

No Starting Bids and No Hidden Reserves!

343± Acre Toledo Forest Nursery Lewis County, Washington

Productive farmland with significant water rights. Strategic location to I-5 corridor, and Seattle and Portland markets



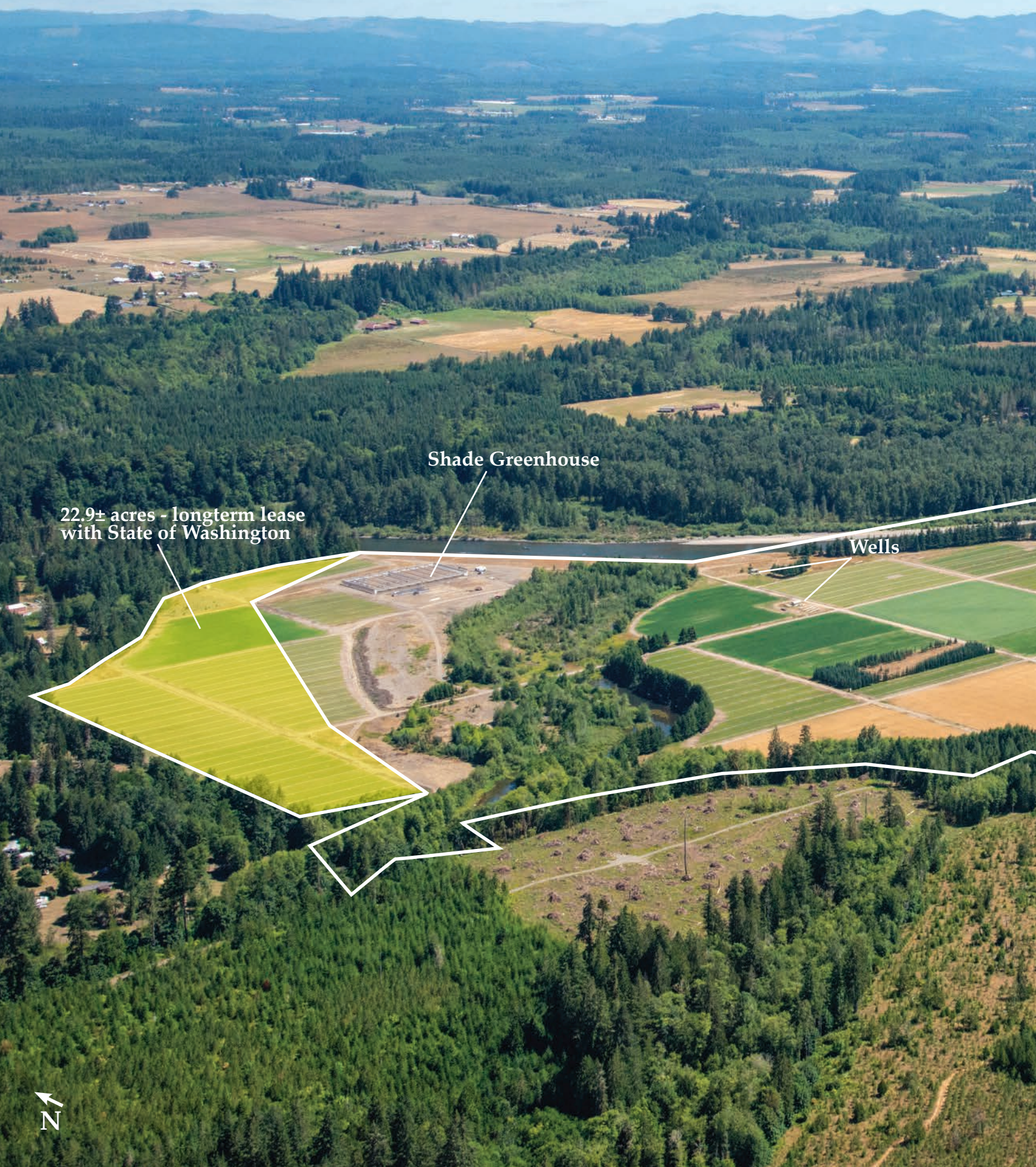
- Opportunity for high value crops and recreation uses with 4,000 feet of Cowlitz Riverfront
- 87,000± SF of improvements with cold storage, packing facility, shade greenhouse, office and shed



