

W. 14. c.



Lane County

LAND MANAGEMENT DIVISION
125 EAST 8TH AVENUE
EUGENE, OREGON 97401
PHONE: 541-682-3823
FAX: 541-682-3947

AGENDA COVER MEMO

MEMO DATE: April 11, 2006

AGENDA DATE: April 19, 2006

TO: BOARD OF COUNTY COMMISSIONERS

FROM: BILL VANVACTOR, COUNTY ADMINISTRATOR
KENT HOWE, PLANNING DIRECTOR

RE: In the Matter of Considering a Ballot Measure 37 Claim and Deciding Whether to Modify, Remove or Not Apply Restrictive Land Use Regulations in Lieu of Providing Just Compensation (PA 05-6234, CBM Family LLC)

I. MOTION

Move to approve the claim and adopt the order attached as Exhibit "A".

II. ISSUE OR PROBLEM

Shall the Board of County Commissioners compensate an applicant under Ballot Measure 37 and LC 2.700 through 2.770 for the reduction in fair market value of the affected property interest resulting from enactment or enforcement of restrictive land use regulations or modify, remove, or discontinue application of those land use regulations to the subject property to allow the CBM Family LLC to use the property as allowed at the time the property was acquired?

III. DISCUSSION

A. Background

Applicant: Ross and Corrine Murry

Current Owner: CBM Family LLC

Agent: Dennis Bottem

Legal Description of Property: 18-05-08 #604 and #605

Acreage: 120 acres

Current Zoning: E40 (Exclusive Farm Use)

Date Property Acquired: April 25, 2002

Date claim submitted: August 23, 2005 (The applicant submitted a timeline waiver on January 17, 2006. The new 180 day deadline is April 8, 2006.)

Land Use Regulations in Effect at Date of Murry Family Acquisition: Unzoned.

County land use regulation which restricts the use and reduces the fair market value of claimant's property: LC 16.212 E40 (Exclusive Farm Use) zone

B. Specific Relief Sought:

On August 23, 2005, Dennis Bottem submitted a Measure 37 Claim on behalf of the CBM Family LLC. The applicant has requested compensation, or a waiver of the E40 (Exclusive Farm Use) zone regulations that prohibit the division of the property into 10 acre lots and development of a single family dwelling on each lot.

C. Lane Code Submittal Requirements

The applicant has paid the processing fee and submitted evidence in support of the claim. This evidence includes an appraisal, a title report and several deeds.

D. Analysis

The property is currently owned by CBM Family LLC. The property is zoned E40 and the minimum size for new lots is 40 acres. The applicant has stated a desire to divide the property into 4 lots, but the appraisal provides the estimated value of dividing the 110 acre property into ten-acre lots. Based on the County Administrator's interpretation, it appears the Murry family has an ownership interest in the LLC and that gives the LLC the ability to trace a reduction in value to the date the Murry family acquired an interest in the property. However, the regulations can only be waived to the date the current owner acquired the property. Because of this, the property cannot be divided into ten-acre lots.

Restrictive Land Use Regulation.

Ross and Corrine Murry acquired an interest in the property on August 27, 1974 when they signed a Memorandum of Agreement to purchase the property. On that date, the property was unzoned. Sometime after that date, the property was acquired by the Corrine Family LLC, but no evidence was submitted that states when that occurred. The name of this LLC was changed to CBM Family LLC, as evidenced by the application for Amendment/Dissolution-Limited Liability Company, filed with the Secretary of State on March 22, 2002. The property was conveyed to the CBM Family LLC on April 25, 2002, as evidenced by Bargain and Sale Deed #2002-32926.

According to ORS 63.239, the members of the LLC have no interest in specific LLC property. Because of this, the LLC is a new owner. It appears the Murry family has an ownership interest in the LLC. If so, the chain of family ownership appears to be intact and the current owner can trace a reduction in value from the date the Murry family acquired an interest in the property.

The Board must decide if it agrees with this interpretation regarding the chain of family ownership and the status of the LLC as a new owner. If so, and a reduction in value is

demonstrated, the Board can waive the restrictive land use regulations to allow the CBM Family LLC to use the property as could have been allowed on April 25, 2002. However, this will not allow the creation of 10 acre lots. When the CBM Family LLC acquired the property, it was zoned E40, the minimum parcel size was 40 acres and a new dwelling required a special use permit.

