

# Lane County

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

W-16-e

## AGENDA COVER MEMO

**MEMO DATE:** January 6, 2006

**AGENDA DATE:** January 18, 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 05-6100, Bedortha )

### I. MOTION

Move to request more information from the applicant.

### 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 Milton Bedortha to use the property as allowed at the time he acquired the property?

### III. DISCUSSION

#### A. Background

**Applicant:** Milton W. Bedortha

**Current Owner:** Milton W. Bedortha and the Bedortha Family Trust

**Agent:** Norm Waterbury

**Legal Description of Property:** 20-03-34 #2300 and 21-03-03 #200

**Acreage:** 101 acres

**Current Zoning:** F2 (Impacted Forest)

**Date Property Acquired:** January 31, 1976 and May 5, 2000.

**Date claim submitted:** August 4, 2005 (180<sup>th</sup> day is February 4, 2006)

**Land Use Regulations in Effect at Date of Acquisition:** None

**County land use regulation which restricts the use and reduces the fair market value of claimant's property:** LC 16.211 F2 (Impacted Forest)

## **B. Specific Relief Sought:**

On August 4, 2005, Norm Waterbury submitted a Measure 37 Claim on behalf of Milton Bedortha. The applicant has requested compensation, or a waiver of the F2 (Impacted Forest) zone regulations that prohibit the division of the property into 8 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 his claim. This evidence includes an appraisal and a Quit Claim deed dated January 31, 1976.

## **D. Analysis**

The property is comprised of two tax parcels. It appears each parcel has a separate owner and was acquired on separate dates.

Tax parcel 21-03-03 #200 contains 63 acres and is zoned F2 (Impacted Forest). The parcel is currently owned by the Bedortha Family Trust. The deed from 1976 removed the interest that Chester and Gladys Bedortha had in this parcel and conveyed it to Milton Bedortha, subject to a pending land sales contract with Clifford and Berta Bush. It was conveyed from Bedortha to the Bedortha Family Trust on May 30, 2000. The applicant did not identify the Trust as the current owner and has not provided any information regarding the Trust. Because of this, there is insufficient evidence to determine when the current owner acquired tax parcel #200.

Tax parcel 20-03-34 #2300 contains 38 acres and is currently owned by Milton Bedortha. The deed from 1976 removed the interest that Chester and Gladys Bedortha had in this parcel and conveyed it to Milton Bedortha. This parcel has not been conveyed since 1976.

In 1976, the entire property (both tax lots) was zoned F-F 20 (Farm-Forestry 20). According to the version of the Lane Code that was applicable in 1976, one dwelling was allowed per lot, but the minimum lot size was 20 acres. Currently, the property is zoned F2 (Impacted Forest). According to LC 16.211(10), the minimum parcel size for new parcels in the F2 zone is 80 acres and a dwelling is allowed only with a special use permit.

The appraisal assumes the property can be divided into lots that contain less than twenty acres. Because of this, it is difficult to use the appraisal to show a reduction in value.

To have a valid claim against Lane County under Measure 37 and LC 2.700 through 2.770, the applicant must prove:

1. Lane County has enacted or enforced a restrictive land use regulation since the owner acquired the property, and
2. The restrictive land use regulation has the effect of reducing the fair market value of the property, and
3. The restrictive land use regulation is not an exempt regulation as defined in LC 2.710.

If a reduction in fair market value has been established, the County has two options:

- Compensate the land owner for the loss of fair market value, or
- Waive the restrictive county land use regulations. The regulations can only be waived to allow a use permitted when the current owner acquired the property.

Regarding #1, Milton Bedortha acquired parcel #2300 in 1976. At that time, the property was zoned F-F 20, the minimum lot size was 20 acres, and one dwelling was allowed per lot. The Bedortha Family Trust acquired tax parcel #200 on May 5, 2000. At that time, the property was zoned F2 (Impacted Forest). Currently, both tax parcels are zoned F2, the minimum lot size is 80 acres, and a dwelling is only allowed with a special use permit.

Regarding #2, the applicant has submitted an appraisal by a certified real estate appraiser. The applicant wishes to create eight lots ranging in size from 6 to 18 acres and place a dwelling on each lot. The appraisal assumes the property can be divided into lots that contain less than 20 acres. However, due to the 20 acre minimum, the applicant can only create a maximum of 5 lots. Because of this, it is difficult to use the appraisal as evidence of a reduction in value.

Regarding #3, the F2 (Impacted Forest) 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**

It appears there is insufficient evidence to determine if this is a valid claim. The County Administrator recommends the Board request additional information regarding the Trust and the reduction in value.

#### **IV. ALTERNATIVES/OPTIONS**

The Board has three options:

1. Determine the application appears valid and direct staff to draft an order to that effect for final Board action.
2. Require more information regarding the Trust and the reduction in value.
3. Conclude the application is not a valid claim and direct the issuance of a final written decision by the County Administrator denying the Claim.

#### **V. RECOMMENDATION**

The County Administrator recommends the Board request additional information regarding the Trust and the reduction in value.

#### **VI. ATTACHMENTS**

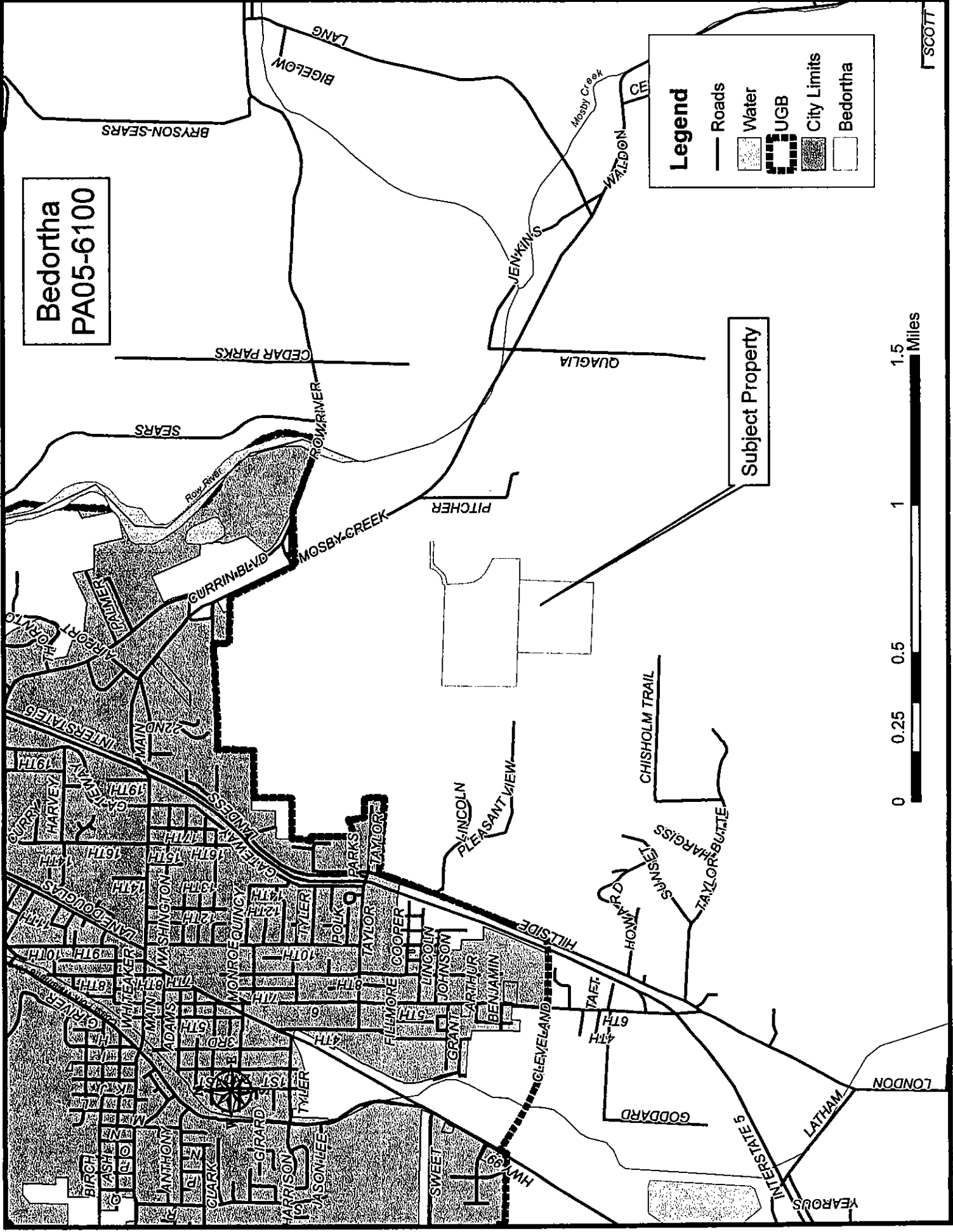
- A. Written claim and application dated August 4, 2005.
- B. Zoning map from 1976.
- C. F-F 20 Zone regulations.

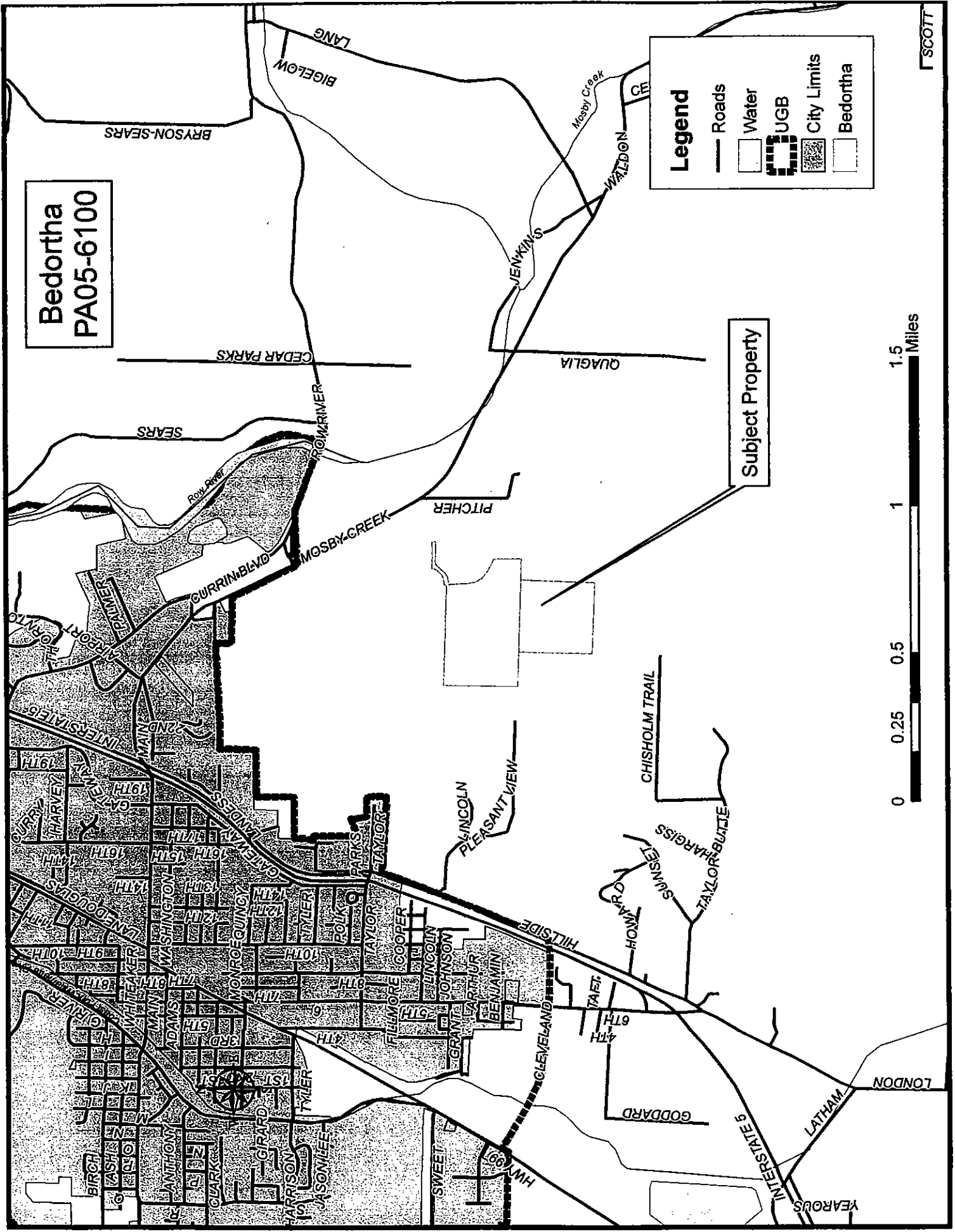
Bedortha  
PA05-6100

**Legend**

- Roads
- Water
- UGB
- City Limits
- Bedortha

Subject Property





**Bedortha**  
PA05-6100

**Legend**

- Roads
- Water
- UGB
- City Limits
- Bedortha

**Subject Property**



SCOTT

**ATTACHMENT "A"**

**Written claim and application dated August 4, 2005.**

Norman Waterbury  
28788 Gimpl Hill Rd.  
Eugene, OR 97402

Lane County Land Management Division  
125 East 8 th. Avenue  
Eugene, OR 97401

Please review the enclosed application for a claim under LC 2.7 to 2.77, (measure 37).

Materials provided are as follows with the exhibit numbers matching the measure 37 claim form format:

1. Application form.
2. Property owner
3. Legal Description
4. Land use regulations as per LC2.740(1)
5. Deed to subject property
6. Appraisal of subject property
7. Leases Covenants, Conditions and Restrictions
8. Relief Sought

Norman Waterbury

Phone Cell 541-510-3501 or office 485-8081

**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, Or., 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**

OR 97424

Milton & Bonnie BedorTha 78190 Pitcher La Cottage Grove 942-7166  
Applicant Name (Please Print) Mailing Address Phone

Norm Waterbury 28788 Gimpl Hill Rd Eug OR 510-3501  
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.

OR 97424

Milton & Bonnie BedorTha 78190 Pitcher La Cottage Grove 942-7166  
Property Owner Name (Please Print) Mailing Address Phone

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 20-03-34-00-02300

Street Address 78190 Pitcher Ln Cottage Grove Legal Description Attached VA

**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 2.740(1).

See Exhibit (B)

**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.



**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 Appraisal Documentation.

**7. Leases, Covenants, Conditions and Restrictions**

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

None

**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.

See Exhibit B

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).**

Milton W. Bedorthe

L. Bennie Bedorthe  
Owner(s) Signature

7-12-05  
Date

[Signature]

Applicant/Agent Signature

7-12-05  
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.

