

W-15.b



**Lane County**

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

**AGENDA COVER MEMO**

**MEMO DATE: May 16, 2006**

**AGENDA DATE: May 24, 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 05-6659, Sutley 1302).**

**I. MOTION**

Move to approve the Measure 37 Claim and adopt the order attached to this report.

**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 Gary and Sharon Sutley to use the property as could have been allowed at the time they acquired the property?

**III. DISCUSSION**

**A. Background**

**Applicant:** Gary Sutley

**Current Owner:** Gary and Sharon Sutley

**Agent:** none

**Legal Description of Property:** 18-04-06 #1302

**Acreage:** 5.5 acres

**Current Zoning:** E40 (Exclusive Farm Use)

**Date Property Acquired by Sutley family:** August 23, 1972

**Date claim submitted:** November 14, 2005

**Land Use Regulations in Effect at Date of Acquisition:** AGT (Agriculture, Grazing and Timber)

members of the Sutley family, as defined by Measure 37. When the current owners acquired the property, the AGT zone allowed "One single-family dwelling or two-family dwelling per lot or one mobile home per lot." (LC 10.110-3, version applicable on October 9, 1979). Currently, the property is zoned E40 (Exclusive Farm Use) and a new dwelling requires a special use permit. Lane Code 16.212(7)(f) contains the criteria for a Nonfarm Dwelling. Based on the size of the parcel and the type of soil it contains, this parcel may not be eligible for a dwelling.

The applicant has submitted an appraisal to demonstrate a reduction in fair market value resulting from enforcement of a restrictive land use regulation. According to the appraisal, the value of the land is reduced by \$207,200 if a dwelling is not allowed. The Board will need to determine if this is reasonable and competent evidence of a reduction in fair market value resulting from enforcement of a restrictive land use regulation.

#### **Exempt Regulations**

The E40 (Exclusive Farm Use) zone limitations on new dwellings do not appear to be exempt regulations described in Measure 37 or LC 2.710.

#### **E. Conclusion/County Administrator Recommendation**

If the Board determines the submitted evidence demonstrates a reduction in fair market value resulting from enforcement of a restrictive land use regulation, the County Administrator recommends the Board waive the E40 (Exclusive Farm Use) zone regulation that require a special use permit for a new dwelling.

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

The Board has these options:

1. Determine the application appears valid and adopt the order attached to this report.
2. Require more information regarding 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**

If the Board determines the submitted evidence is reasonable and competent, the County Administrator recommends alternative #1.

### **VI. ATTACHMENTS**

Order to approve the Measure 37 claim of Gary and Sharon Sutley.

Written claim dated November 14, 2005.

Vicinity Map

Title report dated October 27, 2005.

Bargain and Sale Deed 15268, dated August 23, 1972.

Statutory Bargain and Sale Deed 7960659, recorded October 9, 1979.

Appraisal dated September 15, 2005.

**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 (Gary and Sharon Sutley/  
                  ) PA05-6659).

**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 Gary and Sharon Sutley (PA05-6659), the owners of real property described in the records of the Lane County Assessor as map 18-04-06, tax lot 1302, consisting of approximately 5.5 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 owners 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 May 24, 2006, the Board conducted a public hearing on the Measure 37 claim (PA05-6659) of Gary and Sharon Sutley and has now determined that the restrictive E40 (Exclusive Farm Use) zone dwelling requirements of LC 16.212 were enforced and made applicable to prevent Gary and Sharon Sutley from developing the property as might have been allowed at the time it was acquired by the Sutley family on August 23, 1972, and that the public benefit from application of the current E40 restrictions on new dwellings to the applicants' property is outweighed by the public burden of paying just compensation; and

**WHEREAS**, Gary and Sharon Sutley request either \$207,200 as compensation for the reduction in value of their property, or waiver of all land use regulations that would prevent the placement of a single family dwelling, a use that could have otherwise been allowed at the time they acquired the property; 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 Gary and Sharon Sutley to make application for development of the subject property in a manner similar to what they could have been able to do under the regulations in effect when they 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 Gary and Sharon Sutley 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 they acquired the property before the restrictive county land use regulations were enacted or enforced and the Board hereby elects not to pay just compensation but in lieu of payment, the request of Gary and Sharon Sutley shall be granted and the restrictive provisions of LC 16.212 that prevent the development of a new dwelling in the E40 (Exclusive Farm Use) Zone shall not apply to Gary and Sharon Sutley, so that they can make application for approval to develop the property described in the records of the Lane County Assessor as map 18-04-06, tax lot 1302, in a manner consistent with the land use regulations in effect when they acquired the property on October 9, 1979.

**IT IS HEREBY FURTHER ORDERED** that Gary and Sharon Sutley still will need to make application and receive approval for placement of a dwelling under the other land use regulations applicable to placing a dwelling that were not specifically identified or established by Gary and Sharon Sutley as restricting the 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 restrictions of the applicable zone described above, the claimant shall submit appropriate applications for review and approval of a new dwelling 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 Gary and Sharon Sutley does not constitute a waiver or modification of state land use regulations and does not authorize 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 owners. 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 5-11-2006 Lane County

Stephen J. Cohen  
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>Gary Sutley</u>	<u>P.O. Box 295 Dexter, OR 97434</u>	<u>(541) 937-2283</u>
Applicant Name (Please Print)	Mailing Address	Phone
_____	_____	_____
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>Gary V. Sutley</u>	<u>P.O. Box 295 Dexter, OR 97434</u>	<u>(541) 937-2283</u>
Property Owner Name (Please Print)	Mailing Address	Phone
_____	_____	_____
<u>Sharon E. Sutley</u>	<u>P.O. Box 295 Dexter, OR 97434</u>	<u>(541) 937-2283</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 180-016 Tax Lot 1302 Parcel 2 of approved Lane County Partition M599-78)

Street Address None. At the end of Hazel Dell Rd, 1/2 mile south of Crow Rd. 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 2.740( 1).