Reduction in Fair Market Value

The applicant has submitted an appraisal by a certified real estate appraiser. The applicant wishes to divide the property into lots containing 10 acres and place a dwelling on each lot. According to the appraisal, a ten-acre lot could be worth \$225,000. The Board will need to determine if this evidence demonstrates a reduction in fair market value.

Exempt Regulations

The E40 minimum parcel size and the requirement for a special use permit for a dwelling do not appear to be exempt regulations described in Measure 37 or LC 2.710.

E. Conclusion/County Administrator Recommendation

If the Board agrees with the interpretation regarding the chain of family ownership and the status of the LLC as a new owner, and the applicant has demonstrated a reduction in fair market value, the County Administrator recommends the Board approve the claim.

IV. ALTERNATIVES/OPTIONS

The Board has these options:

1. Determine the application appears valid and adopt the order attached to this report.
2. Conclude the application is not valid and deny the claim.
3. Request additional information from the applicant.

V. RECOMMENDATION

The County Administrator recommends alternative #1.

VI. ATTACHMENTS

Exhibit "A": Draft order to approve the claim.

Only a portion of the entire submittal attached to this cover memo. The entire submittal is located in the County Commissioner's office in a binder labeled "CBM Family LLC Measure 37 Claim, PA05-6234". Attached to this cover memo is:

1. Application form.
2. Title report dated August 19, 2005.
3. Bargain and Sale Deed dated April 25, 2002.
4. Memorandum of Agreement dated August 27, 1974.
5. One page of the comments from Ron Lenn received on March 13, 2006.

**BEFORE THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY,
OREGON**

ORDER No.) IN THE MATTER OF CONSIDERING A BALLOT
) MEASURE 37 CLAIM AND DECIDING
) WHETHER TO MODIFY, REMOVE OR NOT
) APPLY RESTRICTIVE LAND USE
) REGULATIONS IN LIEU OF PROVIDING JUST
) COMPENSATION (CBM Family LLC/
) PA05-6234)

WHEREAS, the voters of the State of Oregon passed Ballot Measure 37 on November 2, 2004, which added provisions to Oregon Revised Statutes (ORS) Chapter 197 to require, under certain circumstances, payment to landowners if a government land use regulation restricts the use of private real property and has the effect of reducing the property value; and

WHEREAS, the Board of County Commissioners of Lane County enacted Ordinance No. 18-04 on December 1, 2004, to establish a real property compensation claim application process in LC 2.700 through 2.770 for Ballot Measure 37 claims; and

WHEREAS, the County Administrator has reviewed an application for a Measure 37 claim submitted by Dennis Bottem on behalf of the CBM Family LLC (PA05-6234), the owner of real property specifically described in the records of the Lane County Assessor as map18-05-08, tax lots #604 and #605, consisting of approximately 110 acres in Lane County, Oregon; and

WHEREAS, the County Administrator has determined that the application appears to meet all of the criteria of LC 2.740(1)(a)-(d), appears to be eligible for just compensation and appears to require modification, removal or not applying the restrictive land use regulations in lieu of payment of just compensation and has referred the application to the Board for public hearing and confirmation that the application qualifies for further action under Measure 37 and LC 2.700 through 2.770; and

WHEREAS, the County Administrator has determined under LC 2.740(4) that modification, removal or not applying the restrictive land use regulation is necessary to avoid owner entitlement to just compensation under Ballot Measure 37 and made that recommendation to the Board; and

WHEREAS, the Board has reviewed the evidence and confirmed the application appears to qualify for compensation under Measure 37 but Lane County has not appropriated funds for compensation for Measure 37 claims and has no funds available for this purpose; and

WHEREAS, on April 19, 2006, the Board conducted a public hearing on the Measure 37 claim (PA05-6234) of CBM Family LLC and has now determined that the restrictive E40 (Exclusive Farm Use) zone dwelling and land division requirements of LC 16.212 were enforced and made applicable to prevent the Murry family from developing the property as might have been allowed at the time it was acquired an interest in the property on August 27, 1974, and that the public benefit from application of the current E40 dwelling and division land use regulations to the applicants' property is outweighed by the public burden of paying just compensation; and

WHEREAS, CBM Family LLC requests either \$4,275,000 as compensation for the reduction in value of its property, or waiver of the restrictive land use regulations that have been enforced or made applicable to the property since the CBM Family LLC acquired the property on April 25, 2002; and

WHEREAS, the Board finds that under LC 2.760(3) the public interest would be better served by modifying, removing or not applying the challenged land use regulations of the E40 zone to the subject property in the manner and for the reasons stated in the report and recommendation of the County Administrator incorporated here by this reference except as explicitly revised here to reflect Board deliberation and action to allow CBM Family LLC to make application for development of the subject property in a manner similar to what it could have been able to do under the regulations in effect when it acquired the property; and

WHEREAS, this matter having been fully considered by the Lane County Board of Commissioners.