Norman Waterbury  
28788 Gimpl Hill Rd.  
Eugene, OR 97402

Milton & Bonnie Bedortha  
78190 Pitcher Lane  
Cottage Grove, OR 97424

Regarding the theoretical division of tax lots 20-03-24-2300 and 21-03-03-200

The following is a breakdown of the resulting acreage from the division of the above parcels.

- Lot 1. 6 Acres
- Lot 2. 7 Acres
- Lot 3. 18 Acres
- Lot 4. 14 Acres, with home.
- Lot 5. 14 Acres
- Lot 6. 13 Acres
- Lot 7. 17 Acres
- Lot 8. 16 Acres

# Well Log Query Results

**Township: 20S, Range: 03W, Section: 34, County: LANE**

Well Log	T-R-S/ Q-Q-Q	Tract	Street of Well	Owner	Company	Well Type	First Water	Completed Depth	Static Water Level	Yield	Completed Date	Received Date	Bonded Constructor	Stairmand
<u>LANE 22490</u>	20.0S-3.0W-34	140000000		BRIDWELL, MARION		W	32.0	35.0	18.0	60.0	09/14/1981	09/23/1981	JONES, CASEY L	
<u>LANE 22506</u>	20.0S-3.0W-34			GROUTTE, DARREL H		W	0.0	235.0	8.0	5.0	08/28/1967	09/22/1967	FLANNERY, H J	
<u>LANE 61509</u>	20.0S-3.0W-34 NW-SW	2000	109 SOUTH S ST	STOLT, ED		W	65.0	120.0	12.0	15.0	08/02/2002	09/05/2002	HENDRICKSON, JEFF HENDRICKSON WELL DRILLING INC	150541
<u>LANE 22504</u>	20.0S-3.0W-34			COINER, HERBERT		W	0.0	242.0	20.0	10.0	11/20/1968	11/27/1968	FLANNERY, H J	
<u>LANE 22511</u>	20.0S-3.0W-34			FERGASON, EDWARD		W	0.0	80.0	9.0	45.0	08/14/1964	08/25/1964	FLANNERY, H J	
<u>LANE 59242</u>	20.0S-3.0W-34	2200	2011 PLEASANT VIEW DR	YEAROUS, MARK		W	140.0	240.0	38.0	5.5	01/02/2001	02/01/2001	HENDRICKSON, JEFF HENDRICKSON WELL DRILLING INC	136047
<u>LANE 22498</u>	20.0S-3.0W-34			PORTER, L J		W	51.0	105.0	8.0	10.0	10/30/1973	11/05/1973	FLANNERY, H J	
<u>LANE 22503</u>	20.0S-3.0W-34			GURNEY, RONALD		W	0.0	120.0	44.0	10.0	07/18/1969	07/24/1969	JONES, DELBERT S	
<u>LANE 4996</u>	20.0S-3.0W-34 NE-SE	2		LEE, GREY		W		400.0	65.0	6.0	08/05/1994	08/25/1994	HENDRICKSON, JEFF	59504
<u>LANE 22489</u>	20.0S-3.0W-34			DONLON, JONATHAN		W	245.0	290.0	40.0		10/14/1987	11/09/1987	JONES, CASEY L	
<u>LANE 22499</u>	20.0S-3.0W-34			SNAUER, HENRY	SNAUER, MARY	W	52.0	90.0	16.0	55.0	09/18/1973	09/25/1973	FLANNERY, H J	
<u>LANE 54714</u>	20.0S-3.0W-34	1500	799 SHIELDS LANE	YOSS, STEVE	YOSS, SHERRY	W	50.0	75.0	30.0	40.0	04/28/1988	05/12/1988	HENDRICKSON, JEFF HENDRICKSON WELL DRILLING INC	107712
<u>LANE 2242</u>	20.0S-3.0W-34 SE-NE	2702	2500 CAMBRIA PL	COBURN, DAVE		W	42.0	48.0	1.0	20.0	07/26/1991	08/15/1991	HENDRICKSON, JEFFREY	27797
<u>LANE 22492</u>	20.0S-3.0W-34			GOINS, MARVIN		W	70.0	165.0	15.0	12.0	01/16/1981	02/05/1981	MAY, THOMAS O	
<u>LANE 22493</u>	20.0S-3.0W-34			GOINS, MARVIN		W	0.0	0.0	0.0		01/22/1981	02/05/1981	MAY, THOMAS O	
<u>LANE 22510</u>	20.0S-3.0W-34 NW-NW			HAWKINS, WAYNE		W	0.0	108.0	50.0	10.0	09/28/1969	10/12/1964	MILLER, HARRY A	
<u>LANE 4505</u>	20.0S-3.0W-34 SW-NE	800		LAKE, PHILIP		W	85.0	98.0	6.0	7.5	02/24/1994	02/25/1994	OLDHAM, SEAN	54834
<u>LANE 5158</u>	20.0S-3.0W-34 SE-NW	80	25780 PITCHER LANE	JAY, DAVID		W	110.0	130.0	53.0	10.0	09/09/1994	10/05/1994	HENDRICKSON, JEFF	59505
<u>LANE 60474</u>	20.0S-3.0W-34 NE-SE	2304	78178 PITCHER LANE	BEDORTHA, MILTON W		W	50.0	123.0	14.0	33.0	10/27/2001	11/27/2001	OLDHAM, SEAN C WHITE WATER WELL DRILLING	140681
<u>LANE 22512</u>	20.0S-3.0W-34 SE-NE			PLAISTED, RALPH		W	0.0	9.0	6.0	81.0	12/31/1955	12/31/1955		

<u>LANE</u> 52598	20.0S-3.0W-34 SW-SE	2800	78022 PITCHER LANE	TAYLOR, SHEILA M		W	30.0	60.0	16.0	15.0	07/07/1997	07/14/1997	KINNEY, GARY L CORVALLIS DRILLING CO.	89726
<u>LANE</u> 1882	20.0S-3.0W-34 -			DAY, JACK		W	90.0	225.0	80.0	2.0	03/11/1972	03/14/1972	FLANNERY, H J	
<u>LANE</u> 22502	20.0S-3.0W-34 -			BEDORTHA, M W		W	0.0	120.0	8.0	60.0	08/12/1969	08/19/1969	FLANNERY, H J	
<u>LANE</u> 22508	20.0S-3.0W-34 -			WOODS, FORREST M		W	0.0	80.0	12.0	21.0	11/10/1965	01/12/1966	JONES, DELBERT S	
<u>LANE</u> 1881	20.0S-3.0W-34 -				R AND R CEDAR PRODUCTS	W	80.0	210.0	75.0	120.0	09/29/1979	10/19/1979	JONES, CASEY L CASEY JONES WELL DRILLING CO.	
<u>LANE</u> 3929	20.0S-3.0W-34 SW-SW	2201		MITCHELL, CURT		W	285.0	415.0	150.0	4.0	07/07/1993	07/12/1993	HENDRICKSON, JEFFREY	52582
<u>LANE</u> 22491	20.0S-3.0W-34 -	240000000		WALTON, FRED		W	85.0	90.0	7.0	25.0	03/12/1981	03/28/1981	MAY, THOMAS O	
<u>LANE</u> 22497	20.0S-3.0W-34 NE-NE			PRUITT, HENREY J		W	38.0	120.0	15.0	10.0	03/18/1977	03/24/1977	UNKNOWN, UNKNOWN	
<u>LANE</u> 22507	20.0S-3.0W-34 -			MAGNSSON, DONALD O		W	0.0	131.0	16.0	45.0	03/14/1968	03/29/1968	FLANNERY, H J	
<u>LANE</u> 22509	20.0S-3.0W-34 -			WERTZ, ALBERT	WERTZ, LOTTIE	W	0.0	130.0	18.0	45.0	07/13/1965	07/27/1965	FLANNERY, H J	
<u>LANE</u> 22496	20.0S-3.0W-34 SE-NE			MORRISON, STEVE		W	32.0	68.0	13.0	20.0	10/10/1978	10/25/1978	SCHOEN, LARRY	
<u>LANE</u> 22500	20.0S-3.0W-34 NE-NE			THOMAS, VERNON H	THORTON LAKE NURSERY	W	83.0	105.0	28.0	50.0	08/08/1973	08/18/1973	SCHOEN, LARRY	
<u>LANE</u> 22505	20.0S-3.0W-34 -			BOUSTEAD, LYLE		W	0.0	100.0	30.0	25.0	11/05/1968	11/08/1968	JONES, DELBERT S	

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[Download Data,](#)[Return to the Well Log Query Screen](#)

Exhibit

3

OFFICIAL RECORD OF DESCRIPTIONS OF REAL PROPERTIES

20-03-34 2300

OFFICE OF COUNTY ASSESSOR, LAKE COUNTY, OREGON

2300

YEAR	TAX LOT	SECTION	TOWNSHIP	RANGE E.	OR W.	W. M.	DEED RECORD		ACRES REMAINING		
	No.							VOL.		PAGE	
	11	34	20		3						
1941			<p>Beginning at a point 16.32 chs. South of the quarter Section corner between Sections 34 &amp; 35 of Tp. 20 S., R. 3 W.M., thence</p> <p>West 19.17 ch thence</p> <p>S 7½° W 3.83 ch to the SE corner of NW¼ of SE¼ of said Section 34; thence</p> <p>East 3.98 ch thence</p> <p>South 5.91 ch thence</p> <p>East 16.02 ch to East line of said Section 34; thence</p> <p>North 9.71 ch to place of beginning, all in Section 34, Tp. 20 S., R. 3 West W.M. in Lane County, Oregon, containing more or less 16.69 acres.</p> <p>Begin at NW corner of SE¼ of SE¼, Sec. 34, Tp. 20 S., R. 3 West run thence</p> <p>South 80.0 rds thence</p> <p>East 3.48 ch thence</p> <p>North 80.0 rds and</p> <p>West 3.48 ch to beginning, containing 6.96 acres.</p> <p>Also SE¼SW¼ and SW¼SE¼ Section 34, Township 20, Range 3 West W.M.</p> <p>About 1/3 acre lying SE of the slough that runs through the SE corner of land by grantors Mabel A. &amp; William W. Wells in NW¼SE¼ Sec 34, Tp. 20 S., R. 3 W.M. and adjoining land now being conveyed by Sarah Edna Raymond to grantees.</p> <p>Also: Beginning at the SE corner of the NW quarter of SE¼ of Section 34, Tp. 20 South, Range 3 West W.M., run thence</p> <p>West 98.0 ft to the center of a slough; thence</p> <p>N 55°15'E 131.3 ft along the center line of said slough; thence</p> <p>S 7°30' W 75.4 ft to the point of beginning in Lane County, Oregon.</p> <p>Containing more or less</p> <p>Less: 0.33 acres in County Road</p> <p>Containing more or less</p>								
									105.18		
1961									104.85		

KORC-CHAPMAN CO., EUGENE, ORE. 93949

FOR ASSESSMENT AND TAXATION USE ONLY

YEAR	TAX LOT	SECTION	TOWNSHIP	RANGE	OR W.	W. M.	DEED RECORD		ACRES REMAINING
	No. 2300						34	20 S.	
1991									
1969		<u>Parcel 1.</u>	The SW $\frac{1}{2}$ of the SE $\frac{1}{2}$ and the SE $\frac{1}{2}$ of the SW $\frac{1}{2}$ of Sec. 34 in T 20 S., R 3 W. W.M., in Lane County, Oregon.				R1665/9055909		
1975		<u>Parcel 2.</u>	Beginning at a point 16.32 chs. S. of the $\frac{1}{2}$ section corner between Secs. 34 and 35, T. 20 S., R 3 W.W.M. thence				50692		
1976	West S 7 $\frac{1}{2}$ ° W	19.17 chs.	, thence				50693		
		3.85 chs.	, to the SE corner of (the NW $\frac{1}{2}$ of the SE $\frac{1}{2}$ ) of Sec. 34, thence				Probate #19226		
	East	3.98 chs.	, thence				R737/13026		
1991	South	5.91 chs.	, thence				R781/6614		
1986	East	16.02 chs.	, to the East line of said Sec. 34, thence				R1665/9055910		
	North	9.71 chs.	to the place of beginning, all in Sec. 34, T 20 S, R3W.W.M.				R1306/8229565		
			ALSO: Beginning at the NW corner of the SE $\frac{1}{2}$ of the SE $\frac{1}{2}$ of Sec. 34, T20S, R 3 W.W.M. and running thence						
	South	20.00 chs.	, thence						
	East	3.48 chs.	, thence						
	North	20.00 chs.	, thence						
	West	3.48 chs.	to the place of beginning, all in the SE $\frac{1}{2}$ of the SE $\frac{1}{2}$ of Sec. 34, T 20 S, R3W.W.M.						
			ALSO: Beginning at a point 3 chs & 48 links East from the NW corner of the SE $\frac{1}{2}$ of the SE $\frac{1}{2}$ of Sec. 34, T 20 S, R 3 W.W.M., and running thence						
	South	18.00 chs.	and 28 links, thence						
	East	50 links	, thence						
	North	18.00 chs.	and 28 links, thence						
	West	50 links	to the place of beginning in Lane County, Oregon.						
		<u>Parcel 3.</u>	Beginning at the SE corner of the NW $\frac{1}{2}$ of the SE $\frac{1}{2}$ of Sec. 34, T 20 S., R 3 W.W.M., Lane County Oregon, run thence						
	West	98.0 ft.	to the center of the slough; thence						
	N 55°15' E	131.3 ft.	along said center line; thence						
	S 7° 30' W	75.4 ft.	to the place of beginning, in Lane County, Oregon.						
			Less 0.33 ac. in County Road.						
			Containing more or less						104.85

(Continued)

26337  
OLD NUMBER

OFFICIAL RECORD OF DESCRIPTIONS F REAL PROPERTIES

OFFICE OF COUNTY ASSESSOR LANE COUNTY, OREGON

CODE NO. 45-01

MAP NO. 21.03.03	TAX LOT NO. (2-3) 200	936 862	TOWNSHIP 21 S.	RANGE 3W	W.M.	AERIAL PHOTO
ACCOUNT	NUMBER	SECTION 3				
LOT NO.	BLOCK NO.	ADDITION			CITY	

INDENT EACH NEW COURSE TO THIS POINT	LEGAL DESCRIPTION	DEED RECORD		ACRES REMAINING
		DATE OF ENTRY	DEED NUMBER	
	NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 3, Twp. 21 South, Range 3 West, W.M., in Lane County, Oregon.	1944	250/639	40.75
		1964	R222/29050	
		1974 CO	R676/4187	
		1979 wd	R972/08763	
		1976 QL	R781/6615	
		2000 DE	31225	

