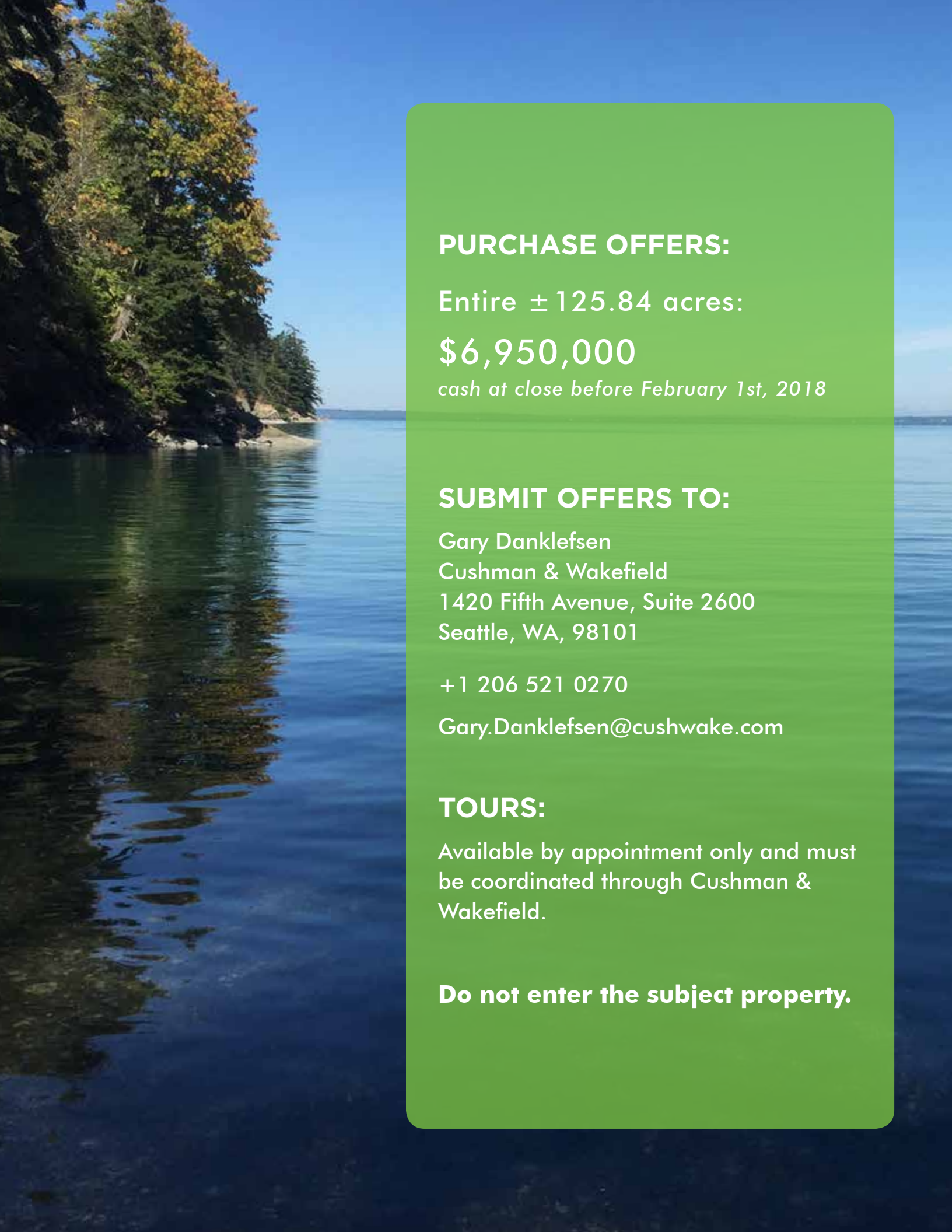
Governors Point is located conveniently between Seattle, Washington and Vancouver, BC with convenient access to Interstate 5.

City	Miles
Bellingham, WA	4
Vancouver, BC	48
Seattle, WA	70

BELLINGHAM, WA

As one travels north, Bellingham is the last major city before the Washington coastline meets the Canadian border. Bellingham is the county seat of Whatcom County, and it offers tourists an array of goods and services in many boutique shops and restaurants. It also offers world-class medical care; an international airport with daily flights to Southern California, Arizona, Hawaii, Nevada, Colorado and Seattle; Western Washington University; and unparalleled outdoor recreation opportunities. South of Bellingham and just east of Governors Point is Chuckanut Drive (Washington State Route 11), a popular route that offers cliffside views of the sea, the San Juan Islands, the Olympic Mountains, the hills and forests of the Chuckanut mountains, and several small picturesque bays along the edge of the Salish Sea.

TERMS



PURCHASE OFFERS:

Entire ±125.84 acres:

$6,950,000

cash at close before February 1st, 2018

SUBMIT OFFERS TO:

Gary Danklefsen
Cushman & Wakefield
1420 Fifth Avenue, Suite 2600
Seattle, WA, 98101

+1 206 521 0270

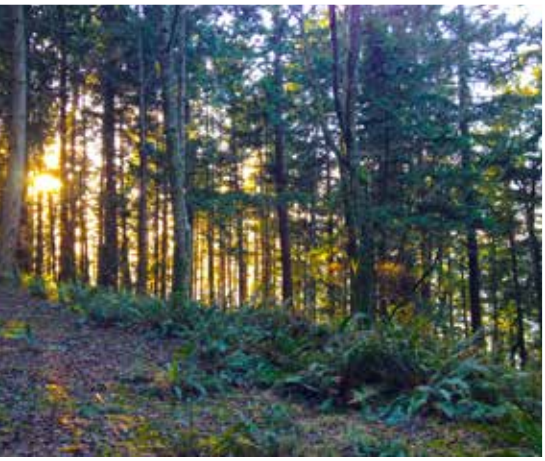
Gary.Danklefsen@cushwake.com

TOURS:

Available by appointment only and must be coordinated through Cushman & Wakefield.

Do not enter the subject property.

www.governorspointopportunity.com



GARY DANKLEFSEN
Senior Director
Lic. 00616335
+1 206 521 0270
gary.danklefsen@cushwake.com

D. MATT MARSCHALL
Senior Vice President
Lic. 00616335
+1 858 404 7202
matt.marschall@cbre.com

CUSHMAN & WAKEFIELD

CBRE

© 2017 CBRE, Inc. The information contained in this document has been obtained from sources believed reliable. While CBRE, Inc. does not doubt its accuracy, CBRE, Inc. has not verified it and makes no guarantee, warranty or representation about it. It is your responsibility to independently confirm its accuracy and completeness. Any projections, opinions, assumptions or estimates used are for example only and do not represent the current or future performance of the property. The value of this transaction to you depends on tax and other factors which should be evaluated by your tax, financial and legal advisors. You and your advisors should conduct a careful, independent investigation of the property to determine to your satisfaction the suitability of the property for your needs. Photos herein are the property of their respective owners and use of these images without the express written consent of the owner is prohibited.