NOW, THEREFORE IT IS HEREBY ORDERED that the applicant CBM Family LLC made a valid claim under Ballot Measure 37 by describing the use being sought, identifying the county land use regulations prohibiting that use, submitting evidence that those land use regulations have the effect of reducing the value of the property, showing evidence that the Murry family acquired the property before the restrictive county land use regulations were enacted or enforced, and the Murry family continues to maintain an interest in the CBM Family LLC, and the Board hereby elects not to pay just compensation but in lieu of payment, the request of CBM Family LLC shall be granted and the restrictive provisions of LC 16.212 that have been enacted since April 25, 2002, that limit the development of the property, shall not apply to CBM Family LLC, so that it can make application for approval to develop the property specifically described in the records of the Lane County Assessor as map 18-05-08, tax lots 604 and 605, in a manner consistent with the land use regulations in effect when it acquired the property on April 25, 2002.

IT IS HEREBY FURTHER ORDERED that CBM Family LLC still will need to make application and receive approval of any division of the property or placement of a dwelling under the other land use regulations applicable to dividing the property or placing a dwelling that were not specifically identified or established by CBM Family LLC as restricting the division of the property or placement of a dwelling, and it would be premature to not apply those regulations given the available evidence. To the extent necessary to effectuate the Board action to not apply the dwelling or division restrictions of the applicable zone described above, the claimant shall submit appropriate applications for review and approval of land divisions and any new dwellings to show the specific development proposals and in the event additional county land use regulations result in a restriction of those uses that have the effect of reducing the fair market value of the property, the County Administrator shall have the authority to determine those restrictive county land use regulations that will not apply to that development proposal to preclude entitlement to just compensation under Measure 37. All other Lane Code land use and development regulations shall remain applicable to the subject property until such time as they are shown to be restrictive and that those restrictions reduce the fair market value of the subject property.

IT IS HEREBY FURTHER ORDERED that this action making certain Lane Code provisions inapplicable to use of the property by CBM Family LLC does not constitute a waiver or modification of state land use regulations and does not authorize immediate division of the subject property or immediate construction of a dwelling. The requirements of state law may contain specific standards regulating development of the subject property and the applicants should contact the Department of Administrative Services (DAS - State Services Division, Risk Management - Measure 37 Unit, 1225 Ferry Street SE, U160, Salem, OR 97301-4292; Telephone: (503) 373-7475; website address: <http://www.oregon.gov/DAS/Risk/M37.shtml>) and have the State of Oregon evaluate a Measure 37 claim and provide evidence of final state action before seeking county land use approval.

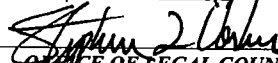
IT IS HEREBY FURTHER ORDERED that the other county land use regulations and rules that still apply to the property require that land use, sanitation and building permits be approved by Lane County before any development can proceed. Notice of this decision shall be recorded in the county deed records. This order shall be effective and in effect as described in LC 2.770 and Ballot Measure 37 to the extent permitted by law. This order does not resolve several questions about the effect and application of Measure 37, including the question of whether the right of applicants to divide or build dwellings can be transferred to another owner. If the ruling of the Marion County Circuit Court in *MacPherson v. Dept. of Administrative Services*, (Marion County Circ. Ct. Case No. 00C15769, October 14, 2005) or any other court decision involving Ballot Measure 37 becomes final and that decision or any subsequent court decision has application to Lane County in a manner that affects the authority of this Board to grant relief under Ballot Measure 37 and LC 2.700 through 2.770 then the validity and effectiveness of this Order shall be governed by LC 2.770 and the ruling of the court.

DATED this _____ day of _____, 2006.