**FOR ASSESSMENT  
AND TAXATION  
USE ONLY**

**OFFICIAL RECORD OF DESCRIPTIONS OF REAL PROPERTIES**  
 OFFICE OF COUNTY ASSESSOR LANE COUNTY, OREGON

OLD NUMBER \_\_\_\_\_ ACCOUNT NUMBER 201 311 800

TAX LOT		SECTION <u>34</u>	TOWNSHIP <u>20</u> S.	RANGE <u>3W</u>
MAP NO. <u>20.03.34</u>	PARCEL NO. <u>2300</u>			

INDENT EACH NEW COURSE TO THIS POINT	LEGAL DESCRIPTION	DEED RECORD		ACRES REMAINING
		DATE OF ENTRY	DEED NUMBER	
	(Continued)			
	EXCEPT: 19.64 acres out to 2301 for 1981 per R1107/60348 Containing more or less			85.2
	EXCEPT: 4.90 acres out to 2302 for 1981 per R1118/8105423. Containing more or less			80.3
	EXCEPT: 13.30 ac to parcel 2303 per R1283 / 8404120 for 1987			
	EXCEPT: 5.00 ac to parcel 2304 by F T L P O cont m/1			67.01
	ACREAGE CORRECTION for 1987 cont m/1			62.01
	cont m/1			62.38



**PROPERTY REPORT - LANE COUNTY**

Account # 1608536

Map, Tax Lot, & SIC # 20-03-34-00-02300

Site Address:	
Owner Name & Address: <b>Bedortha Milton W</b> 78190 Pitcher Ln Cottage Grove , OR 97424	Taxpayer Name & Address: <b>Bedortha Milton W</b> 78190 Pitcher Ln Cottage Grove , OR 97424
Multiple Owners? Yes.*	
Additional Account Numbers for this Tax Lot & SIC: 1311800	

Approximate Tax Lot Acres	63.15 2,750,814'	Subdivision Name:		School District:	South Lane
Inc City:		Phase:		Elem	Harrison
UGB:		Lot #	TL 02300	Middle	Lincoln
Census Tr/BlkGrp:	1302/1	Recording #		High	Cottage Grove

Zoning: Parent/Overlay	F2
Statistical Class:	
Land Use:	8040 Pasture, Cows, Sheep, Cattle
Property Class:	689 Forest, Mult. Spec. Assmts, Manufactured Structure

**Property Value and Taxes**

	Land Value Real Market	Improvement Value Real Market	Total Value Real Market	Assessed
2004	\$277,564	\$0	\$277,564	\$10,194
2003	\$258,422	\$0	\$258,422	\$2,568

**2004 Taxable Value**  
\$ 10,194

**2004 Taxes**  
\$138.73

**Tax Code Area**  
04509

**Two Most Recent Sales**

Date	Price	Grantor	Grantee	Instrument #
11-15-1990	\$1,559	Helser, Barney B		90-05591000

**Residential Building # 0 (of 0 ) Characteristics**

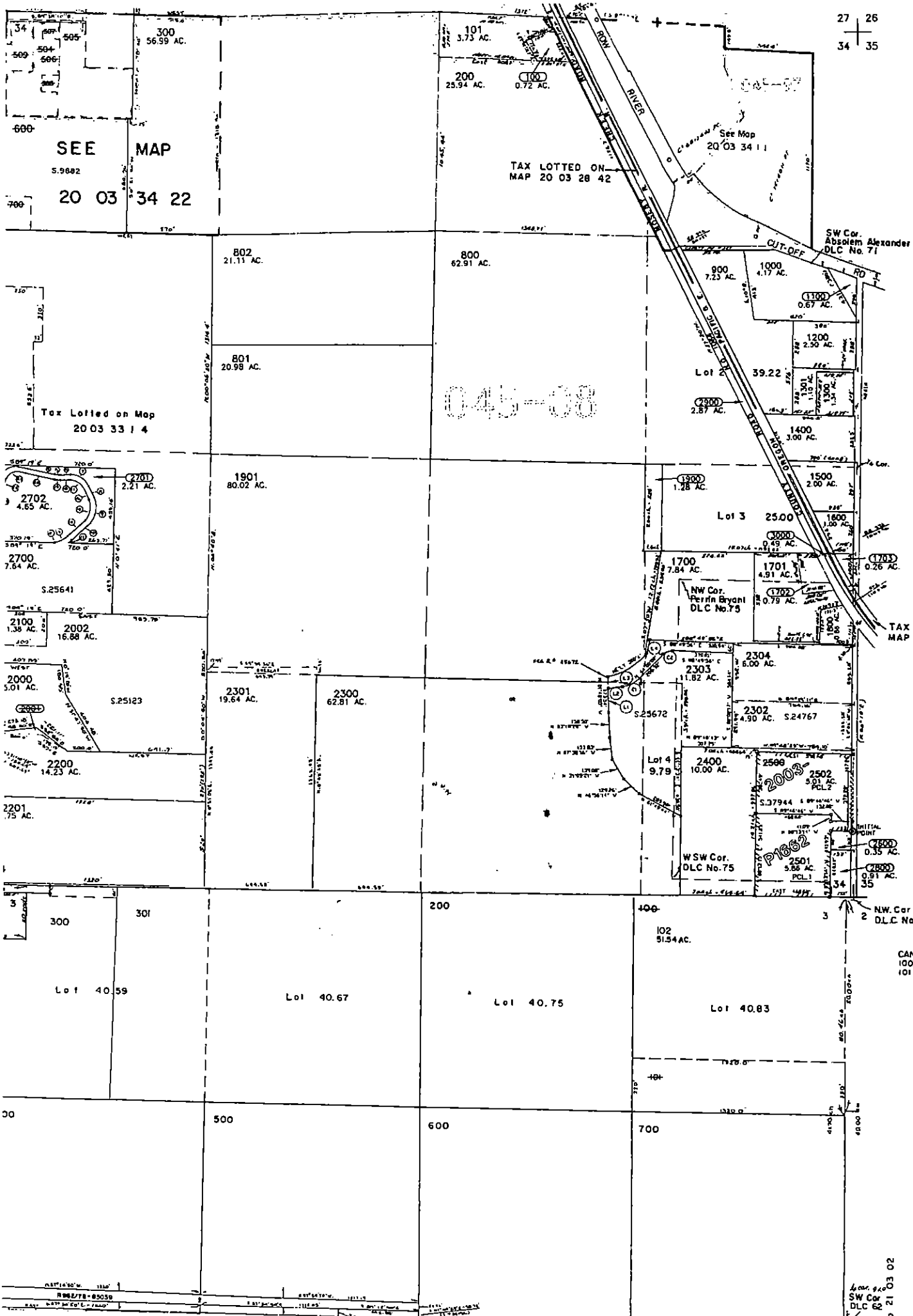
	Square feet	Base	Finished	
Year Built:				Bsmt Garage Sqft
Bedrooms				Att Garage Sqft
Full Baths				Det Garage Sqft
Half Baths				Att Carport Sqft
% Improvmt Complete				
	Basement			
	First			
	Second			
	Attic			
	Total			

**Comments:**

\*This report extracts commonly used information from the Detailed Property Report. [Click here for the full Detailed Property Report.](#)

27 26  
34 35

CANCELLED  
2001  
400  
500  
501  
502  
503  
504  
505  
506  
507  
508  
509  
510  
600  
700  
2500



045-08

SEE MAP

S.9882

20 03 34 22

TAX LOTTED ON  
MAP 20 03 28 42

See Map  
20 03 34 11

SW Cor. Absalom Alexander  
DLC No. 71

Tax Lotted on Map  
20 03 33 14

TAX LOTTED ON  
MAP 20 03 28 42

LINE TABLE

L1	11837	8 81'45"
L2	1212	8 81'37"
L3	7547	8 81'45"
L4	8338	8 81'37"

CURVE TABLE

D	1212	8 81'37"
CP	1212	8 81'37"
LC	1212	8 81'37"
PT	1212	8 81'37"

NW Cor P. BRYANT  
DLC No. 62

CANCELLED  
100  
101

SEE MAP 20 03 27 35

Acres 9.10  
SW Cor  
DLC 62  
P 21 03 02

## **EXHIBIT 4**

Application for Claims Under LC 2.700 through 2.770

### **4. Identification of Imposed Land Use Restriction**

LC 2.740(1) Application Criteria:

(a) The County has either adopted or enforced a land use regulation that restricts the use of private real property or any interest therein;

By not allowing the applicant to divide the subject property for the creation of home sites the County has significantly reduced the value of this property.

Lane County Planning Commission actions beginning with LC 12.160, (1) and (2) specifically part (d) in section (2) with regulations controlling the subdivision or other partitioning of land within the County. Part (a) of section (2) further regulates a landowners ability to build in rural areas reducing the value of the subject property.

Effective 2/10/72, this action eliminated the owners ability to divide the subject property for the creation of home sites.

LC 10.104-40 Area. (1), a, b and c further restrict the size of parcels which may be created by carrying out F-2 restrictions.

The effective date of this rule was 9/27/80

LC 10.104-15, (1) a-c, (2) a-b and (3) which require director approval also impose restrictions which have a detrimental effect on the value of this property .

Effective Date 9/27/80

LC 16.004 Scope and Compliance.

LC 16.006 Compliance Required.

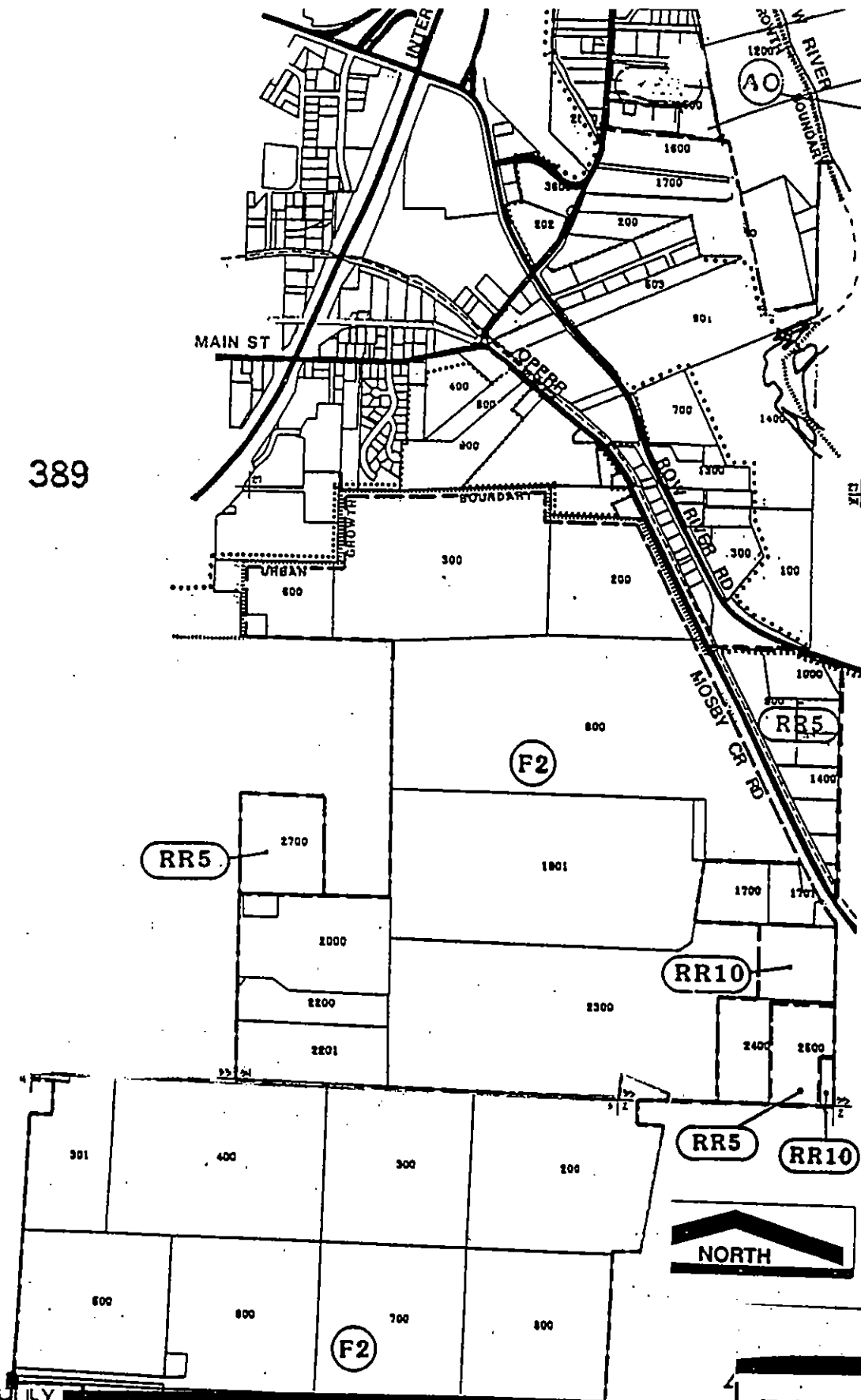
LC 16.007 Compliance With Rural Comprehensive Plan.