PUBLISHED RESERVE: \$3,600,000
SEALED BIDS DUE DECEMBER 5, 2018



Toledo Nursery - 343± Acres - One of for sale. Excellent access to I-5



22.9± acres - longterm lease
with State of Washington

Shade Greenhouse

Wells

N

the largest blocks of irrigated farmland available
corridor, and Seattle and Portland markets





The 343± acre Toledo Forest Seedling Nursery has been designated as surplus to IFA Nurseries ongoing operations in Washington and Oregon, and is being offered for sale for the first time since it was developed in 1974.

The Toledo Nursery is one of the largest blocks of irrigated farmland currently available for purchase in Southwest Washington, with excellent access to the I-5 corridor, and Seattle and Portland markets. There are 240± acres of water rights for irrigation, heat, and frost protection. There are 3.6± miles of buried mainline, and 19.4± miles of aluminum hand lines with risers and sprinklers.

The majority of the soil is 90% class III Puyallup fine sandy loam, which is well-suited for both blueberries and raspberries, and provides a new owner an opportunity to convert the nursery property to higher value crops.

The State of Washington is ranked number one for overall blueberry production within the United States. Pan-American Berry Growers and BRGG Holdings have purchased over 600 acres for blueberry production in Lewis County over the last several years. Other high-value crops that could be accommodated are hazelnuts, Christmas trees, specialized nursery plants, and industrial hemp and cannabis.

There is also opportunity for reuse of improvements located at the end of the entry drive from Eadon Road, including 18,880± square foot packing facility with employee area, processing area, and cold storage, 11,250± square foot cold storage warehouse, 2,067± square foot office, 2,880± square foot shop, and two machine sheds totaling 4,368± square feet. Additionally, there is a 46,800± square foot shade greenhouse in the northwest section of the property that could have reuse options.

Over \$1,000,000 has been invested in construction of cold storage building, shade greenhouse and improvements to packing facility, office building, and shop within the last fifteen years. Over 4,000 feet of Cowlitz River frontage along the property's northern boundary provides the added benefit of incorporating recreation uses to the nursery property for a new owner. Cowlitz River sport fishing is exceptional. The river consistently ranks as one of Washington's top ten most productive rivers for steelhead and salmon. A lodge overlooking the river could be built and used as a personal or corporate retreat, with views of Mt. Rainier. A riverfront trail could provide access for fishing and hiking.

The seller has established a published reserve of \$3,600,000 for the 343± acre property, with improvements and all irrigation equipment included, so that a sale can be accelerated by year-end. Northwest Farm Credit Services is the preferred lender with attractive terms for qualified parties.

The seller will lease back a portion of the property until April 2, 2019 so that remaining seedlings can be shipped to IFA customers.

Combination of size of the nursery property, significant water rights, productive soils well-suited for other high-value crops, reuse options for the 87,500± square feet of improvements, recreation options along the Cowlitz River, and strategic location to I-5 corridor, provide a rare opportunity for an agriculture investment with proximity to both Portland and Seattle markets.

The Opportunity



PUBLISHED RESERVE: \$3,600,000

LAST ASKING: First Time Offered

FINANCING: None - All Cash - Northwest Farm Credit Services is the preferred lender, and financing may be available by contacting Justin Becker at 360-767-1117 or justin.becker@northwestfcs.com