Bill Dwyer, Chair
Lane County Board of County Commissioners

APPROVED AS TO FORM

Date 4-12-2006 Lane County



OFFICE OF LEGAL COUNSEL

Application for Claims Under LC 2.700 through 2.770

Due to Regulatory Reduction of Property Value Under Provisions Added to ORS Chapter 197 by BM37

Note: This completed form together with the referenced supporting documentation and application fee must be submitted to the Lane County Land Management Division, 125 East 8th Avenue, Eugene, Dr., 97401 for all claims subject to the provisions added to ORS Chapter 197 by Ballot Measure 37 (November 2,2004), to be considered for compensation under LC 2.700 through 2.770. In all cases, the applicant has the burden of demonstrating, with competent evidence, that all applicable criteria are met and the applicant would be entitled to compensation if the land use regulation continues to apply. Use additional paper, if necessary.

1. Applicant/ Agent

<u>Dennis Bottem</u>	<u>86724 Central Rd, Eugene, OR 97402</u>	<u>Wk- (541) 684-4639/ Hm -954-8665</u>
Applicant Name (Please Print)	Mailing Address	Phone

<u>Same as above</u>		
Agent Name (Please Print)	Mailing Address	Phone

2. Property Owner

Please provide the Name, Mailing Address and telephone number of all property owners of record holding interest in the property that is the subject of this application. Include a complete listing of all lien holders, trustees, renters, lessees or anyone with an interest in the property and describe the ownership interest.

<u>CBM Family LLC</u>	<u>86724 Central Rd, Eugene, OR 97402</u>	<u>541-954-8665</u>
Property Owner Name (Please Print)	Mailing Address	Phone

<u>Ross & Corinne Murry</u>		
Property Owner Name (Please Print)	Mailing Address	Phone

3. Legal Description

Please provide an accurate legal description, tax account number(s), map, street address and location of all private real properties that are the subject of this application.

Assessor Map & Tax Lot 18-05-08-00, Tax Lots 604 and 605

Street Address 86722 Central Road, Eugene, OR Legal Description Attached X

4. Identification of Imposed Land Use Regulation

Please identify the Lane Code section or other land use regulation imposed on the private real property that is alleged to restrict the use of the subject property in a manner that reduces the fair market value. Include the date the regulation was first adopted, enforced or applied to the subject property and a written statement addressing all the criteria in LC 2.7 40(1).

LC 16.212, Lane County Rural Comprehensive Plan Goal 3 Policies, LC 13.005, and 13.050(1)-(2)

These regulations were first adopted and applied to the subject property on March 30, 1984.

See CBM Family LLC Attachment 3, James A. Mann LLC History of L. C. Land Use Regulations Report

5. Title Report

Please attach a Preliminary Title Report showing title history and continuous ownership traced to the earliest family member ownership, the date of current owner(s) acquisition and all current interests of record for the subject property, issued within 30 days of the application submittal. Provide copies of relevant deeds.

See CBM Family LLC Attachment 1, Western Pioneer Title Co. of Lane County Preliminary Title Report

& CBM Family LLC Attachment 2, "CBM FAMILY LLC" REGIST. & OPERATING AGREEMENT

6. Appraisal/Regulatory Effect

Please provide one original, signed appraisal prepared by an appraiser licensed by the Appraiser Certification and Licensure Board of the State of Oregon addressing the requirements of provisions added to ORS Chapter 197 by Ballot Measure 37 (November 2,2004) and indicating the amount of the alleged reduction in fair market value by showing the difference in the fair market value of the property before and after the application of the challenged regulations as of the date the owner makes written demand for compensation. Include all of the supporting methodology, assumptions and calculations affecting the appraisal.

See CBM Family LLC Attachment 4, Pohl & Associates Inc. Appraisals of the Subject Property

Before the challenged regulations the estimated market value is "\$225,000 each ten acres" or 19 x

\$225,000 = \$4,275,000. After the challenged regulations the estimated market value is \$284,500.

7. Leases, Covenants, Conditions and Restrictions

Please provide copies of any leases or covenants, conditions and restrictions applicable to the subject property.

See CBM Family LLC Attachment 1, Western Pioneer Title Co. of Lane County Preliminary Title Report

8. Identification of Relief Sought

Please specifically indicate what relief is being sought, either a monetary value of the claim describing the reduction in fair market value of the property or the specific use authorization sought in any waiver of the land use regulation.

The relief sought is a waiver of the regulations, mentioned in 4., above, and the ability to divide the subject property into four parcels and to have a dwelling and accessory residential, farm and forest structures and uses on each parcel.