Effective Dates 6/17/87



389

420



6-1  
 RR1  
 AO (CHAPT 10)  
 SEE ORD 965  
 4/12/89  
 UGB  
 Revised 6-7-93

# FLOODPLAIN

**OFFICIAL ZONING MAP**

**PLOT# 405**

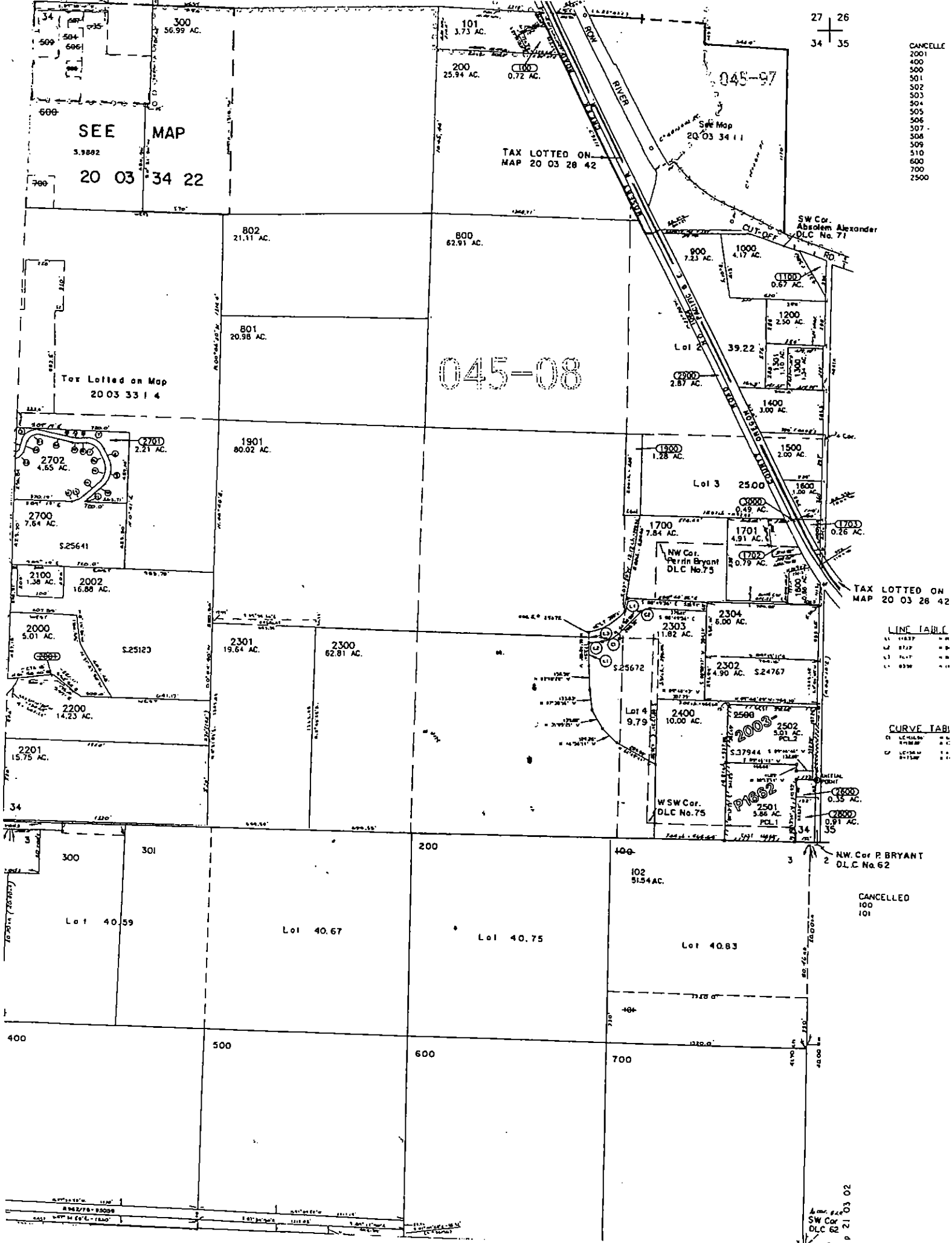
Township Range Section  
 21 03 03

ORIGINAL ORD. # PA 884 DATE 2/29/1984 FILE # \_\_\_\_\_  
 REVISION # \_\_\_\_\_ ORD # \_\_\_\_\_



27 26  
34 35

CANCELLED  
2001  
400  
500  
501  
502  
503  
504  
505  
506  
507  
508  
509  
510  
500  
700  
2500



045-08

045-97

SEE MAP

20 03 34 22

Tax Lotted on Map  
20 03 33 4

TAX LOTTED ON  
MAP 20 03 28 42

LINE TABLE  
1. 11837  
2. 8127  
3. 7617  
4. 8936

CURVE TABLE  
1. AC=14.50  
2. AC=14.50  
3. AC=14.50  
4. AC=14.50

NW Cor P. BRYANT  
D.L.C. No. 62

CANCELLED  
100  
101

SW Cor  
DLC 62  
21 03 02

7606614

QUIT CLAIM DEED

CHESTER W. BEDORTHA and GLADYS H. BEDORTHA [his wife] acting by and through said CHESTER W. BEDORTHA as her attorney in fact, GRANTORS, remise, release and forever quit claim unto MILTON W. BEDORTHA, GRANTEE, all of GRANTORS'S right, title and interest in and to the following real property situated in the County of Lane, State of Oregon, to-wit:

PARCEL 1: Southwest Quarter of the Southeast Quarter and the Southeast Quarter of the Southwest Quarter of Section 34 in Township 20 South, Range 3 West of the Willamette Meridian, in Lane County, Oregon.

PARCEL No. 2: Beginning at a point 16.32 chains South of the Quarter Section corner between Sections 34 and 35, Township 20 South, Range 3 West of the Willamette Meridian, thence West 19.17 chains, thence South 7 1/2° West 3.85 chains to the Southeast corner of said Section 34, thence East 3.98 chains, thence South 9.91 chains, thence East 16.02 chains to the East line of said Section 34, thence North 9.71 chains to the place of beginning, all in Section 34, Township 20 South, Range 3 West of the Willamette Meridian.

ALSO: Beginning at the Northwest corner of the Southeast Quarter of the Southeast Quarter of Section 34, Township 20 South, Range 3 West of the Willamette Meridian, and running thence South 20 chains, thence East 3.48 chains, thence North 20 chains and thence West 3.48 chains to the place of beginning, all in the Southeast 1/4 of the Southeast Quarter of Section 34, Township 20 South, Range 3 West of the Willamette Meridian.

ALSO: Beginning at a point 3 chains and 48 links East from the Northwest corner of the Southeast 1/4 of the Southeast 1/4 of Section 34, Township 20 South, Range 3 West of the Willamette Meridian, and running thence South 18 chains and 28 links, thence East 50 links, thence North 18 chains and 28 links, thence West 50 links to the place of beginning, in Lane County, Oregon.

PARCEL No. 3: Beginning at the Southeast corner of the Northwest quarter of the Southeast quarter of Section 34, Township 20 South, Range 3 West of the Willamette Meridian, Lane County, Oregon, run thence West 98 feet to the center of the Slough, thence North 93° 15' East along said center line 131.3 feet, thence South 7° 30' West 75.4 feet to the place of beginning, in Lane County, Oregon.

Subject to: That certain Contract of Sale, including the terms and provisions thereof, dated July 11, 1967, wherein JESSIE W. POST, a widow, is Seller, and W. L. McNAIR and KATHRYN McNAIR, husband and wife, are Buyers, which said Contract of Sale was duly assigned by said W. L. McNAIR and KATHRYN McNAIR, husband and wife, as ASSIGNORS, to GRANTEE and GRANTORS above named by instrument dated January 10, 1969, recorded January 14, 1969, in Lane County Oregon Official Records, Instrument No. 50693.

7606615

QUIT CLAIM DEED

CHESTER W. BEDORTHA, GRANTOR, remises, releases and forever  
quitclaims unto MILTON W. BEDORTHA, GRANTEE, his heirs and assigns,  
all of GRANTOR'S RIGHT, TITLE and INTEREST in and to the following  
real property situated in the County of Lane, State of Oregon, to-wit:

The Northwest 1/4 of the Northeast 1/4 of Section 3,  
Township 21 South, Range 3 West of the Willamette  
Meridian, in Lane County, Oregon.

SUBJECT TO: That certain Contract of Sale, includ-  
ing the terms and provisions thereof, dated 2-1-74, wherein  
CLIFFORD A. BUSH and BERTA MAE BUSH, husband and  
wife, are SELLERS, and GRANTEE and GRANTOR above  
named are Buyers. GRANTEE above named covenants  
and agrees to and with GRANTOR above named that  
GRANTEE will and shall keep and perform the terms  
and provisions of said Contract of Sale on the part  
of Buyers named therein to be kept and performed and  
that GRANTEE will and shall save and keep GRANTOR  
harmless from all liability or responsibility of any  
kind or nature whatsoever in connection therewith.

GRANTOR states that GRANTOR has not invested any moneys or prop-  
erty of any kind in the premises above described nor in the Contract  
of Sale above referred to and that the consideration for this Quit  
Claim Deed is GRANTOR'S love and affection for GRANTEE, GRANTEE being  
the son of GRANTOR and that the purpose of this Quit Claim Deed is to  
clear the title to the premises above described from any right, title  
or interest of GRANTOR, if any there be.

Dated January 31, 1976.

*Chester W. Bedortha*  
Chester W. Bedortha

STATE OF OREGON )  
County of Lane ) ss

BEFORE ME, on this 31st day of January, 1976, personally appeared  
CHESTER W. BEDORTHA who stated to me that he executed the foregoing  
instrument freely and voluntarily for the purposes therein set forth.

*William Bruce Roberts*  
Notary Public for Oregon  
My Commission Expires: 10-16-79.



QUIT CLAIM DEED

GRANTOR, CHESTER W. ELDORFER,

TO: MILTON W. BARDORFER,  
7806815

State of Oregon,  
County of Lake—  
I, D. M. PEIFFOLD, Director of the  
Department of Records and Elections,  
in and for the said County, do hereby  
certify that the within instrument was  
received for record at

1978 FEB 11 AM 3 14

Recd. 781 R

Lake County OFFICIAL RECORDER.

D. M. PEIFFOLD, Director of the  
Department of Records & Elections.

BY *[Signature]*  
Deputy

C29-041-03

UNLESS OTHERWISE NOTIFIED, SEND TAX

STATEMENTS TO:  
Milton W. Bardorfer  
78184 Pitcher Lane  
Cottage Grove, Oregon 97424

COPIES RECORDED RETURN TO:  
Milton W. Bardorfer  
78184 Pitcher Lane  
Cottage Grove, Oregon 97424

500

Exhibit 6

Craig E. McKern, Appraiser, S.  
State Certified Residential Real Estate Appraiser  
Mailing: 1574 Coburg Road, PMB 397, Eugene, Oregon 97401-4802  
Telephone 541-345-0744 Facsimile 541-345-0577  
email: cem9th@msn.com

July 29, 2005

Milton and Bonnie Bedortha  
c/o Norm Waterbury, agent  
28788 Gimpl Hill Road  
Eugene, Oregon 97402

RE: Lane Code 2.740 (6)

Norm,

For your files, here is the Ballot Measure 37 summary for the Bedortha property at 78190 Pitcher Lane, Cottage Grove, Oregon 97424. This includes three appraisal reports: the subject site in its entirety (Tax Lots 20-03-24-00-2300 and Tax Lot 21-03-03-00-00200) as report 061805A and for hypothetical acreages as portions of those tax lots as described in reports 061805B and 061805C.

The assignment consisted of three appraisals:

Estimated value of subject in total "as is" on current 105 acre m/l site –	\$ 600,000
Estimated value of one hypothetical 14 acre site out of Tax Lot 200 –	\$180,000
Estimated value of one hypothetical 7 acre site out of Tax Lot 2300 --	\$150,000

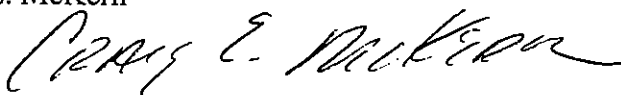
For purposes of this letter and summary required by the county, it is postulated :

- 1) six (6) hypothetical various size parcels similar to 14 acres could be created; Including the present homesite, where the manufactured home and structures Are excluded from value to give land and site improvement value only.
- 2) Two (2) hypothetical sites of 6 and 7 acres could be created (as "Lots 1 and 2" with an Estimated value of \$150,000.

The value difference using appraised and hypothecated values is then arrived at arithmetically: Six hypothetical sites at \$180,000 equals \$1,080,000; Two hypothetical sites at \$150,000 equals \$300,000; total hypothetical sites: \$1,380,000, less \$600,000 "as is" estimated value of the entirety leaves a difference of \$780,000 more or less in rounded figures.

Cordially,

Craig E. McKern



Three Summary Appraisal Reports of a Complete Appraisal of  
existing and hypothetical acreages located at

78190 Pitcher Lane  
Cottage Grove, Oregon 97424

Tax Lots 20-03-34-00-02300 and 21-03-03-00-00200  
A 105 acre more or less site, the "before" instance  
(surveyed, one buildable homesite)  
file 061805A

AND

Portion of Tax Lot 21-03-03-00-00200, shown as Lot "5"  
A fourteen acre hypothetical site, an "after" instance  
(unsurveyed, not a legal lot or partitioned site at this time)  
file 061805B

AND

Portion of Tax Lot 20-03-34-00-02300, shown as Lot "2"  
a seven acre hypothetical site, an "after" instance  
(unsurveyed, not a legal or partitioned site at this time)  
file 061805C

Client:

Bedortha, Milton and Bonnie

c/o Norm Waterbury, agent  
28788 Gimpl Hill Road  
Eugene, Oregon 97402

Purpose of the Appraisal:

To estimate market value of actual and hypothetical parcels subject to certain conditions  
outlined in the text and exhibits of the reports 061805A, 061805B and 061805C

Use of the Appraisal:

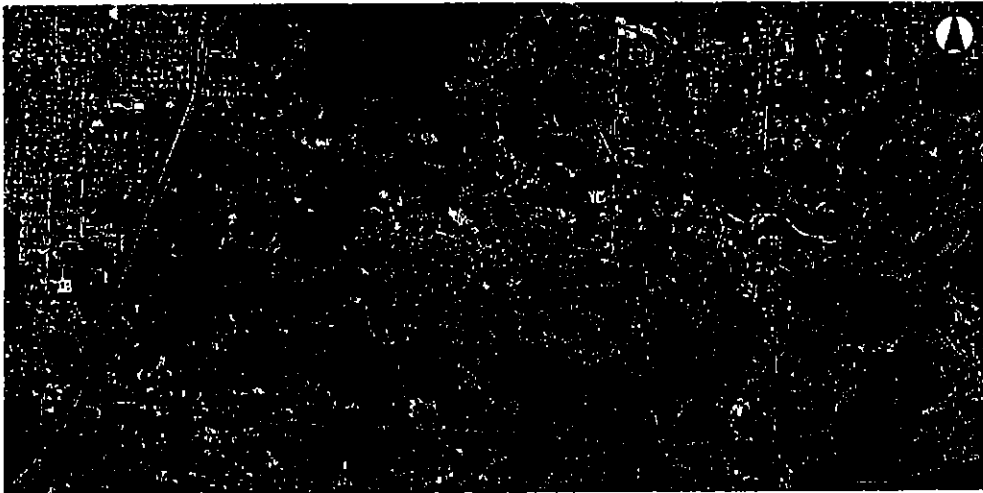
For use in a State Measure 37 proceeding brought by the owner and agent in Lane County, Oregon