SIZE: 343± Acres

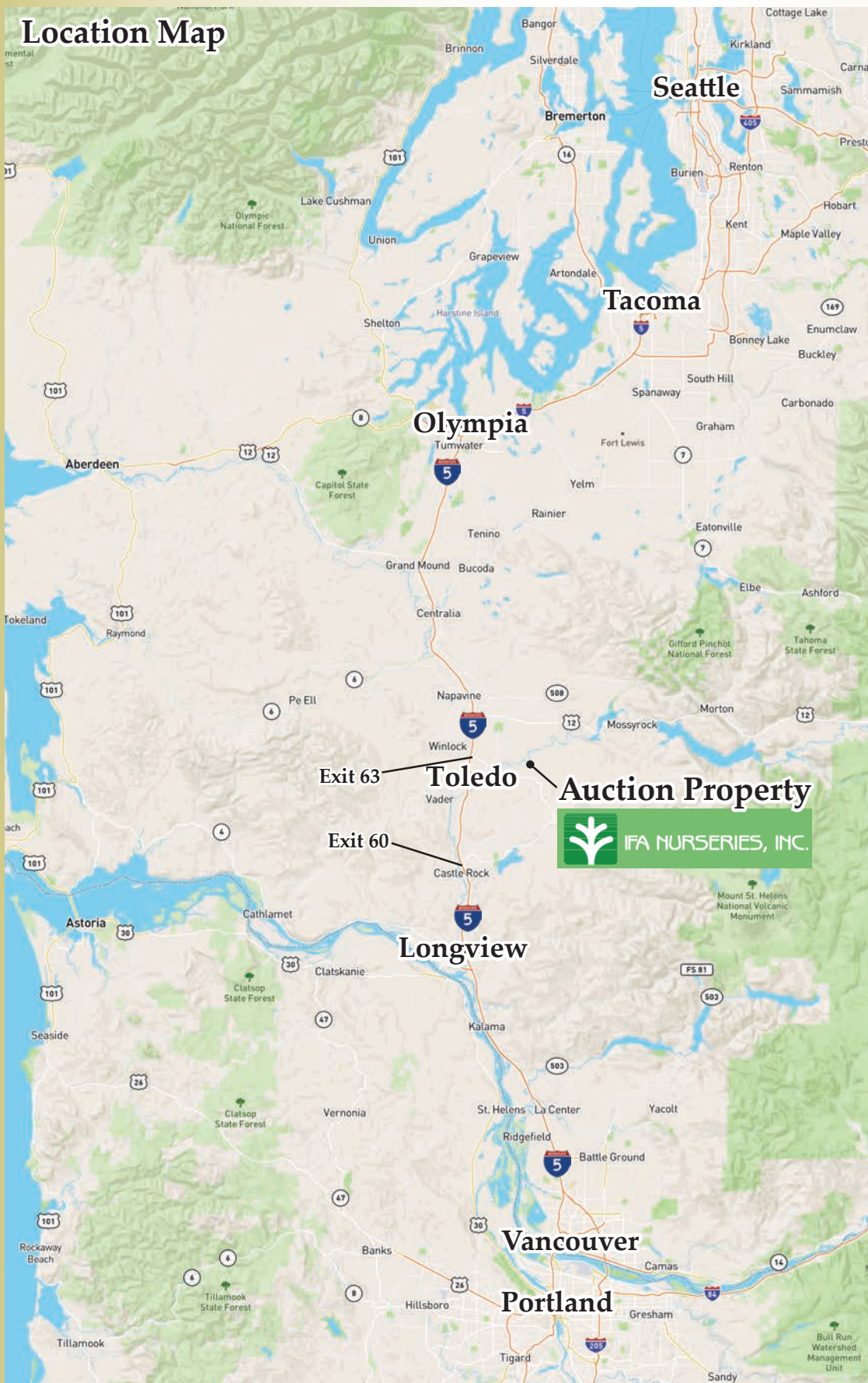
ZONING: ARL (Agricultural Resource Land) and RDD-10 (Rural Development District) - only tax lot 114-79025000 (8± acres)

ELEVATION: 125± feet to 250± feet

PROPERTY INSPECTION: Locked gate – please contact Auction Information Office at 1-800-845-3524 or info@rmnw-auctions.com



Location Map



THE PROPERTY: The 343± acre IFA Nursery is a contiguous block of land located three miles southeast of Toledo, Washington, along the south side of the Cowlitz River, with access from Eadon Road. It was used originally as a dairy farm, and developed by IFA as a nursery over a ten year period, starting in 1974.