I (we) have completed all of the attached application requirements and certify that all statements are true and accurate to the best of my (our) knowledge and belief. I am (We are) authorized to submit this application on behalf of all those with an interest in the property and all the owner(s) agree to this claim as evidenced by the signature of those owner(s) below. Include additional signatures, as necessary.

Entry by County or its designee upon the subject property is authorized by the owner(s) and the owner(s) consent to the application for claims under provisions added to ORS Chapter 197 by Ballot Measure 37 (November 2, 2004).

CBM FAMILY LLC by: *Cristina Murray*

Don Murray
Owner(s) Signature

8-22-2005
Date

Cristina Murray

[Signature]
Applicant/Agent Signature

8-22-2005
Date

The following contacts are provided to assist you in finding the necessary information for this application.
For zoning and land use information, please contact the Land Management Division at 682-3577.
This phone contact is a message line. Please leave a message and a Planner will return your call.
For deeds and records information, please contact Lane County Deeds and Records at 682-3654.

August 22, 2005

Lane County Board of Commissioners
Lane County Public Service Building/Courthouse
125 East 8th Ave.
Eugene, OR 97401

Re: BM37 Application of CBM Family LLC
Map 18-05-08 Tax Lots 604 and 605, Referred to as "The Ross Ranch"

Dear Commissioners,

My name is Dennis Bottem. I represent the CBM Family LLC in this application. On August 27, 1974, Ross and Corinne Murry purchased this property, referenced above and referred to as "The Ross Ranch", by a land sales contract and have continuously owned it since that time. Ross and Corinne Murry are members of the CBM Family LLC that now owns The Ross Ranch. The Ross Ranch contains a total of approximately 196 acres and is located off of Central Road, about three miles south of Fern Ridge Reservoir and about five and a half miles west of Eugene.

The Ross Ranch was not zoned or under the jurisdiction of an adopted comprehensive plan when Ross and Corinne Murry purchased it on August 27, 1974. On August 27, 1974, use and development of The Ross Ranch would have been subject to compliance with the minimal requirements in Lane Code including LC 9.700-.765 for unzoned areas. The Ross Ranch is now designated by the Lane County Rural Comprehensive Plan as "Agricultural" land, is zoned Exclusive Farm Use 40, E40, and is subject to the land use restrictions of LC 16.212.

The Ross Ranch could be divided into 19, 10 acre lots. The attached appraisal is based on that premise. However, the owners request a division into only 4 lots and will waive their Measure 37 rights to any further division. There are already 2 residences on the property, so this would only add 2 more residences, instead of 17 more residences. The owners of The Ross Ranch request in this BM37 application that the Lane County Board of Commissioners waive the current Lane County land use regulations on The Ross Ranch and that the owners have the ability to divide the Ross Ranch into four lots or parcels and to have a dwelling on each lot or parcel in accordance with the minimal requirements of Lane Code in effect on August 27, 1974. This BM37 application includes the following substantial, supporting documentation demonstrating that the application complies with LC 2.740:

- A preliminary title report and CMB Family LLC information documenting the continuous ownership of The Ross Ranch by Ross and Corinne Murry since August 27, 1974 (application Attachments 1 and 2);
- A report on the history of the applicable land use regulations applicable to The Ross Ranch from James A. Mann LLC (application Attachment 3) that identifies the challenged land use regulations that were adopted after the current owner of the property became the owner. The regulations, included in the requested waiver, are not Exempt Land Use Regulations under LC 2.710; and
- An appraisal from Pohl & Associates, Inc. (application Attachment 4) showing the estimated market value of The Ross Ranch before the challenged regulations (\$4,275,000) and the estimated market value of the Ross Ranch under today's land use regulations (\$225,000).

The enactment and implementation of BM37 establishes a sense of fairness and respect for property rights that was lost when the current Lane County land use regulations were applied to the subject property. The owner in this BM37 application is requesting the ability to create only four parcels and four dwellings (including two existing dwellings) when the request could be for more. The appraisal of \$4,275,000 is based on nineteen ten acre lots and not the four lots proposed by the owner that will result in a lower market. The approval of this BM37 application would be consistent with the spirit and letter of BM37. Therefore, I request that the Lane County Board of Commissioners approve this application.