Date of Most Recent Inspection  
and Effective Date of Report:  
July 12, 2005

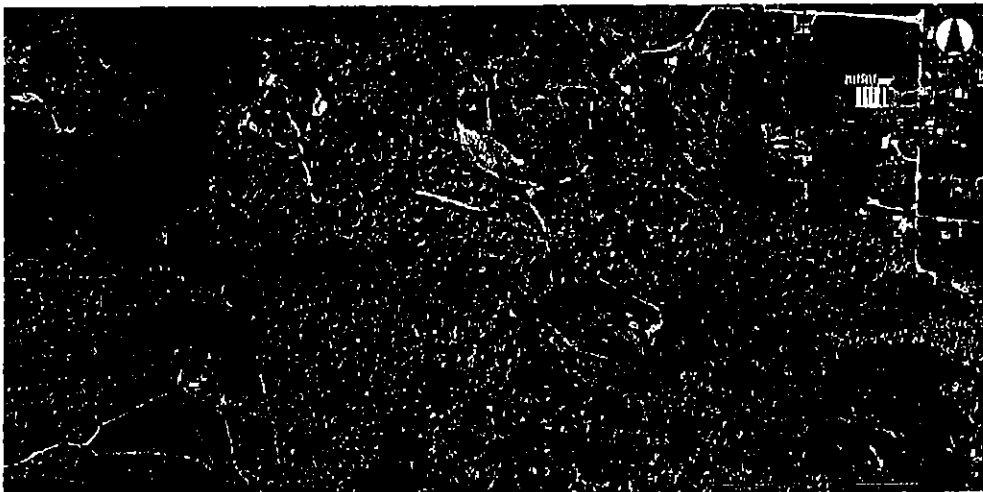
Report Completion Date:  
July 29, 2005

Prepared by:

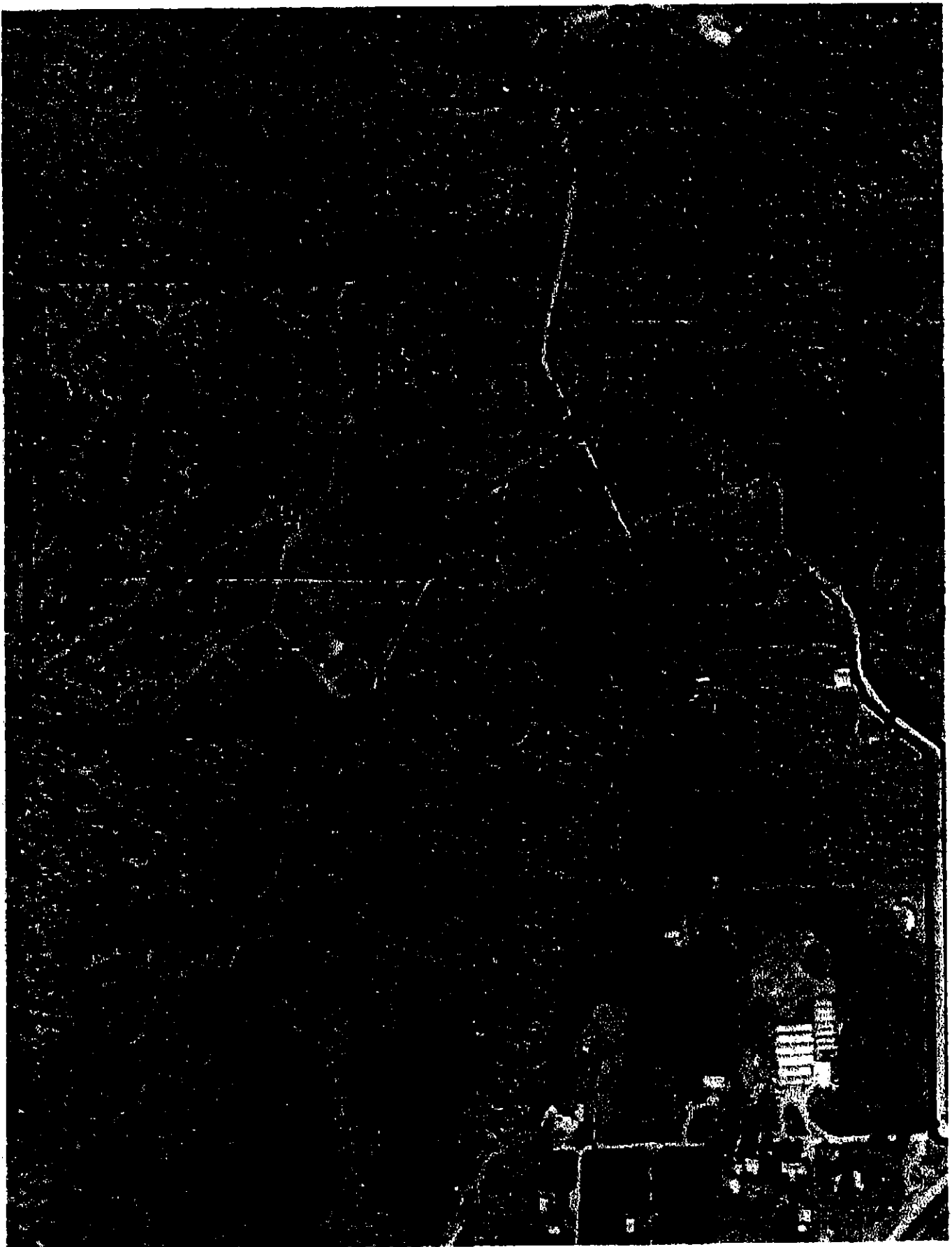
Craig E. McKern, Appraiser, P.C.  
Certified Residential Real Estate Appraiser  
1574 Coburg Road, PMB 397  
Eugene, Oregon 97401-4802  
files 061805A, 061805B and 061805C



General view of Pitcher Lane area with Cottage Grove and Interstate 5 at far left, Mosby Creek and Row River confluence in upper right, Taylor Butte in center from upper left to lower center



Enlarged aerial photo with subject site in total approximately in center; Taylor Butte radio and TV towers at lower left



Form SC1 — "TOTAL for Windows" appraisal software by a la mode, Inc. — 1-800-ALAMODE

**PHOTOGRAPH ADDENDUM 0**

Borrower/Client	No borrower				
Property Address	78190 Pitcher Lane //Tax Lots 21-03-03-00-00200 and 20-03-34-00-02300				
City	Cottage Grove	County	Lane	State	OR
Lender	Bedortha, Milton and Bonnie				
				Zip Code	97424



General view from off Pitcher Lane on access drive looking southwest toward Taylor Butte (note antenna left of pole) from tax Lot 2304 shown on plat map



Looking west on access drive from Pitcher Lane, tax lot 2304 on left which is owned by the Bedorthas and north slope of Taylor Butte on horizon



Manufactured home on subject site, and the only present dwelling on the subject site. This home is excluded from value due mainly to age and the likelihood of replacement by any future buyer however the residential dwelling site is included in value along with site improvements.

# PHOTOGRAPH ADDENDUM TW

Borrower/Client	No borrower						
Property Address	78190 Pitcher Lane //Tax Lots 21-03-03-00-00200 and 20-03-34-00-02300						
City	Cottage Grove	County	Lane	State	OR	Zip Code	97424
Lender	Bedortha, Milton and Bonnie						



View from bench area north of and near manufactured home on prior page

Looking northeast toward Dorena Reservoir



Looking north from same spot down valley with the new Cottage Grove Hospital at left center



**PHOTOGRAPH ADDENDUM**

Borrower/Client	No borrower				
Property Address	78190 Pitcher Lane //Tax Lots 21-03-03-00-00200 and 20-03-34-00-02300				
City	Cottage Grove	County	Lane	State	OR Zip Code 97424
Lender	Bedortha, Milton and Bonnie				



Looking southwest across upper bench from manufactured home area; note antenna towers in relation to this view point on hypothetical Lot 4 as proposed

Photo also looks across hypothetical "Lot 5" and "Lot 6"



Old slough pond along base of hillside which is the northeast boundary of hypothetical proposed "Lot 8". Property to left of pond is tax lot 2303

A  
3



Developed road through subject site, looking easterly, hypothetical "Lot 8" on left and hypothetical "Lot 7" on right, uphill



# LAND APPRAISAL REPORT

FILE NO. 0010000

File No. 061805A

## Summary Appraisal Report

**IDENTIFICATION**

Borrower No borrower Census Tract 13.01 Map Reference See Below  
 Property Address 78190 Pitcher Lane //Tax Lots 21-03-03-00-00200 and 20-03-34-00-02300  
 City Cottage Grove County Lane State OR Zip Code 97424  
 Legal Description Lengthy Metes and Bounds Legal Description\see preliminary title report or deed  
 Sale Price \$ Not Sold Date of Sale N/A Loan Term N/A yrs. Property Rights Appraised  Fee  Leasehold  De Minimis PUD  
 Actual Real Estate Taxes \$ \_\_\_\_\_ (yr) Loan charges to be paid by seller \$ \_\_\_\_\_ Other sales concessions \_\_\_\_\_  
 Lender/Client Bedortha, Milton and Bonnie Address 78190 Pitcher Lane, Cottage Grove, Oregon 97424  
 Occupant vacant Appraiser Craig E. McKern Instructions to Appraiser appraise to market value per USPAP standards.  
Craig E. McKern, Appraiser, P.C. 1574 Coburg Road, PMB 397, Eugene, Oregon 97401 telephone 541-345-0744 facsimile 541-345-0577

**NEIGHBORHOOD**

Location	<input type="checkbox"/> Urban	<input checked="" type="checkbox"/> Suburban	<input type="checkbox"/> Rural	Employment Stability	Good	Avg.	Fair	Poor
Built Up	<input checked="" type="checkbox"/> Over 75%	<input type="checkbox"/> 25% to 75%	<input type="checkbox"/> Under 25%	Convenience to Employment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Growth Rate	<input type="checkbox"/> Fully Dev.	<input type="checkbox"/> Rapid	<input checked="" type="checkbox"/> Steady	Convenience to Shopping	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Property Values	<input checked="" type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	Convenience to Schools	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Demand/Supply	<input checked="" type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In Balance	<input type="checkbox"/> Oversupply	Adequacy of Public Transportation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marketing Time	<input checked="" type="checkbox"/> Under 3 Mos.	<input checked="" type="checkbox"/> 4-6 Mos.	<input type="checkbox"/> Over 6 Mos.	Recreational Facilities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Present Land Use	<u>80% 1 Family</u>	<u>2% 2-4 Family</u>	<u>% Apts.</u>	Adequacy of Utilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<u>1% Industrial</u>	<u>10% Vacant</u>	<u>5% parks, public use</u>	Property Compatibility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Change in Present Land Use	<input type="checkbox"/> Not Likely	<input type="checkbox"/> Likely (*)	<input checked="" type="checkbox"/> Taking Place (*)	Protection from Detrimental Conditions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	(*) From <u>vacant/undeveloped</u> To <u>residential</u>			Police and Fire Protection	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Predominant Occupancy	<input checked="" type="checkbox"/> Owner	<input type="checkbox"/> Tenant	<u>5 % Vacant</u>	General Appearance of Properties	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Single Family Price Range	<u>\$ 100 to \$ 500+</u>		Predominant Value <u>\$ 200+/-</u>	Appeal to Market	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Single Family Age	<u>&lt;10 yrs. to 125+ yrs.</u>		Predominant Age <u>20-80 yrs.</u>					

Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, view, noise): Subject is located just east of Cottage Grove and within one road mile of new Cottage Grove Hospital, Interstate 5 access and Gateway services area. A mix of home styles, ages, acreages, qualities, values and view aspects is present in this unincorporated area near the city. Land uses include forest lands, nurseries, the Mosby Creek and lower Row River greenways, a "Rails to Trails" bike bath, various small businesses, a convenience store, vacant acreages.

**SITE**

Dimensions Irregular, see plat map = 105 Sq. Ft. or Acres  Corner Lot  
 Zoning classification F2 - Impacted Forest Lands Present Improvements  do  do not conform to zoning regulations  
 Highest and best use  Present use  Other (specify) potential to partition for smaller sites under present Measure 37 procedures  
 Public  Other (Describe) \_\_\_\_\_  
 Elec.  Gas  Water  San. Sewer  Underground Elect. & Tel.   
 OFF SITE IMPROVEMENTS  
 Street Access  Public  Private  
 Surface Asphalt/Gravel  
 Maintenance  Public  Private  
 Storm Sewer  Curb/Gutter  
 Sidewalk  Street Lights  
 Topo Benched to rolling to steep slopes  
 Size Larger than typical for the area due to past partitions in area  
 Shape Irregular  
 View Valley, wooded, hills  
 Drainage Adequate by slope  
 Is the property located in a HUD identified Special Flood Hazard Area?  No  Yes  
 Comments (favorable or unfavorable including any apparent adverse easements, encroachments, or other adverse conditions): See aerial and other photos and plat map to visualize the acreage in total, which is on the northeast slopes of Taylor Butte close-in to east Cottage Grove. Site in total is "before" instance for Measure 37 proceedings purposes; has two tax lots. Access from Pitcher Lane via an owned site and a roadway as shown on plat map, aerial photos. Acreage has existing manufactured homesite, well, septic system, RV hookups, spring-fed water system, various roads, drives.

The undersigned has recited three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to or more favorable than the subject property, a minus (-) adjustment is made thus reducing the indicated value of subject; if a significant item in the comparable is inferior to or less favorable than the subject property, a plus (+) adjustment is made thus increasing the indicated value of the subject.

ITEM	SUBJECT PROPERTY	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Address	<u>78190 Pitcher Lane-- "before" Cottage Grove</u>	<u>Tax Lot 18-04-35-00-00700 Eugene// asking \$850,000</u>	<u>34612 Kizer Creek Road Cottage Grove//ask \$299,900</u>	<u>Tax Lot 20-05-01-00-00300 Eugene// asking \$850,000</u>
Proximity to Subject		<u>25 miles northwest</u>	<u>10 air miles southwest</u>	<u>16 air miles northwest</u>
Sales Price	<u>\$ Not Sold</u>	<u>\$ 840,000</u>	<u>\$ 270,000</u>	<u>\$ 825,000</u>
Price		<u>\$ 7,850</u>	<u>\$ 5,934</u>	<u>\$ 3,587</u>
Data Source	<u>Inspection</u>	<u>Prudential R. E. /Past Inspection</u>	<u>Century 21 Nugget RE/County</u>	<u>GMAC Hemenway RE / County</u>
Date of Sale and Time Adjustment	<u>DESCRIPTION</u>	<u>DESCRIPTION</u>	<u>DESCRIPTION</u>	<u>DESCRIPTION</u>
	<u>07-12-2005</u>	<u>01-2004 (COE) 0</u>	<u>03-2005 (COE) 0</u>	<u>07-2004 (COE) 0</u>
Location	<u>Average plus</u>	<u>Good -200,000</u>	<u>Average plus</u>	<u>Average</u>
Site/View	<u>105 acres/North,Wds</u>	<u>107ac m// Hills,Crk. 0</u>	<u>45.54 ac/ Hills/Wds +240,000</u>	<u>230ac m// Hills,Vly -200,000</u>
Dwelling/Structures	<u>MH site/ carport</u>	<u>DW MH/Barn/Arena -50,000</u>	<u>Old MH/shop/sheds 0</u>	<u>Placeholder/OldMH 0</u>
Well/Septic system	<u>Installed/ Installed</u>	<u>Installed/ Installed</u>	<u>Spring/ Installed +10,000</u>	<u>Older Installed 0</u>
Slope/buildability	<u>Various/ buildable</u>	<u>Various/ buildable</u>	<u>Various/ buildable</u>	<u>Various/ buildable</u>
Utilities Available	<u>Installed on site</u>	<u>Installed on site</u>	<u>Installed on site</u>	<u>Installed on site</u>
Sales or Financing Concessions	<u>Cash to Seller assumed</u>	<u>Cash</u>	<u>Cash</u>	<u>Cash</u>
Net Adj. (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> - <u>\$ 250,000</u>	<input checked="" type="checkbox"/> + <input type="checkbox"/> - <u>\$ 250,000</u>	<input type="checkbox"/> + <input checked="" type="checkbox"/> - <u>\$ 200,000</u>
Indicated Value of Subject		<u>Net 29.8% \$ 590,000</u>	<u>Net 92.6% \$ 520,000</u>	<u>Net 24.2% \$ 625,000</u>

**MARKET DATA ANALYSIS**

Comments on Market Data: Very limited available market data for partitionable F-2 zoned acreages; none were found as close to subject as Sale 2, which may be partitionable with considerable expense and effort. Acreage adjustment at \$2,000 per net acre for Sale 3, being a much larger parcel, and at \$4,000 an acre for the difference between subject and Sale 2, a smaller parcel which sold at just under \$6,000 per acre.