There is excellent access from I-5 Exit 63 north to Seattle, or Exit 60 south to Portland. The nursery is within a 90-minute drive of Portland and two hours of Seattle, which has been a benefit in serving IFA customers in Washington and Oregon.

Elevations range from 250± feet at Eadon Road to 125± feet at the nursery ground. FEMA flood maps show the property above the 500-year flood plain. However, the river broke through the embankment/dike during the 1996 flood and carved a small channel through the western section of the property, which is now a drainage channel. The dike has been reinforced with additional rock revetment.

The nursery property has been developed with a total of 33 irrigated beds or blocks for conifer seedling operations for a total of 207± acres. The blocks range from 2± to 7.75± acres. The balance of the property has an estimated 78.9 acres of riparian and ancillary land, 45± acres that are forested and 13± acres containing the entry drive, main nursery complex, and shade greenhouse.



THE IMPROVEMENTS

Total of 87,000± square feet of improvements are used to operate the nursery. The main nursery complex is located at the end of the entry drive from Eadon Road, in the southern section of the property, and contains the packing facility, cold storage warehouse, office, shop, machine sheds, and fuel and chemical storage. A gravel parking lot can accommodate 52 vehicles for employees and seasonal workers. The shade greenhouse is located in the northwest section of the property.

Packing Facility - 18,880± Square Feet

The wood frame building was built in 1974-1975, and new processing wing of 1,728± square feet added in 2016. Upgrades to fire protection, lighting, heating, and cooling equipment were made over the last five years. Employee parking is located by the packing facility.

The facility is divided into three sections: employee area, processing, and cold storage. The 2,470± square foot employee area has lunch room, drying room, and two restrooms. New electrical, lights, furnace and windows have been installed during the last six years. The 5,242± square foot processing area has an 18-foot interior eave height, and upper level mezzanine loft area of 2,272± square feet which has been used for packaging, storage and bagging stations for seedlings.



Employee area



2016 processing wing addition



South section of packing facility has three 3,120 SF room for storage



Cold storage warehouse built in 2008



Thaw room with loading dock



Office building has laboratory and seed preparation room



Shop - Interior



Shop - Exterior

The main level accommodates four packing lines, with subfloor conveyor that extends the entire 60-foot width of the packing area, and transports plant waste and excess soil to a concrete pad outside the building. Older existing packing line equipment is being sold with the nursery. Please see Supplemental Information Package for detail.

The south section of the building is 9,360± square feet and is designed for cold storage. Three rooms, each 3,120± square feet, are designed for storage of seedlings. Floors are not insulated, so temperatures must be set above freezing. Interior height is 16 feet. Each room is individually sealed and has six ceiling-mounted cooling units, and exterior access, with a total of six Jamiglide 8-foot by 8-foot doors. Covered loading docks are located at the rear of the building.

Cold Storage Warehouse - 11,250± Square Feet

The cold storage warehouse was built in 2008 at a cost of \$500,000, and is located next to the packing facility. It has a replacement cost of \$750,000. It is engineered steel frame, 90 feet x 125 feet. It has clear span construction with tapered I beams on 25-foot centers, insulated concrete floors, 23-foot interior wall eave height, and 27-foot center height. There are insulated sandwich walls with enamel metal interior and exterior.

The cooler is 90-foot by 100-foot, and the thaw room is 90-foot by 75-foot. There are three 10-foot power doors, two additional doors, rear concrete pad, and loading dock. Cooling equipment are four large Larkin unit coolers, three fans per unit, with Larkin air-cooled 1.5 HP condensers.

Office - 2,067± Square Feet

The office is wood-frame structure west of the parking facility, built in the mid 1970s. Furnace, windows, exterior doors, and some lighting were replaced within the past six years. It has five internal offices, reception area, lunch room, laboratory area, seed preparation room, and two restrooms with showers. The entire building has electric heat. The extended western end of the office area is for seed preparation, and has a freezer. There is both employee and guest parking by the office.

Shop - 2,880± Square Feet

The pole frame structure was built in 1990. It has concrete floor, 14-foot eave, and enamel metal exterior. The shop is insulated, and has two 12-foot by 12-foot overhead doors, Phase 3 power, water service, and electric heater. There is storage loft and 480± square foot cooler room used for seedling stratification and storage.