Sincerely,



Dennis Bottem
86724 Central Road, Eugene, Oregon 97402



First American

Western Pioneer Title Company of Lane County
a division of *First American Title Insurance Co.*
600 Country Club Road
Eugene, OR 97401
Phn - (541) 484-2900
Fax - (541) 484-7321

RONALD DENTON
TITLE OFFICER
radenton@firstam.com

C B M Family, LLC
86724 Central Road
Eugene, OR 97402

Order No.: 7199-619193
August 19, 2005

Attn: Dennis Bottom
Phone No.: (541) 684-4639 - Fax No.: (541) 684-4720
Email: dennis@mbmgroupllc.com

Re:

1st Supplemental Preliminary Title Report

ALTA Owners Standard Coverage	Liability \$	225.00	Premium \$
ALTA Owners Extended Coverage	Liability \$		Premium \$
ALTA Lenders Standard Coverage	Liability \$		Premium \$
ALTA Lenders Extended Coverage	Liability \$		Premium \$
Endorsement			Premium \$
Govt Service Charge			Cost \$
Other			Cost \$

We are prepared to Issue Title Insurance Policy or Policies in the form and amount shown above, Insuring title to the following described land:

The land referred to in this report is described in Exhibit A attached hereto.

and as of August 11, 2005 at 8:00 a.m., title vested in:

Ross Murry and Corinne Murry, as their interests may appear, as to Parcel I and CBM Family LLC, an Oregon Limited Liability Company, as to Parcel II

Subject to the exceptions, exclusions, and stipulations which are ordinarily part of such Policy form and the following:

1. Taxes for the fiscal year 2005-2006 a lien due, but not yet payable.
2. The assessment roll and the tax roll disclose that the within described premises were specially zoned or classified for Farm use. If the land has become or becomes disqualified for such use under the statute, an additional tax or penalty may be imposed.

This report is for the exclusive use of the parties herein shown and is preliminary to the issuance of a title insurance policy and shall become void unless a policy is issued, and the full premium paid.

3. Easement, including terms and provisions contained therein:
Recording Information: November 19, 1979, Reception No. 7969066
In Favor of: Lane Electric Cooperative, Inc., a cooperative association
For: Right-of-way - Electric line
4. Easement, including terms and provisions contained therein: Ross Murry and Corinne Murry Ingress, egress and utilities
Recording Information: November 19, 1979, Reception No. 7969066
5. Grant of Easement and Maintenance Agreement, including terms and provisions thereof.
Recorded: May 06, 1986, Reception No. 8616827
6. Grant of Easement and Maintenance Agreement, including terms and provisions thereof.
Recorded: May 06, 1986, Reception No. 8616828
7. Grant of Easement and Maintenance Agreement, including terms and provisions thereof.
Recorded: May 06, 1986, Reception No. 8616829
8. Grant of Easement and Maintenance Agreement, including terms and provisions thereof.
Recorded: May 06, 1986, Reception No. 8616831
9. Quick Start Agreement, including terms and provisions thereof.
Recorded: October 20, 1995, Reception No. 9559538
10. Restrictions shown on the recorded plat/partition of Partition Plat 94-P0611.

- END OF EXCEPTIONS -

NOTE: Taxes for the year 2004-2005 PAID IN FULL

Tax Amount: \$59.89
Map No.: 1805080000601
Property ID: 0746469
Tax Code No.: 02800
(Parcel I)

NOTE: Taxes for the year 2004-2005 PAID IN FULL

Tax Amount: \$7,825.67
Map No.: 1805080000601
Property ID: 0746477
Tax Code No.: 02802
(Parcel I)

NOTE: Taxes for the year 2004-2005 PAID IN FULL

Tax Amount: \$769.05
Map No.: 1805080000601
Property ID: 4222970
Tax Code No.: 02802
(Mobile Home)

NOTE: Taxes for the year 2004-2005 PAID IN FULL

Tax Amount: 42.63
Map No.: 1805080000604
Property ID: 1546488
Tax Code No.: 02800
(Parcel II)

NOTE: Taxes for the year 2004-2005 PAID IN FULL

Tax Amount: 90.85
Map No.: 1805080000605
Property ID: 1546496
Tax Code No.: 02800
(Parcel II)

NOTE: Taxes for the year 2004-2005 PAID IN FULL

Tax Amount: \$271.05
Map No.: 1805080000605
Property ID: 1546504
Tax Code No.: 02802
(Parcel II)

NOTE: Taxes for the year 2004-2005 PAID IN FULL

Tax Amount: \$108.21
Map No.: 1805080000605
Property ID: 4133201
Tax Code No.: 02802
(Mobile Home)

