

Jack in the Box #8380

8140 Birch Bay Square St., Blaine, WA



INVESTMENT DESCRIPTION

Purchase Price:	\$1,930,000
Base Rent:	\$120,625.50/yr.
Term:	Twenty (20) years with four 5-year options.
Rent Increases:	CPI increases every five (5) years capped at 8% Triple net lease.
Commission:	At escrow closing, Jack in the Box will pay a three percent (3%) commission.
Miscellaneous:	Jack in the Box Inc.'s form of Purchase Contract and Standard Lease Agreement
Approximate Building size:	2,654 square feet
Land size:	36,495 square feet
Year built:	May 2008

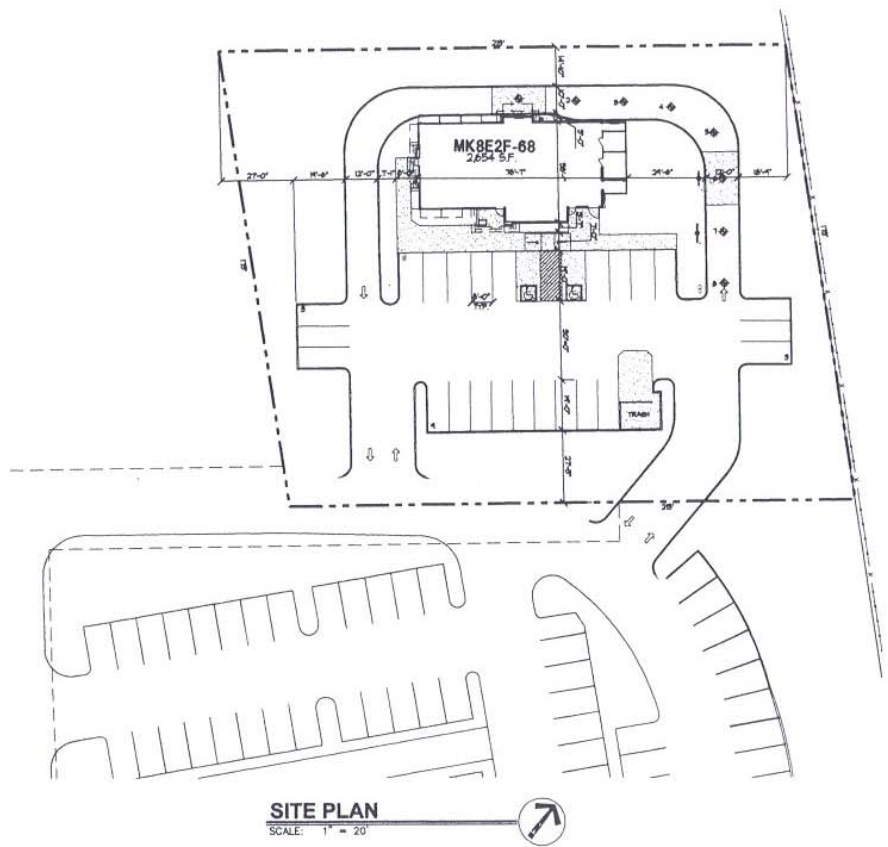


*Photo not of subject site.



Square Footage
 Land: 36,495 sq. ft.
 Building: 2,654 sq. ft.

JIB #8380



PROJECT DATA

JURISDICTION:	WHATCOM COUNTY
BUILDING CODE:	2003 IBC
ZONING:	C2 (GATEWAY INDUSTRIAL)
USE:	FAST FOOD RESTAURANT
BUILDING AREA:	2,654 S.F.
SEATING:	68 SEATS
BUILDING HEIGHT:	22'-2"
OCCUPANCY:	A-2
CONSTRUCTION TYPE:	V-B
SITE AREA:	36,495 S.F.
PARKING REQUIRED:	1/75 S.F. DINING AREA = 12 SPACES
PARKING PROVIDED:	26

SITE PLAN REVIEW / APPROVAL

REGIONAL VICE PRESIDENT	DATE
AREA MANAGER	DATE
REGIONAL DIR. OF REAL ESTATE	DATE
REGIONAL DIR. OF CONSTRUCTION	DATE
DISTRIBUTION MANAGER	DATE

Freiheit Architects
 ARCHITECTS

8130 BALBOA AVENUE
 SAN DIEGO, CA 92123

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dates

RELEASE: 2/27/2008
 P.M./JOB ONLY: _____
 PERMIT: _____
 BID: _____
 CONSTRUCTION: _____

revisions

△ _____
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 △ _____

FREIHEIT & HO
 ARCHITECTS, INC., P.S.

site information

MR. TYPE: 08/20/68
 JOB #: PROTOTYPE
 ADDRESS:
 BIRCH BAY SQUARE
 BIRCH BAY, WASHINGTON
 DRAWN BY: JLS
 SCALE: 1" = 20'

SITE PLAN

SD1.0



I. OVERVIEW

A. DECISION LOGIC

The proposed site is located within the redeveloped Birch Bay Square at the intersection of Lynden Road and Interstate 5 in Birch Bay, WA. The owners of the shopping center are currently underway with a \$13 million renovation of the center. The center was once a successful Outlet Mall, but due to strong competition from the outlet mall in Burlington and Marysville, its traffic has declined and repositioning the center was needed. Currently, there is a leakage in the trade area in nearly 79% of the potential retail sales. These are dollars that are currently available and are going to quick service restaurants outside of the trade area. The anchor for the first phase is a specialty grocery store (Scott's Market Place). The center will be tenanted by specialty retailers and daily needs. The first phase includes an office building occupied by Windermere Real Estate, a stand alone Starbuck's, and a Bob's Buger and Brew. The second phase will likely have some big box retailers and has been approved for a multiscreen theater. This center is the first shopping center south of the Canadian Border and should do well in capturing tourist traffic as well as daily need shoppers. The projected opening date for this project is Quarter 4, FY 07.