Machine Sheds - 4,368± Square Feet

There are two pole frame construction open sheds with gravel floor, located between the shop and packing facility.

Chemical Shed - 597± Square Feet

The chemical shed is located near the shop, and has concrete block construction, concrete foundation, and floor with two secure storage rooms. Interior plumbing and electrical were replaced six years ago.

Fuel Shed - 168± Square Feet

The fuel shed has wood-frame construction, concrete floor, and a 10-foot by 14-foot concrete dock. There are two underground fuel tanks with electric pumps located adjacent to the shed.

Shade Greenhouse - 46,800± Square Feet

The metal pole-frame building with concrete footings, gravel floor, and 12-foot eave height was built in 2003-2004 at a cost of \$360,000. It is located in the northwest section of the nursery, and is used to grow plug seedlings in styro blocks until planted in the ground.

The structure has low-cost custom benching, built with concrete blocks and metal rollers. The greenhouse has retractable roof and side curtains for shading, cooling, and heat retention. Irrigation is provided by overhead sprinklers throughout with PVC pipes and emitters per 30-foot section. Anderson fertilizer injection system is housed in a 10-foot by 10-foot outbuilding near the southeast corner.

There is a loading dock to the west of the greenhouse.

Well Houses

There are two well houses located on the property.



Two machine sheds



Fuel shed has two underground tanks



Shade greenhouse built in 2003-2004



Two well houses on the nursery



245 acres of water rights



Collector well

ENVIRONMENTAL ASSESSMENT

The seller had a Phase I Environmental Site Assessment Report prepared in August 2018 by SLR International Corporation, available in the Supplemental Information Package.

UTILITIES

Power is provided by Lewis County Public Utility District. On-site septic serves the office, packing facility, and shop. A spring provides domestic water.

WATER RIGHTS AND IRRIGATION SYSTEM

IFA nursery has four Water Rights Certificates for on-site wells with priority dates of 1974 and 1978. Type of use is for irrigation, heat and frost control for 245 primary acres. Water rights total 4.4 acre feet per acre and 60 gallons per minute per acre. Copies of Water Rights Certificates are included in the Supplemental Information Package.

Two collector wells are actively used for irrigation, and both have 125 HP turbine pumps with variable controls. They are linked and each can individually run the system, or run on a combined basis. Variable drive controls were added several years ago.