Situs Address as disclosed on Lane County Tax Roll:

86726 Central Road, Eugene, OR 97402

**THANK YOU FOR CHOOSING FIRST AMERICAN TITLE!
WE KNOW YOU HAVE A CHOICE!**

cc:

cc: Ross Murry and Corinne Murry



First American Title Insurance Company of Oregon

SCHEDULE OF EXCLUSIONS FROM COVERAGE

ALTA LOAN POLICY (10/17/92)

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy;
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims, or other matters:
 - (a) created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material or the extent insurance is afforded herein as to assessments for street improvements under construction or completed at date of policy); or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable "doing business" laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any statutory lien for services, labor or materials (or the claim of priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance.
7. Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
 - (i) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or
 - (ii) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable subordination; or
 - (iii) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (a) to timely record the instrument of transfer; or
 - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

ALTA OWNER'S POLICY (10/17/92)

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims, or other matters:
 - (a) created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
 - (i) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
 - (ii) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (a) to timely record the instrument of transfer; or
 - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

SCHEDULE OF STANDARD EXCEPTIONS

The ALTA standard policy form will contain in Schedule B the following standard exceptions to coverage:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records; proceeding by a public agency which may result in taxes or assessments, or notice of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
3. Easements, claims of easement or encumbrances which are not shown by the public records, unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
4. Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the public records.
5. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose.

NOTE: A SPECIMEN COPY OF THE POLICY FORM (OR FORMS) WILL BE FURNISHED UPON REQUEST

TI 149 Rev. 5-99

Exhibit "A"

Real property in the County of Lane, State of Oregon, described as follows:

Parcel I:

Government Lot 3 In Section 8, Township 18 South, Range 5 West of the Willamette Meridian, In Lane County, Oregon.

Parcel II:

Parcels 1 and 2, Land Partition Plat No. 94-P0611, filed December 6, 1994, Lane County Oregon Partition Plat Records, In Lane County, Oregon.

Tax Parcel Number: 0746469, 0746477, 4222970, 1546488, 1546496, 1546504 and 4133201



00288392200200329250020020

04/26/2002 01:30:55 PM

RPR-DEED Cnt=1 Stn=8 CASHIER 08
\$10.00 \$11.00 \$10.00

31

After recording, return to:
Arnold Gallagher Saydack
Percell Roberts & Potter
800 Willamette Street, Suite 800
Eugene, Oregon 97401

Until a change is requested,
mail all tax statements to:
CBM Family LLC
3610 Goodpasture Loop
Eugene, Oregon 97401

BARGAIN AND SALE DEED

ROSS MURRY and CORINNE MURRY, husband and wife, Grantors, convey to CBM FAMILY LLC, an Oregon limited liability company, Grantee, the following-described real property:

Parcels 1 and 2, Land Partition Plat No. 94-P0611, filed December 6, 1994, Lane County, Oregon.

Together with any interest of the above-described property in an easement appurtenant to the above-described property granted by deed recorded on July 5, 1990, at Reel 1641R, Reception No. 9031556, Lane County Official Records.

The true consideration for this conveyance is other property or value given.

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930.

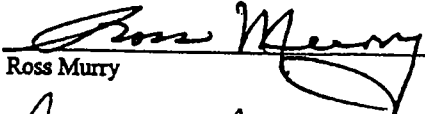
THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS, WHICH, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND WHICH LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930 IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON

1-BARGAIN AND SALE DEED

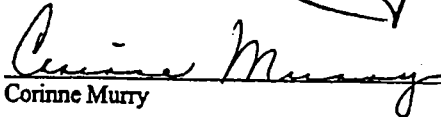
NAK - OMurry, Ross 15011\Corky's LLC 15011-1Bargain and Sale Deed (Partition) to LLC.wpd

ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES AND EXISTENCE OF FIRE PROTECTION FOR STRUCTURES.

DATED: April 25, 2002.



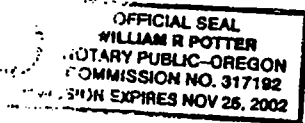
Ross Murry




Corinne Murry

STATE OF OREGON)
) ss.
COUNTY OF LANE)

This instrument was acknowledged before me on April 25, 2002, by Ross Murry and Corinne Murry.