Birch Bay is a popular recreation area serving northern Washington State. It is an area popular for camping, boating, hiking, fishing, and beachcombing. There is local and regional art and music festivals occurring in the Birch Bay area. Outside of the recreational opportunities, the bulk of the Birch Bay area is rural in nature where agriculture is the primary activity. There are a considerable number of summer homes and rentals surrounding Birch Bay. The area is utilized quite heavily in the summer months and reverts to a quiet beach front bay in the off season. The weekends are considerably busier due to the amount of people from Washington and Canada taking advantage of the recreational opportunities in the area.

Additionally, the traffic that is generated throughout the year by travelers to and from Vancouver BC and the United States is constant and growing each year. This shopping center provides the travelers from Canada the first stop in the United States or the last stop if traveling to Canada. With tenants like Scott's Market, a freestanding Starbucks and Bob's Burger & Brew the Center will very quickly have the distinction of a "destination" shopping center. The architecture of the center along with the tenants will provide great appeal.

To the north of the site approximately 5 miles is the border town of Blaine. This area is mostly rural residential and farmland.

To the south along I-5 and approximately 7 miles is the town of Ferndale. This area is made of light industrial and rural residential.

To the west is the town of Birch Bay and is predominantly residential and recreational housing.

The residential population within a one mile radius is 570 and 1,885 within a two mile radius. The employment population within a one mile radius is 330 and 829 within a two mile radius.

Median income for the market is \$58,610.



B. SIGNAGE & VISIBILITY

The signage for the site is regulated by Whatcom County. Based on past approvals it appears that freeway pole signs will not be a problem getting approved. A 40 foot sign would provide us great visibility from both directions from both north and south bound lanes on I-5. Because the site is situated along Interstate 5 with no obstructions the building will be in plain view of north and south bound traffic. Freeway signs (trailblazers) are also available. The signage will include: 1 - 10' x 10', 40 foot high Freeway Sign, 3 - 5' x 5' wall signs, and the standard menu board package is approved with 4 directional signs.

Visibility of the building from Birch Bay/Lynden road is limited; however, the 40' pole sign will provide great visibility.

C. TRAFFIC AND ACCESS

Interstate 5 is a major freeway that runs from California to the Canadian Border. It is the primary traffic thoroughfare in the western portion of Washington. Interstate 5 is the major traffic artery for Canadian traffic into the United States from Vancouver and western Canada. Many Canadians use Interstate 5 to facilitate their "cross-border shopping", taking advantage of the price and selection of goods and services in the United States. At this site, Interstate 5 is a four-lane, two-way freeway that carries approximately 26,047 vehicles per day (Washington DOT - May, 2006) at a speed of 70mph.

Birch Bay Lynden Road is a two-way, two lane rural road that runs east and west joining Lynden, approximately 9 miles to the east of I-5, and Birch Bay, approximately 4 miles to the west of I-5. The Birch Bay Lynden interchange is the primary exit for the Birch Bay recreational area off of Interstate 5. At the site, Birch Bay Lynden Road carries approximately 13,549 vehicles per day a speed of 35 mph.(City of Birch Bay, 2005)

Access to the site is good. After leaving the freeway, travelers find themselves on Birch Bay Lynden Road and facing a right-in and right-out approach to the Birch Bay Square complex. This entry leads to the mall and then directs drivers through one of two "entry breaks" in the buildings to get to the main parking lot and the location of the new Jack In The Box. Leaving the site motorist must exit on to Birch Bay Lynden Road going west and then turning around and heading back to the east to get on the freeway. Or, the motorists can proceed back behind the square and exit on to Portal Way, the to Birch Bay Lynden Road and then to the freeway.



DEMOGRAPHICS

	1 MILE RING 3.14 SQ/MI	2 MILE RING 12.56 SQ/MI	3 MILE RING 28.27 SQ/MI
2005 Total Population	570	1,885	4,203
% Population Change 2005-2010	13.16%	12.31%	12.49%
2005 Total Daytime Population	599	1,539	3,573
2005 Total Daytime Work Population	330	829	1,681
% 2005 White Population	92.64%	92.63%	92.67%
% 2005 Black Population	0.53%	0.53%	0.55%
% 2005 Other Population	6.83%	6.84%	6.78%
% 2005 Hispanic Population	5.08%	5.15%	5.14%
% 2005 Non-Hispanic Population	94.92%	94.85%	94.86%
2005 Average Household Income	\$75,070	\$72,331	\$73,343
2005 Median Household Income	\$58,610	\$57,367	\$57,104
% 2005 Household Income < \$50,000	42.51%	43.79%	43.86%
% 2005 Household Income \$50,000 - \$75,000	28.50%	28.25%	28.33%
% 2005 Household Income > \$75,000	28.99%	27.96%	27.81%
% 2005 Total Owner Occupied Housing Units	84.02%	83.87%	83.08%
% 2005 Total Renter Occupied Housing Units	15.98%	16.13%	16.92%
% 2005 White Collar Occupations	45.39%	44.58%	45.75%
% 2005 Blue Collar Occupations	54.61%	55.42%	54.25%
% 2005 High School Graduate (Incl Equivalency)	34.84%	36.09%	35.00%
% 2005 Post HS Education	49.47%	48.52%	49.61%
2005 Median Age Total Population	37.13	37.01	37.11
2005 Target Pop	203	675	1,503