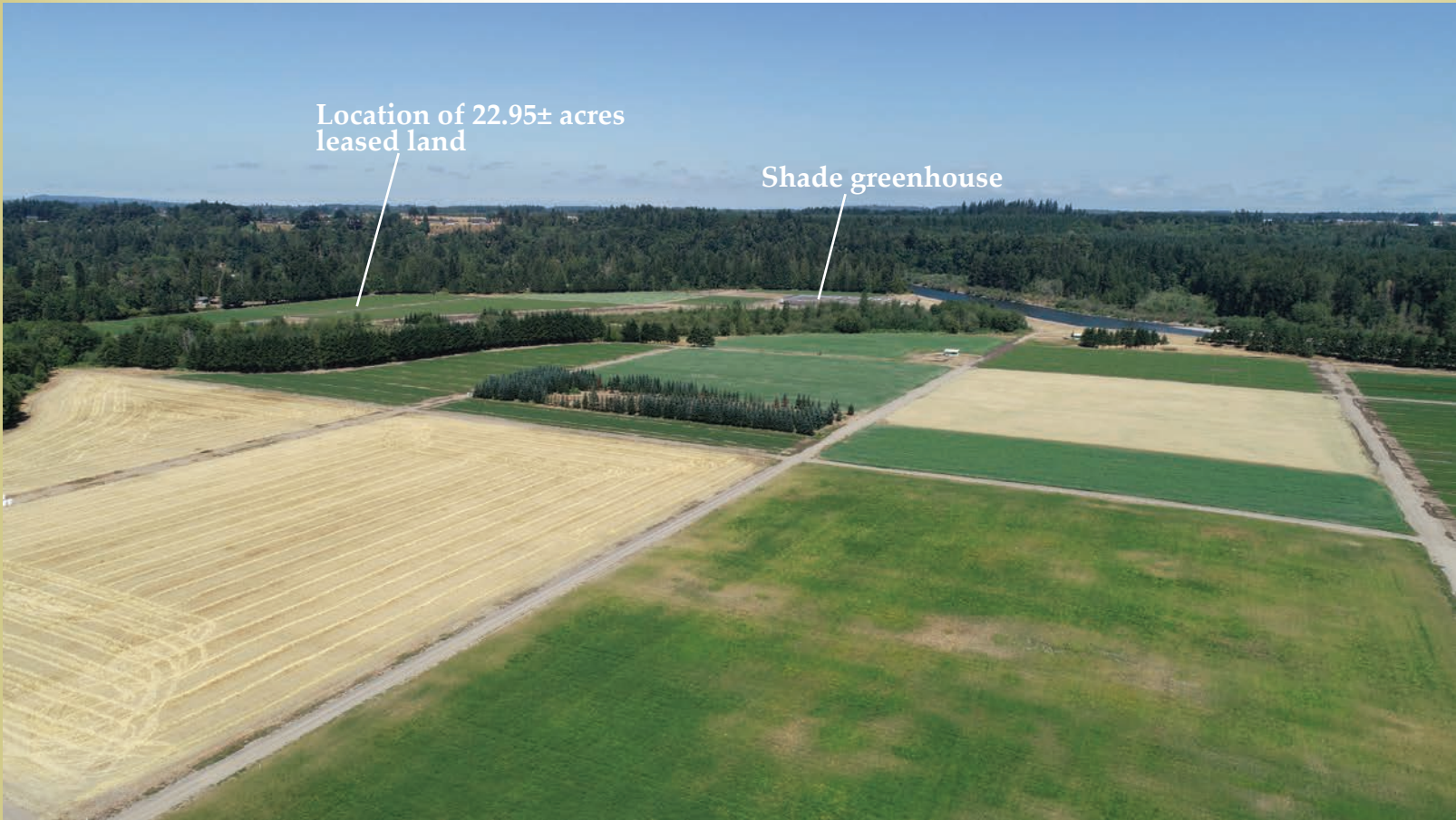
There is an estimated 19,000 LF of 44-10 inch buried mainline of steel and PVC pipe. Above ground lines of 102,500 LF are aluminum hand line with risers and sprinklers.

A total of 204± acres are currently irrigated to serve thirty-three growing beds which range from 2 to 7.75 acres, and include lands leased from State of Washington.

All irrigation equipment and spare inventory is part of the sale. Additional detail on the irrigation system is included in the Supplemental Information Package.

STATE OF WASHINGTON LEASE

IFA Nurseries lease 22.95± acres of cropland owned by State of Washington, located along the western boundary of IFA ownership, near the shade greenhouse. Ten of those acres, which are irrigated, are cultivated for seedling production. Current annual rent is \$4,479 per year, and there is a 30-year term to 2037. Assignment of lease will be part of sale and lease is included in the Supplemental Information Package.





Riverfront trail can be used for walking, mountain biking, and accessing river for fishing

SOILS

Based on NRCS Soil Survey, cropland soils are 90% class IIIw Puyallup fine sandy loam on 232± acres. There is an additional 30± acres of well-drained soils on the property. Soil map with soil descriptions is included in Supplemental Information Package.

ZONING

343± acres of the property are zoned ARL (Agricultural Resource Land) 8± acres zoned RDD-10 (Rural Development) are not suitable for development due to location.