Notary Public for Oregon
My commission expires: 11-25-02

2-BARGAIN AND SALE DEED

601

18-5-8

601

7439440

MEMORANDUM OF AGREEMENT

By instrument in writing dated the 27th day of August, 1974, N. E. RITCHEY and BIRDIE G. RITCHEY, husband and wife, VENDOR, sold on written Land Sale Contract to ROSS MURRY and CORRINE MURRY, husband and wife, PURCHASER, the following described real property:

The Southwest quarter of the Northwest quarter; the Northwest quarter of the Southeast quarter; the North half of the Southwest quarter, and Government Lots 2, 3 and 4 of section 8, Township 18 South, Range 5 West of the Willamette Meridian;

EXCEPTING from said Lot 4 the following described portion:

Beginning at a point on the South line of Section 8, Township 18 South, Range 5 West of the Willamette Meridian, at a point 2042 feet West of the Southeast corner thereof and run thence East along said South Line 722 feet to the Southeast corner of Lot 4 of said section; thence North 1320 feet along the East line of said Lot 4 to the Northeast corner thereof; thence South 87° 30' West 593 feet along an existing fence to a fence corner North 5° 45' East of the point of beginning; thence South 5° 45' West 1300 feet, more or less, along an existing fence to the point of beginning in Lane County, Oregon;

ALSO EXCEPTING rights of the public in and to any portion thereof lying within the bounds of a county road.

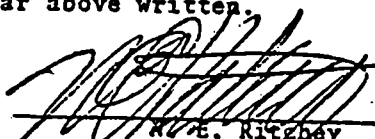
Together with an easement appurtenant to the above described premises over and through the South 20 feet of that portion of Lot 4 lying East of the above parcel and over and through the South 20 feet of the Southeast 1/4 of the Southeast 1/4

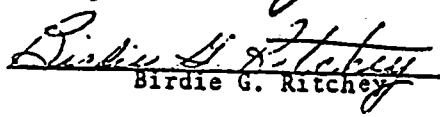
7439440

in Section 8, Township 18 South, Range 5 West of the Willamette Meridian.

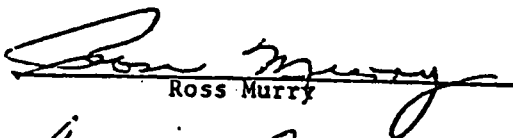
This Memorandum is executed to evidence and confirm the Contract referred to above, and give notice of Purchaser's interest therein. The actual consideration consists of other property which is a part of the consideration.

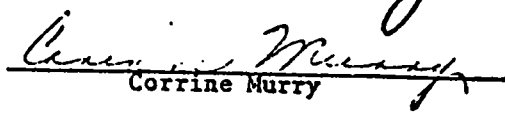
IN WITNESS WHEREOF, this Memorandum has been executed in duplicate the day and year above written.


N. E. Ritchey


Birdie G. Ritchey

VENDOR


Ross Murry


Corrine Murry

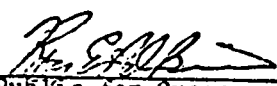
PURCHASER

STATE OF OREGON)
County of Lane) ss.

August 22, 1974

Personally appeared the above named N. E. RITCHEY and BIRDIE G. RITCHEY and acknowledged the foregoing instrument to be their voluntary act and deed.

Before me:


Notary Public for Oregon
My Commission Expires: 3-19-78

3.9.2006

MAR 13 REC'D

C.C. Bill Dwyer

Dear Mr. Hopkins:

This is regarding the Measure 37 Request for
Tax Lots 18.05.08.00.00604 & 605.

First, in the notification letter we received from the County it mentions the owners want 10 lots. In reviewing the actual request from the owners, they are requesting a total of 4 lots. The County would be authorizing 6 more lots than are requested; please review this error.

Second, lot 605 was undergoing a compliance review at the time of the M37 application filing. The issue of an unlawfully placed trailer (by 1976 standards as well as 2006 standards) should not be rectified by a M37 ruling. It is our understanding that M37 returns some property rights to owners but does not allow them to break the rules. Frederique Chateau-Gruener worked on this file. Enclosed by her cards and materials from the file.

Third, as M37 rules regarding continuous ownership are murky. Please review ownership history of lots 604 & 605. Suggest you review transfer of ownership and ownership history of CBM LLC and Corrine Family LLC. I used the State of Oregon's Business Registry Database.

Thank you for your attention to these matters.

Ron Lem