Comments and Conditions of Appraisal: The appraisal is made to cash equivalency per USPAP/FIRREA guidelines and USPAP departure provisions do not apply. See attached assumptions, limiting conditions and comments. Appraisal is made of subject site as an entire parcel for purposes of value comparison as a part of Measure 37 proceedings. The existing manufactured home is excluded from value but the homesite proves the buildability for the entire parcel. Several other pending sales of smaller parcels than the subject in Cottage Grove area were also reviewed.

Final Reconciliation: The market data (sale comparison) approach is the only reliable method of estimating vacant or non-residential site value. The cost approach is omitted as there is minimal value for the improvements on site. The income approach does not normally apply to vacant land. The sales cited adjust to a fairly wide range of indicated values with the value opinion stated being a round figure within the range.

**RECONCILIATION**

I ESTIMATE THE MARKET VALUE, AS DEFINED, OF SUBJECT PROPERTY AS OF July 12, 2005 to be \$ 600,000  
 Any value in standing trees on the site is included as woodlot value or as natural landscape; no timber cruise was made available and the typical purchaser of wooded suburban and rural parcels is seeking to preserve and enhance a homesite.  
 Appraiser(s) Craig E. McKern  Did  Did Not Physically Inspect Property  
Craig E. McKern Renew Appraiser (if applicable)

# LAND APPRAISAL REPORT

File No. 061805C

## Summary Appraisal Report

File No. 061805C

Borrower No borrower Census Tract 13.01 Map Reference See Below  
 Property Address 78190 Pitcher Lane // HYPOTHETICAL portion of Tax Lot 20-03-34-00-02300, shown as "Lot 2"  
 City Cottage Grove County Lane State OR Zip Code 97424  
 Legal Description Hypothetical Metes and Bounds Legal Description portion of Tax Lot 20-03-34-00-02300  
 Sale Price \$ Not Sold Date of Sale N/A Loan Term N/A yrs. Property Rights Appraised  Fee  Leasehold  De Minimis PUD  
 Actual Real Estate Taxes \$ \_\_\_\_\_ (yr) Loan charges to be paid by seller \$ \_\_\_\_\_ Other sales concessions \_\_\_\_\_  
 Lender/Client Bedortha, Milton and Bonnie Address 78190 Pitcher Lane, Cottage Grove, Oregon 97424  
 Occupant vacant Appraiser Craig E. McKern Instructions to Appraiser appraise to market value per USPAP standards.  
Craig E. McKern, Appraiser, P.C. 1574 Coburg Road, PMB 397, Eugene, Oregon 97401 telephone 541-345-0744 facsimile 541-345-0577

NEIGHBORHOOD	Location <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural Built Up <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25% to 75% <input type="checkbox"/> Under 25% Growth Rate <input type="checkbox"/> Fully Dev. <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Steady <input type="checkbox"/> Slow Property Values <input checked="" type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining Demand/Supply <input checked="" type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Oversupply Marketing Time <input checked="" type="checkbox"/> Under 3 Mos. <input checked="" type="checkbox"/> 4-6 Mos. <input type="checkbox"/> Over 6 Mos. Present Land Use <u>80% 1 Family</u> <u>2% 2-4 Family</u> <u>   % Apts.</u> <u>   % Condo</u> <u>2% Commercial</u> <u>1% Industrial</u> <u>10% Vacant</u> <u>5% parks, public use</u> Change in Present Land Use <input type="checkbox"/> Not Likely <input type="checkbox"/> Likely (*) <input checked="" type="checkbox"/> Taking Place (*) (*) From <u>vacant/undeveloped</u> To <u>residential</u> Predominant Occupancy <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant <u>5 % Vacant</u> Single Family Price Range \$ <u>100</u> to \$ <u>500+</u> Predominant Value \$ <u>200+/-</u> Single Family Age <u>&lt;10 yrs. to 125+ yrs.</u> Predominant Age <u>20-80 yrs.</u>	Employment Stability <input type="checkbox"/> Good <input checked="" type="checkbox"/> Avg. <input type="checkbox"/> Fair <input type="checkbox"/> Poor Convenience to Employment <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Convenience to Shopping <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Convenience to Schools <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Adequacy of Public Transportation <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Recreational Facilities <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Adequacy of Utilities <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Property Compatibility <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Protection from Detrimental Conditions <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Police and Fire Protection <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> General Appearance of Properties <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Appeal to Market <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
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Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, view, noise): Subject is located just east of Cottage Grove and within one road mile of new Cottage Grove Hospital, Interstate 5 access and Gateway services area. A mix of home styles, ages, acreages, qualities, values and view aspects is present in this unincorporated area near the city. Land uses include forest lands, nurseries, the Mosby Creek and lower Row River greenways, a "Rails to Trails" bike bath, various small businesses, a convenience store, vacant acreages.

Dimensions Irregular, see plat map = 7.0 Sq. Ft. or Acres  Corner Lot  
 Zoning classification F2 - Impacted Forest Lands Present Improvements  do  do not conform to zoning regulations  
 Highest and best use  Present use  Other (specify) potential to partition to this smaller site under present Measure 37 procedures  
 Elec.  Public  Other (Describe) \_\_\_\_\_ OFF SITE IMPROVEMENTS  
 Gas  \_\_\_\_\_ Street Access  Public  Private  
 Water  \_\_\_\_\_ Surface All Weather Gravel  
 San. Sewer  \_\_\_\_\_ assumed Maintenance  Public  Private  
 Underground Elect. & Tel.  Storm Sewer  Curb/Gutter  
 \_\_\_\_\_ Sidewalk  Street Lights  
 Topo Benched to rolling to steep slopes  
 Size Typical small acres  
 Shape Irregular  
 View Wooded, hills  
 Drainage Adequate by slope  
 Is the property located in a HUD Identified Special Flood Hazard Area?  No  Yes  
 Comments (favorable or unfavorable including any apparent adverse easements, encroachments, or other adverse conditions): See aerial and other photos and plat map to visualize the acreage in total, which is on the northeast slopes of Taylor Butte close-in to east Cottage Grove. Site as appraised for Measure 37 proceedings purposes. Access from Pitcher Lane via an owned site and a roadway as shown on plat map, aerial photos. Acreage has large benched homesite, small spring fed creek, septic approval per owner. Mixed woods with northerly view across valley.

The undersigned has recited three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to or more favorable than the subject property, a minus (-) adjustment is made thus reducing the indicated value of subject; if a significant item in the comparable is inferior to or less favorable than the subject property, a plus (+) adjustment is made thus increasing the indicated value of the subject.

ITEM	SUBJECT PROPERTY	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Address	"Lot 2" HYPOTHETICAL SITE Cottage Grove	Tax Lot 20-03-11-00-00115 Cottage Grove / ask \$140,000	Part of T.L. 20-03-20-00-2700 Cottage Grove (Bennett Cr. Rd)	Part of T.L. 19-03-17-00-1000 Creswell (DeBerry Rd.)
Proximity to Subject		6 air miles north	3 air miles northwest	10 air miles northwest
Sales Price	\$ Not Sold	\$ 138,900	\$ 149,900	\$ 98,000
Price	\$	\$	\$	\$
Data Source	Inspection	Prudential R. E. Professionals/	GMAC Hemenway RE / Insp.	GMAC Hemenway RE / County
Date of Sale and Time Adjustment	DESCRIPTION	DESCRIPTION	DESCRIPTION	DESCRIPTION
	07-12-2005	01-2005 (COE) 0	Active Listing 0	05-2005 (COE) 0
Location	Average plus	Average plus	Average plus	Average +10,000
Site/View	7.0 acres/North, Wds	5.86 ac/ Wds/Fwy +15,000	10.5ac/Creek, Wds -12,000	7.0ac/ Wds/Pwline +10,000
Dwelling/Structures	None included	None	None	None
Well/Septic system	None/ Assm'd Permit	None/ Approved -3,000	None / assumed	None / permit apply +10,000
Slope/buildability	Various/ assumed	Various/ assumed	Rolling/ assumed	Rolling/ assumed
Utilities Available	Available at road	Available at road	Available at cost +15,000	Available at cost +15,000
Sales or Financing Concessions	Cash to Seller assumed	New Conv. Loan 0 No Points, Costs	Cash to Seller assumed	Cash to Seller assumed
Net Adj. (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 12,000	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 3,000	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 45,000
Indicated Value of Subject		Net 8.6 % \$ 150,900	Net 2.0 % \$ 152,900	Net 45.9 % \$ 143,000

Comments on Market Data: Limited market data for buildable smaller parcels in the subject's Cottage Grove area. Sale 1 located on Sears Road with westerly view, some exposure to freeway noise; Sale 2 is an active listing since July 27, 2005; appraiser has previously viewed acreage including this as yet undivided parcel which is a legal lot; Sale 3 located on moderate slope with limited access and powerline proximity.

Comments and Conditions of Appraisal: The appraisal is made to cash equivalency per USPAP/FIRREA guidelines and USPAP departure provisions do not apply. See attached assumptions, limiting conditions and comments. Appraisal is made of subject site as a HYPOTHETICAL parcel for purposes of value comparison as a part of Measure 37 proceedings. Several other listings and pending sales of similar size parcels as compared to subject in Cottage Grove area were also reviewed. Acreage adjustments at \$4,000 per acre for net acreage difference.

Final Reconciliation: The market data (sale comparison) approach is the only reliable method of estimating vacant or non-residential site value. The cost approach is omitted as there is minimal value for the improvements on site. The income approach does not normally apply to vacant land. The sales cited adjust to a fairly narrow range of indicated values with the value opinion stated being a round figure within the range.

I ESTIMATE THE MARKET VALUE, AS DEFINED, OF SUBJECT PROPERTY AS OF July 12, 2005 to be \$ 150,000  
 Any value in standing trees on the site is included as woodlot value or as natural landscape; no timber cruise was made available and the typical purchaser of wooded suburban and rural parcels is seeking to preserve and enhance a homesite.

Craig E. McKern [Signature]  Did  Did Not Physically Inspect Property  
 Appraiser(s) [Signature] Review Appraiser (if applicable)

**HYPOTHETICAL Lot 2 photo:**

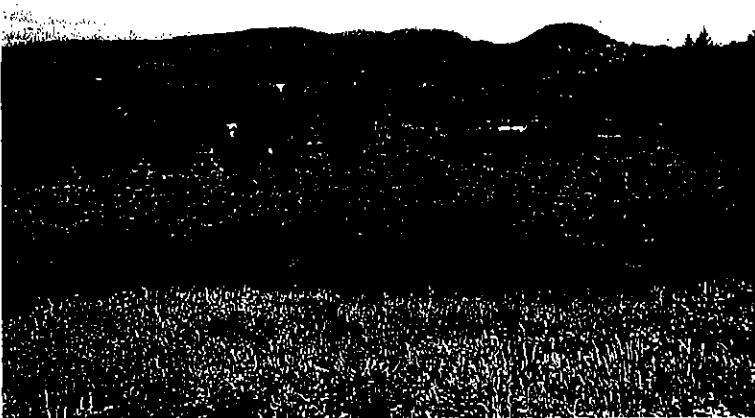
Borrower/Client	No borrower						
Property Address	78190 Pitcher Lane // HYPOTHETICAL portion of Tax Lot 20-03-34-00-02300, shown as "Lot 2"						
City	Cottage Grove	County	Lane	State	OR	Zip Code	97424
Lender	Bedortha, Milton and Bonnie						



Hypothetical "Lot 2" benched homesite looking west



Looking east from benched homesite toward access road and spring creek area at white stake



View from bench to northeast over hypothetical "Lot 1"

LAND APPRAISAL REPORT

Summary Appraisal Report

IDENTIFICATION
Borrower No borrower
Property Address 78190 Pitcher Lane // HYPOTHETICAL portion of Tax Lot 21-03-03-00-00200, shown as "Lot 5"
City Cottage Grove
Legal Description Hypothetical Metes and Bounds Legal Description\W\ portion of Tax Lot 21-03-03-00-00200
Sale Price \$ Not Sold
Date of Sale N/A
Loan Term N/A yrs.
Property Rights Appraised [X] Fee [ ] Leasehold [ ] De Minimis PUD
Actual Real Estate Taxes \$ (yr)
Loan charges to be paid by seller \$
Other sales concessions
Lender/Client Bedortha, Milton and Bonnie
Address 78190 Pitcher Lane, Cottage Grove, Oregon 97424
Occupant vacant
Appraiser Craig E. McKern
Instructions to Appraiser appraise to market value per USPAP standards.
Craig E. McKern, Appraiser, P.C. 1574 Coburg Road, PMB 397, Eugene, Oregon 97401 telephone 541-345-0744 facsimile 541-345-0577

NEIGHBORHOOD
Location [ ] Urban [X] Suburban [ ] Rural
Built Up [ ] Over 75% [ ] 25% to 75% [ ] Under 25%
Growth Rate [ ] Fully Dev. [ ] Rapid [X] Steady [ ] Slow
Property Values [ ] Increasing [X] Stable [ ] Declining
Demand/Supply [X] Shortage [X] In Balance [ ] Oversupply
Marketing Time [X] Under 3 Mos. [X] 4-6 Mos. [ ] Over 6 Mos.
Present Land Use 80% 1 Family 2% 2-4 Family % Apts. % Condo 2% Commercial
1% Industrial 10% Vacant 5% parks, public use
Change in Present Land Use [ ] Not Likely [ ] Likely (\*) [X] Taking Place (\*)
(\*) From vacant/undeveloped To residential
Predominant Occupancy [X] Owner [ ] Tenant 5 % Vacant
Single Family Price Range \$ 100 to \$ 500+ Predominant Value \$ 200+/-
Single Family Age <10 yrs. to 125+ yrs. Predominant Age 20-80 yrs.
Employment Stability [ ] [X] [ ] [ ]
Convenience to Employment [X] [ ] [ ] [ ]
Convenience to Shopping [X] [ ] [ ] [ ]
Convenience to Schools [X] [X] [ ] [ ]
Adequacy of Public Transportation [ ] [X] [ ] [ ]
Recreational Facilities [X] [X] [ ] [ ]
Adequacy of Utilities [ ] [X] [ ] [ ]
Property Compatibility [ ] [X] [ ] [ ]
Protection from Detrimental Conditions [X] [X] [ ] [ ]
Police and Fire Protection [ ] [X] [ ] [ ]
General Appearance of Properties [ ] [X] [ ] [ ]
Appeal to Market [X] [X] [ ] [ ]

Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, view, noise): Subject is located just east of Cottage Grove and within one road mile of new Cottage Grove Hospital, Interstate 5 access and Gateway services area. A mix of home styles, ages, acreages, qualities, values and view aspects is present in this unincorporated area near the city. Land uses include forest lands, nurseries, the Mosby Creek and lower Row River greenways, a "Rails to Trails" bike bath, various small businesses, a convenience store, vacant acreages.