TAXES

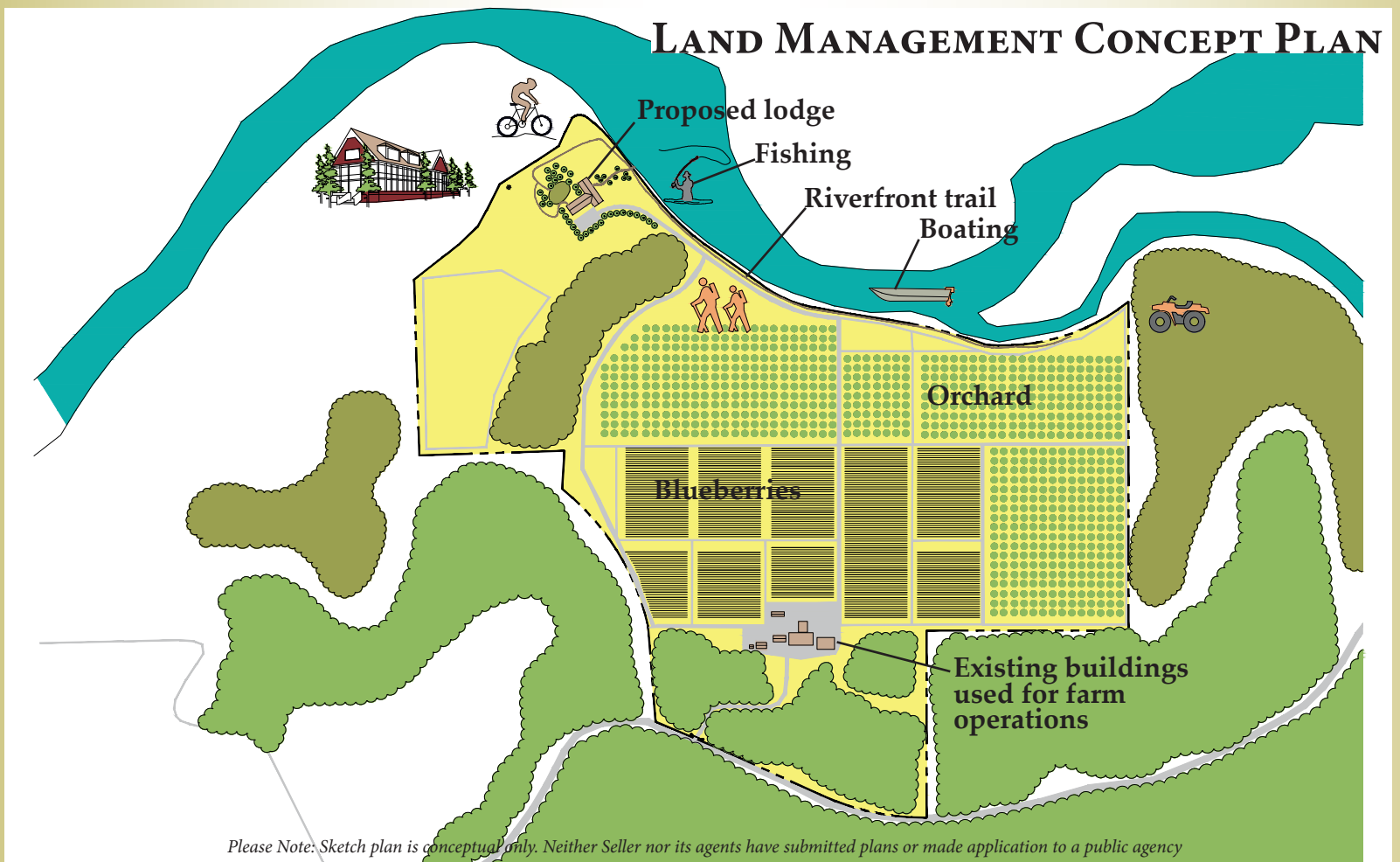
2017-2018 Lewis County taxes are \$18,525.

LOCATION

463 Eadon Road - Toledo Washington.
Township 11 North, Range 1 West,
Sections 3, 10, and 11, Tax Account
#s 011330000000, 011473001000,
011473001001, 011474000000,
011475002000, 011476002000,
011476002001, 011479025000, and
011496001000



Highly productive soils at nursery



Opportunity to use nursery property for higher value crops and for riverfront lodge





SEALED BIDS DUE DECEMBER 5, 2018

Broker Cooperation Invited

***CALL NOW FOR SUPPLEMENTAL INFORMATION
AND BID PACKAGE 1804-100***

1-800-845-3524