

Assignment of Purchase and Sale Agreement for Port Parcel 60-2 to Avenue 55, LLC

Presenter:

Scott Francis
Director, Real Estate
Port of Tacoma



Action Requested



Authorization for the Chief Executive Officer or his designee to execute any and all documents required to assign Abston Henricksen Land and Timber Company, Inc. (Buyer) rights and obligations to Avenue 55, LLC in the Abston/Port of Tacoma Purchase and Sale Agreement dated March 1, 2017 for Port Parcel 60-2 also known as Tax Parcel 0319363040 located at 4417 192nd Street East, Frederickson, Unincorporated Pierce County, WA.

Frederickson PSA Location



Frederickson PSA Premise



Frederickson Properties



Background



- The Port purchased this property in 1964.
- Port Parcel 60-2 is approximately 18.67 acres.
- The Port Commission declared this property surplus in July 2012.
- On November 15, 2016, the Port executed an Exclusive Listing Agreement with local Brokers to sell Port parcel 60-2.
- The Purchase and Sale Agreement with Abston Henricksen Land and Timber Company, Inc. was approved by the Commission April 20, 2017.
- Abston Henricksen Land and Timber Company, Inc. now wishes to assign its interests in this Purchase and Sale Agreement to Avenue 55, LLC.

Purchase and Sale Terms



- All terms of the current Purchase and Sale Agreement remain the same.
- Sale Price: \$3,512,732
- Earnest Money: \$50,000
- Broker Commission: 5% of sale price
- Closing Fees: Port to pay for title policy; Port and Buyer each pay half of escrow fees.
- Closing date to be on or before March 31, 2018.

Purchase and Sale Terms Continued



- Special Provisions:
 - Buyer shall commence work on improvements within one-year of closing.
 - Buyer shall not transfer title within one-year from purchase date.
 - Property shall only be used for industrial or commercial purposes permitted by applicable zoning and other applicable law.

Economic Investment / Job Creation



- Avenue 55 is a well known local industrial development company that has developed millions of square feet of new warehouse space in the local market.
- The development of an undeveloped Frederickson industrial property will produce new local Pierce County jobs.

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