SITE
Dimensions Irregular, see plat map = 14.0 Sq. Ft. or Acres [ ] Corner Lot
Zoning classification F2 - Impacted Forest Lands Present Improvements [X] do [ ] do not conform to zoning regulations
Highest and best use [ ] Present use [X] Other (specify) potential to partition to this smaller site under present Measure 37 procedures
Public Other (Describe) OFF SITE IMPROVEMENTS
Etec. [X] Street Access [ ] Public [X] Private
Gas [ ] Surface All Weather Gravel
Water [ ] assumed Maintenance [ ] Public [X] Private
San. Sewer [ ] assm septic [ ] Storm Sewer [ ] Curb/Gutter
[ ] Underground Elect. & Tel. [ ] Sidewalk [ ] Street Lights
Topo Benched to rolling to steep slopes
Size Typical small acres
Shape Irregular
View Wooded, hills
Drainage Adequate by slope
Is the property located in a HUD Identified Special Flood Hazard Area? [X] No [ ] Yes

Comments (favorable or unfavorable including any apparent adverse easements, encroachments, or other adverse conditions): See aerial and other photos and plat map to visualize the acreage in total, which is on the northeast slopes of Taylor Butte close-in to east Cottage Grove. Site as appraised for Measure 37 proceedings purposes. Access from Pitcher Lane via an owned site and a roadway as shown on plat map, aerial photos. Acreage has upper and lower benched homesites, small spring, limited northerly view, mixed woods with larger timber on upper (south) portion.

The undersigned has recited three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to or more favorable than the subject property, a minus (-) adjustment is made thus reducing the indicated value of subject; if a significant item in the comparable is inferior to or less favorable than the subject property, a plus (+) adjustment is made thus increasing the indicated value of the subject.

MARKET DATA ANALYSIS
Table with 5 columns: ITEM, SUBJECT PROPERTY, COMPARABLE NO. 1, COMPARABLE NO. 2, COMPARABLE NO. 3. Rows include Address, Proximity to Subject, Sales Price, Price, Data Source, Date of Sale and Time Adjustment, Location, Site/View, Dwelling/Structures, Well/Septic system, Slope/buildability, Utilities Available, Sales or Financing Concessions, Net Adj. (Total), and Indicated Value of Subject.

Comments on Market Data: Limited market data for buildable smaller parcels in the subject's Cottage Grove area. Sale 1 is an active listing since July 27, 2005; appraiser has previously viewed acreage including this as yet undivided parcel which is a legal lot; Sale 2 had placeholder mobile on site, is further from freeway access, services. Sale 3 located in mixed area south of Interstate 5 with adverse traffic noise.

Comments and Conditions of Appraisal: The appraisal is made to cash equivalency per USPAP/FIRREA guidelines and USPAP departure provisions do not apply. See attached assumptions, limiting conditions and comments. Appraisal is made of subject site as a HYPOTHETICAL parcel for purposes of value comparison as a part of Measure 37 proceedings. Several other listings and pending sales of similar size parcels as compared to subject in Cottage Grove area were also reviewed. 10% per annum appreciation adjustment made for Sale 3 as a dated sale. Final Reconciliation: The market data (sale comparison) approach is the only reliable method of estimating vacant or non-residential site value. The cost approach is omitted as there is minimal value for the improvements on site. The income approach does not normally apply to vacant land. The sales cited adjust to a fairly wide range of indicated values with the value opinion stated being a round figure within the range.

RECONCILIATION
I ESTIMATE THE MARKET VALUE, AS DEFINED, OF SUBJECT PROPERTY AS OF July 12, 2005 to be \$ 180,000
Any value in standing trees on the site is included as woodlot value or as natural landscape; no timber cruise was made available and the typical purchaser of wooded suburban and rural parcels is seeking to preserve and enhance a homesite.
Craig E. McKern Appraiser(s) [ ] Did [ ] Did Not Physically Inspect Property
Review Appraiser (if applicable)

### HYPOTHETICAL Lot 5 photos

Borrower/Client	No borrower		
Property Address	78190 Pitcher Lane // HYPOTHETICAL portion of Tax Lot 21-03-03-00-00200, shown as "Lot 5"		
City	Cottage Grove	County	Lane
		State	OR
		Zip Code	97424
Lender	Bedortha, Milton and Bonnie		



Hypothetical "Lot 5" benched lower homesite looking south; used as an RV hookup site with spring water and power



Looking east on upper benched homesite which would have a good cross valley view to the north if trees are thinned or removed



Looking west on upper benched homesite shown above

Borrower	No borrower	File No.	061805A
Property Address	78190 Pitcher Lane //Tax Lots 21-03-03-00-00200 and 20-03-34-00-02300		
City	Cottage Grove	County	Lane
		State	OR
		Zip Code	97424

Lender Bedortha, Milton and Bonnie

**APPRAISAL AND REPORT IDENTIFICATION**This appraisal conforms to one of the following definitions:

- Complete Appraisal (The act or process of estimating value, or an opinion of value, performed without invoking the Departure Rule.)
- Limited Appraisal (The act or process of estimating value, or an opinion of value, performed under and resulting from Invoking the Departure Rule.)

This report is one of the following types:

- Self Contained (A written report prepared under Standards Rule 2-2(a) of a Complete or Limited Appraisal performed under STANDARD 1.)
- Summary (A written report prepared under Standards Rule 2-2(b) of a Complete or Limited Appraisal performed under STANDARD 1.)
- Restricted (A written report prepared under Standards Rule 2-2(c) of a Complete or Limited Appraisal performed under STANDARD 1, restricted to the stated intended use by the specified client or intended user.)

**Comments on Standards Rule 2-3**

I certify that, to the best of my knowledge and belief:

The statements of fact contained in this report are true and correct.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions and conclusions.

I have no present or prospective interest in the property that is the subject of this report, and no (or the specified) personal interest with respect to the parties involved.

I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.

My engagement in this assignment was not contingent upon developing or reporting predetermined results.

My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

My analyses, opinions and conclusions were developed and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

I have made a personal inspection of the property that is the subject of this report.

No one provided significant real property appraisal assistance to the person signing this certification. (If there are exceptions, the name of each individual providing significant real property appraisal assistance must be stated.)

I have made a personal interior inspection of the subject property.

There is no guarantee from the appraiser that the attached report(s) will be found fully satisfactory to the Lane County jurisdiction for handling Measure 37 claims, as these requirements may change due to court ordered or Legislature passed modifications.

**Comments on Appraisal and Report Identification**

Note any departures from Standards Rules 1-3 and 1-4, plus any USPAP-related issues requiring disclosure:


This appraisal report is complete on the basis of the full site inspection, not the extent of commentary attached.

The appraised value includes a realty fee as did the sale prices of the comparables, unless otherwise stated.

There were no directly observed toxic materials or hazardous substances in the immediate area of the subject; if any do exist, these are assumed to be safely stored and used according to label directions. A specific search for and recognition of toxic waste and hazardous materials such as might be found in a farm and ranch environment (a Level I assessment) is beyond the scope of the appraiser's training and knowledge. Common household, shop and garden chemicals and substances found in most homes and garages, including those of the reader, are assumed to exist around the site. These common toxic materials and hazardous substances include chemicals such as fertilizers, weed killers, pest poisons and sprays, bleach, detergent, oils, cleansers, solvents and fuels, among other solid, liquid and paste substances, and are assumed to be used according to label directions and Federal, state and local regulations unless otherwise specifically noted in this report. It is specifically assumed there is no toxic mold or fungus manifest on the site which would affect livability or marketability.

See attached supplemental addendum. This report has been prepared for use in a State Measure 37 proceeding and is restricted to that use only. See the cover letter page for brief explanations of the use and purpose of this report 061805A in conjunction with report 061805B and 061805C which are for smaller hypothetical parcels out of the 105 acres more or less of the report in hand in order to provide "before and after" scenarios. The actual legality, validity and application of State Measure 37 is still in question with present and future court and Legislature involvements a certainty.

**APPRAISER:**

Signature: 

Name: Craig E. McKern

Date Signed: July 29, 2005

State Certification #: CR00024

or State License #: \_\_\_\_\_

State: Oregon

Expiration Date of Certification or License: 09-30-2006

**SUPERVISORY APPRAISER (only if required):**

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Date Signed: \_\_\_\_\_

State Certification #: email: cem9th@msn.com

or State License #: phone 541-345-0744/fax 541-345-0577

State: \_\_\_\_\_

Expiration Date of Certification or License: \_\_\_\_\_

Did  Did Not Inspect Property

Borrower/Client	No borrower				
Property Address	78190 Pitcher Lane //Tax Lots 21-03-03-00-00200 and 20-03-34-00-02300				
City	Cottage Grove	County	Lane	State	OR
				Zip Code	97424
Lender	Bedortha, Milton and Bonnie				

## Appraisal Development and Reporting Process:

As per prior agreement with the client named on the cover sheet and first form page of this report, the level of appraisal service requested is a Summary Appraisal Report of a Complete Appraisal of the subject property. This level of service has, in the past, been known as a "form appraisal" using standard FNMA or FHLMC forms to convey information to the reader. This level of appraisal service is for the most part the same as past "form appraisals".

This report is a Summary Appraisal Report which is intended to comply with the reporting requirements set forth under Standards Rule 2-2b of the Uniform Standards of Professional Appraisal Practice (USPAP) for a Summary Appraisal Report. As such, it represents only summary discussions of the data, reasoning and analyses used in the appraisal process to develop the appraiser's opinion of value stated elsewhere. Supporting documentation that is not provided with this report concerning the data, reasoning and analyses has been retained in the appraiser's file copy. The depth of the discussion contained in this report is specific to the needs of the client and for the intended use of this report stated below.

## Scope of Work:

In preparing this report, the appraiser inspected the subject site and the improvements on July 12, 2005. Relevant information on comparable land and improved site sales, construction costs and accrued depreciation were also gathered, verified and considered.

All three approaches to value were considered; the sales comparison approach only was developed for all three 061805 reports. See reports 061805B and 061805C reports attached to this 061805A report.

The income approach, along with rents, comparative rental data and calculated formulas and multipliers, is used ONLY IF the subject is likely to become or remain a rental income property in the foreseeable future, which is not the case for the subject dwelling at this time.

## Purpose of the Appraisal and Use of the Report:

The purpose of this appraisal report is to estimate the market value as defined on the attached certification/limiting conditions addendum included with the 1004 form and in the attached USPAP addendum.

This appraisal report is intended ONLY for the use of the client named for the purpose of establishing a fair market value by an independent third party for Measure 37 proceedings. The use of this report is restricted to the clients, Milton and Bonnie Bedortha, owners, and their advisor/agent, Norm Waterbury, and an attorney, if desired, for this purpose only. Duly constituted Lane County committees or courts for Measure 37 appeals are also an expected reader of this report but Lane County is not a client of the appraiser.

This report in its present configuration is not intended for any financing purpose whatsoever. Any other authorized use of this report will be stated either below or in the letter of engagement.

The appraiser is not and will not become responsible for any unauthorized use. Errors and omissions insurance is not extended to a future third party reader and the appraiser must be notified, timely and in writing, of any future transfer/assignment of this report to any third party.

## Supplemental Certifications:

I certify that the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

In addition, I certify that, to the best of my knowledge and belief, the reported analyses, opinions and conclusions were developed, and this report prepared, with conformity to the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.

signed and dated July 29, 2005

Craig E. McKern  
president

Craig E. McKern Appraiser P.C.

## **Exhibit 7**

**Leases, Covenants, Conditions and Restrictions; At this time there are none that I am aware of at this time, other than those which govern a pond at the edge of the property.**

## **Exhibit 8**

**Relief Sought;**

**At this time, The Bedortha's would like to divide their property into eight buildable lots. As noted on the vicinity map our property is surrounded by smaller parcels. From the base of the Bedortha's driveway to the Hospital in Cottage Grove is only 1 mile. The development of this property into 6 to 18 acre parcels is in line with the current parcelization which has taken place around them,**

**As noted in the well logs sufficient water is available to support this level of development. Soils in this area are capable of supporting conventional on site septic systems.**



**ATTACHMENT "B"**  
**Zoning maps from 1976.**

TO FF 20 ENTIRE SECTION, EXCEPT  
FM (SW CORNER) AS NOTED.  
7 MAY 75.

SECTION 10 T21S R10E FF, JVI.

LANE COUNTY

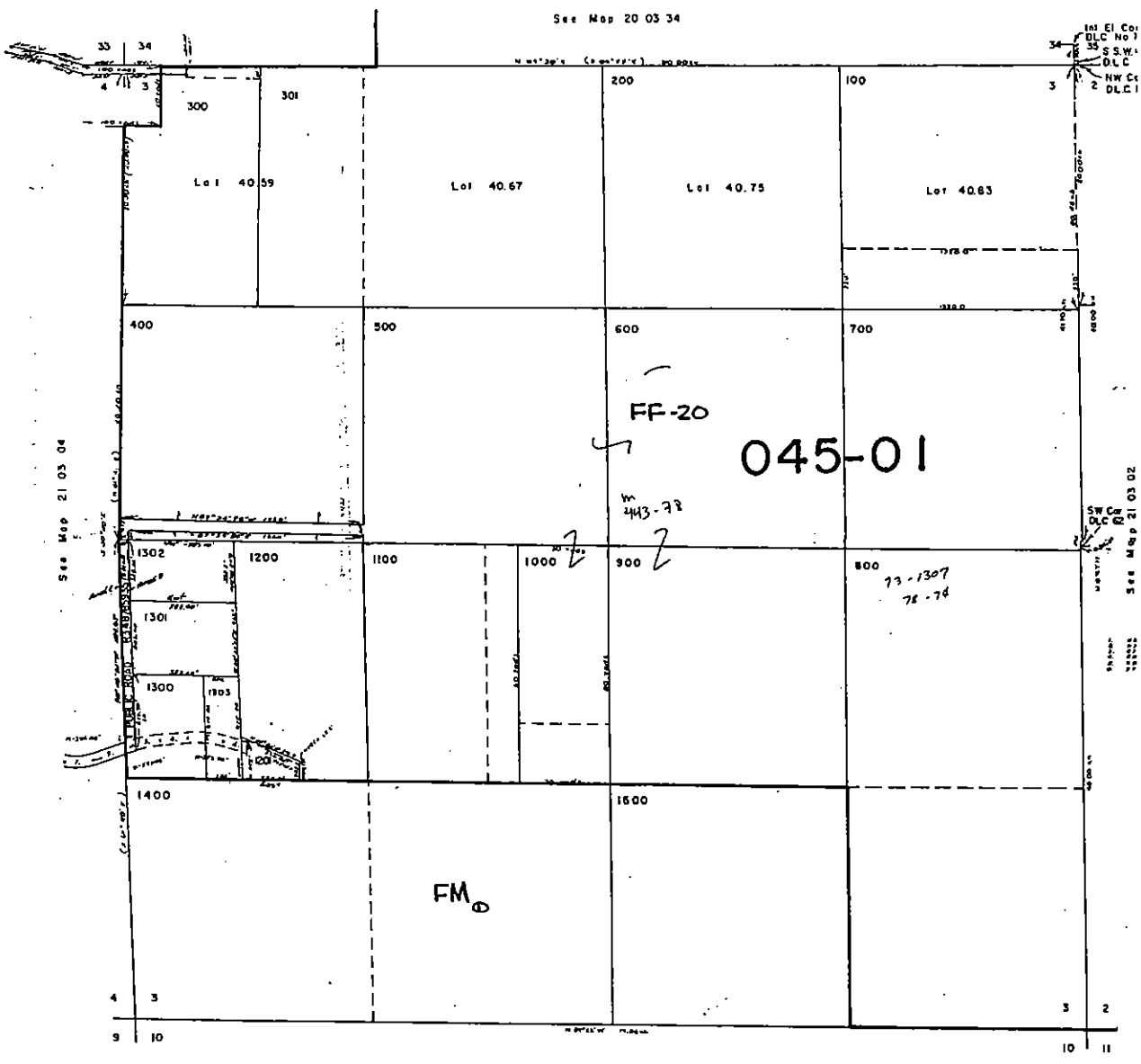
1" = 400'

URB.  
MINC

See Map 20 03 34

N 180.433  
E 1,327.520

N 174.845  
E 1,327.520



See Map 21 03 10

3-PCE. AND TAX LOTS 1701, 1702, & 1800 AND TAX LOTS 2000, 2100, 2200, 2201, & 2700 22 SEPT 72

SECTION 34 T20S. R3 REVEN.

LANE COUNTY

1"=400'

81

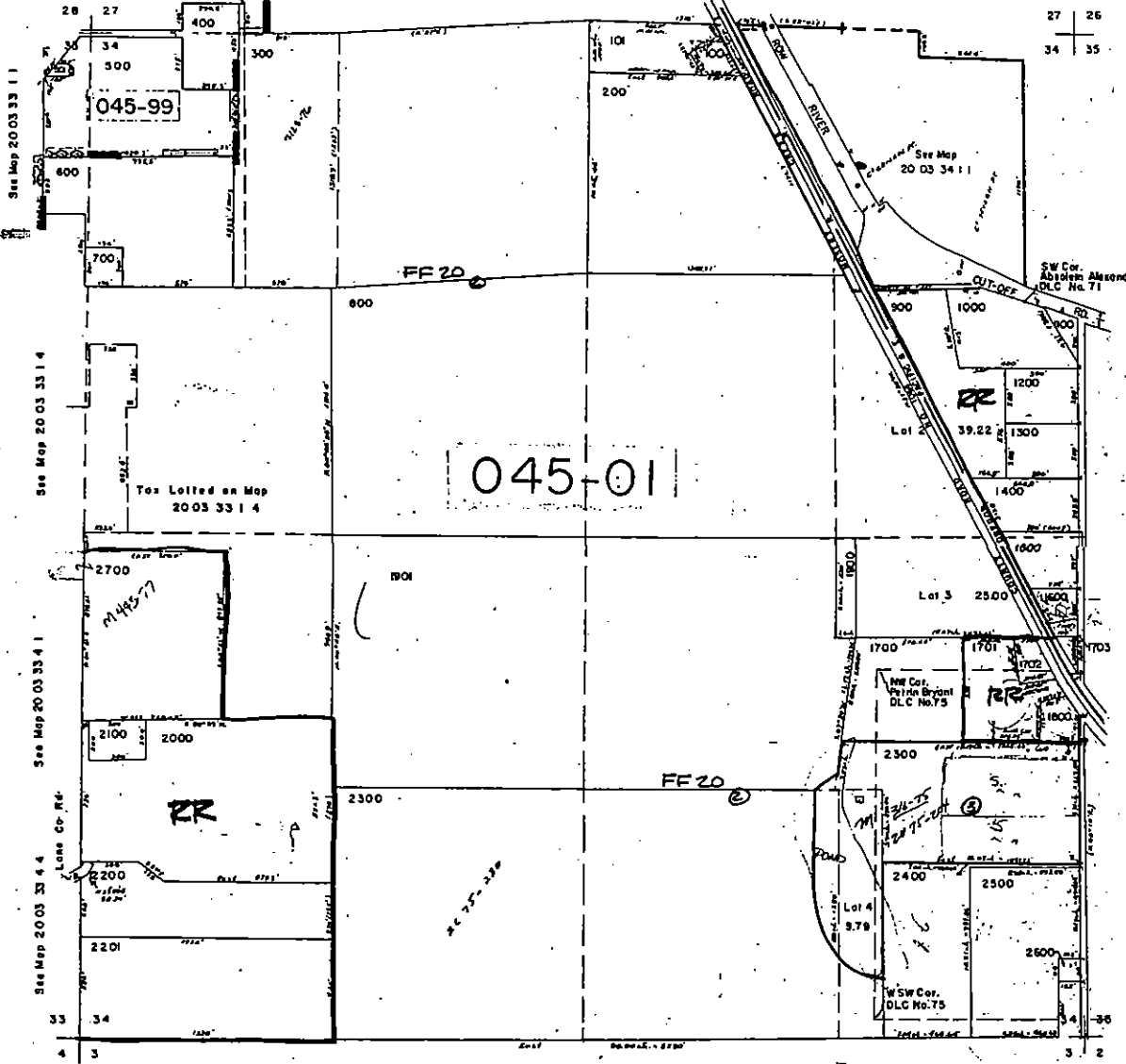
2. UNZONED TO FF 20, 75-08 (AREA W. OF MADSBY CR. RD. NOT ALREADY ZONED) 7 MAY 75.

5. FF 20 TO A&T'S, 75-250, (E. PORTION TAX LOT 2300 OTHER), BOARD ORDER No. 870, 21 JAN 76.

See Map 20 03 27 3

See Map 20 03 27 3 4

See Map 20 03 27 4



See Map 21 03 03 1

**ATTACHMENT "C"**  
**F-F 20 Zone regulations.**

10.105-05

Lane Code

10.105-10

FARM-FORESTRY 20 DISTRICT (F-F 20)

-05. Purpose

The Farm Forestry 20 District is intended to provide farming, grazing or timber production areas as free as practicable from conflicts with urban and other uses incompatible with farming, grazing, or timber production uses, as well as being intended to be used in otherwise remote areas of the County not appropriate for more intensive development than permitted by the regulations of this District.

-10. Permitted Buildings and Uses

In the F-F 20 District, the following types of buildings and uses are permitted as hereinafter specifically provided for by this section, subject to the general provisions and exceptions set forth in this Chapter:

- (1) The following farm uses:
  - (a) General farming, including but not limited to the growing and raising of trees, vines, shrubs, berries, vegetables, nursery stock, hay grains, seed, and similar food and fibre products.
  - (b) Pastures and grazing.
  - (c) Animal husbandry, including the breeding and raising of cattle, sheep, horses, goats, pigs, and rabbits; provided that such raising activities are not a part of, nor conducted in conjunction with any livestock sales yard, slaughter house, or animal by-product business.
  - (d) Poultry ranching, provided the lot area is a minimum of twenty (20) acres.
  - (e) Dairying, provided the lot area is a minimum of twenty (20) acres.
  - (f) Raising and selling of fur bearing animals.
  - (g) Keeping of honey bees and the production and sale of honey.
- (2) The management, growing, and harvesting of forest products, including Christmas tree raising.
- (3) The following uses, when such uses are operated on the same property as, by the owner or operator of, and customarily provided in conjunction with a use permitted in (1) and (2) above, and are not a separate business or enterprise; provided the lot area is a minimum of twenty (20) acres:
  - (a) Hop, nut and fruit driers.
  - (b) Feed mixing and storage facilities.
  - (c) Hullers.
  - (d) Mint distilleries.
  - (e) Seed processing, packing, shipping and storage.
  - (f) Plants for the storage or packing of agricultural products produced on the premises.

F-F 20

10.105-10

Lane Code

10.105-15

- (g) Feed lots.
- (h) Temporary and portable sawmills, barkers, and chippers.
- (i) Any other similar processing and allied farm commercial activities approved by the Planning Commission.
- (4) Sale of agricultural products and livestock grown or raised on the premises.
- (5) One single-family dwelling per lot or one mobile home per lot in compliance with the general requirements of this Chapter for mobile home permits (LC 10.200).
- (6) Guest house.
- (7) Accessory buildings and uses customarily provided in conjunction with a use permitted in this district.
- (8) Airplane strips and helipads for the private use of owner or operator of the property and private hunting and fishing preserves, provided the area is a minimum of twenty (20) acres.
- (9) Home occupation.
- (10) Public and semi-public buildings and structures rendering direct service to the public in local areas, such as fire stations, utility substations, and pump stations.
- (11) Kennel, provided the following conditions are satisfied:
  - (a) For more than three (3) dogs over four (4) months of age, there shall be at least five thousand (5000) square feet of lot area for each dog on the lot.
  - (b) Where the lot area is less than twenty (20) acres, the maximum number of dogs over four (4) months of age shall be eight (8).
  - (c) Where lot area is a minimum of twenty (20) acres and when more than eight (8) dogs over four (4) months of age are accommodated, kennel structures and fenced runs shall be required for all such dogs in excess of eight (8) and shall be located at least one hundred (100) feet from an adjoining property.

-15. Conditional Uses

The following conditional uses, subject to a conditional use permit granted pursuant to the general provisions of this Chapter providing for the granting of conditional use permits (LC 10.320):

- (1) Uses listed in LC 10.105-10 (1)(c), (1)(d), (3) and (8) preceding when the lot area is less than twenty (20) acres.
- (2) The following uses, when such uses are operated as a separate business or enterprise not in conjunction with a farm use in certain locations determined not to be detrimental to the agricultural character of the area and to be of benefit to the community at large; for example, along railroads, major highways, or in small population centers:

10.105-15

Lane Code

10.105-23

- (a) Hop, nut and fruit dryers.
  - (b) Feed mixing and storage facilities.
  - (c) Hullers.
  - (d) Mint distilleries.
  - (e) Seed processing, packing, shipping and storage.
  - (f) Plants for the storage, packing, or wholesaling of agricultural products produced on the premises.
  - (g) Feed lots.
  - (h) Temporary and portable sawmills, barkers, and chippers.
  - (i) Any other similar activities or other allied farm commercial activities.
- (3) Animal hospitals; kennels which do not satisfy the requirements for kennels allowed as a permitted use.
  - (4) Churches.
  - (5) Public and private schools.
  - (6) Parks, playgrounds and community centers owned by a governmental agency or a non-profit community organization.
  - (7) Lodges and grange halls.
  - (8) Electric transmission facilities transmitting electric current in excess of 75,000 volts in any single cable or line or group of cables or lines.
  - (9) Flood control facilities and irrigation projects.
  - (10) Radio and TV transmission towers.
  - (11) Accessory dwellings for persons employed on the premises.
  - (12) Stables, riding academies, and commercial riding; provided such activities are contained on the property authorized for conditional use permit approval.
  - (13) Airports, heliports, or aircraft landing fields.
  - (14) Cemeteries.
  - (15) Golf courses.
  - (16) Penal farms.
  - (17) Radio and TV stations.
  - (18) Rock, sand, gravel, and loam excavations, extraction of mineral resources, with incidental processing.
  - (19) Sanitary landfills.
  - (20) Tourist parks.
  - (21) Camping vehicle parks.
  - (22) Campgrounds.
  - (23) Other uses not specifically authorized any place in this Chapter.

-23. Setback Requirements (Also see LC 10.300-15)

- (1) Front yard setback shall be twenty (20) feet.
- (2) Side yard setback shall be as follows:
  - (a) Interior yard -- fifteen (15) feet for a main building; five (5) feet for an accessory building or structure.
  - (b) Street side yard -- twenty (20) feet.

F-F 20

10.105-23

Lane Code

10.105-42

- (3) Rear yard setback shall be twenty (20) feet for a main building; five (5) feet for an accessory building or structure.

-28. Vision Clearance

Vision clearance for corner lots shall be a minimum of fifteen (15) feet.

-42. Area (Also see LC 10.300-20)

- (1) The minimum area for the division of land shall be twenty (20) acres; except that the division of agricultural land by lease or rental for any farm use purpose is permitted, provided however, that no structure or building may be erected appurtenant to such division of land except those permitted under LC 10.105-10(7) of this Chapter; and except further, division of land for less than twenty (20) acres is permissible for uses permitted under LC 10.105-10(10) and permitted conditionally in the F-F 20 District, except under LC 10.105-15(11).
- (2) For each accessory dwelling or mobile home unit approved conditionally under 10.105-15(11), except farm labor camps, the lot shall contain a minimum average of five (5) acres per such accessory unit.