LC 16.212 and the Lane County Rural Comprehensive Plan diagram and Goal 3 Policies.

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

See Gary Sutley Attachment 1, 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 Gary Sutley Attachment 2, Evergreen Land Title Co. Preliminary Title Report

5.5 acres

E 40

**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 Gary Sutley Attachment 3, Chris S. Bell, SRA, Appraisal of the Subject Property

Before the challenged regulations the estimated market value is "\$223,000". After the challenged regulations the estimated market value is \$15,800.

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

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

See Gary Sutley Attachment 1, Evergreen Land Title Co. 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 have a dwelling and accessory residential, farm and forest structures and uses on the subject 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).**

Gary Sutley  
Owner(s) Signature

11-14-05  
Date

\_\_\_\_\_  
Applicant/Agent Signature

\_\_\_\_\_  
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.



# Evergreen

## Land Title Company

### *PRELIMINARY TITLE REPORT*

**TO:** GARY SUTLEY  
P.O. BOX 295  
DEXTER, OREGON 97431

**RE:** SUTLEY

**Order reports and listing kits online at** ([www.evergreenlandtitle.com](http://www.evergreenlandtitle.com))

*October 27, 2005*

ELT-45069

**Main Office:**

1570 Mohawk Boulevard  
Springfield, OR 97477

**Phone #** (541) 741-1981 **Fax #** (541) 741-0619






**Branch Office:**

1509 Willamette Street  
Eugene, OR 97401

**Phone #** (541) 687-9794 **Fax #** (541) 687-0924



**Legend**

-  UGB
-  City Limits
-  Metro boundary
-  Roads
-  Sutley



CANTRELL

DUKHOBAR

CROW

1302

OAK HILL

Sutley M37 Claims:  
PA05-6658 and 05-6659



GREEN HILL

1402

KELLMORE

WILLOW CREEK

Eugene-Springfield Urban Growth Area

LA PORTE

RAINIER

**MAIN OFFICE**

1570 MOHAWK BLVD. • SPRINGFIELD, OR 97477  
P.O. BOX 931 • SPRINGFIELD, OR 97477  
PHONE: 541.741.1981  
FAX: 541.741.0619



**BRANCH OFFICE**

1509 WILLAMETTE ST. • EUGENE, OR 97401  
P.O. BOX 10211 • EUGENE, OR 97440  
PHONE: 541.687.9794  
FAX: 541.687.0924

**4<sup>th</sup> SUPPLEMENTAL TITLE REPORT**

October 27, 2005

ELT-45069

Gary Sutley  
P.O. Box 295  
Dexter, Oregon 97431

Estimated Premium for:		
TO COME	OWNER'S POLICY	\$200.00
	ADDITIONAL CHAIN	\$100.00
	Gov't Service Fee	WAIVED
	<b>TOTAL</b>	<b>\$300.00</b>

Dear Gary:

We are prepared to write Title Insurance covering the following described premises to-wit:

**SEE ATTACHED**

Showing fee simple title as of October 20, 2005, at 8:00 a.m., vested in:

**GARY V. SUTLEY AND SHARON E. SUTLEY,  
as tenants in common**

Subject to the usual printed exceptions, and

1. Taxes, Map No. 18-04-06-00-01402, Code 04-15, Account No. 1301942, 2005-2006, a lien in the amount of \$10.82, now payable.

Taxes, Map No. 18-04-06-00-01302, Code 04-01, Account No. 1302627, 2005-2006, a lien in the amount of \$21.69, now payable.

Taxes, Map No. 18-04-06-00-01402, Code 04-01, Account No. 1301934, 2005-2006, a lien in the amount of 25.52, now payable.

**CONTINUED**

2. The Assessment Roll and the Tax Roll disclose that the premises herein described have been specially assessed as Farm Use Land. If the land becomes disqualified for the special assessment under the statute, an additional tax may be levied and in addition thereto a penalty may be levied if notice or disqualification is not timely given.

“This report (policy) does not include any search for financing statements or agricultural services, liens which are filed with the Secretary of State and any matters which would be disclosed, thereby are expressly omitted from coverage herein.”

3. Deed of Trust, including the terms and provisions thereof, executed by Gary V. Sutley and Sharon E. Sutley, husband and wife, as Grantor(s), to Willamette Valley Title Company, as Trustee, for the benefit of Queen City Savings and Loan Association, as Beneficiary, Dated April 18, 1983, Recorded April 25, 1983, Reel 1242R, Reception No. 83-13058, Official Records of Lane County, Oregon, given to secure payment of a Note for \$240,000.00. (Parcel 2)

The beneficial interest in said Deed of Trust was assigned to Saguaro, Inc., a New Mexico corporation, by mesne assignments, the last of which Recorded January 4, 1988, Reception No. 88-00102, Lane County Oregon Records.

4. Deed of Trust, including the terms and provisions thereof, executed by Gary V. Sutley and Sharon E. Sutley, husband and wife, as Grantor(s), to Willamette Valley Title Company, as Trustee, for the benefit of Queen City Savings and Loan Association, as Beneficiary, Dated June 30, 1983, Recorded July 1, 1983, Reception No. 83-22985, Official Records of Lane County, Oregon, given to secure payment of a Note for \$1,000,000.00. (Parcel 1)

Richard H. Busby, was appointed Successor Trustee, by instrument Recorded February 20, 1987, Reel 1446R, Reception No. 87-07924, Lane County Oregon Records.

The beneficial interest in said Deed of Trust was assigned to Saguaro, Inc., a New Mexico corporation, by mesne assignments, the last of which Recorded January 4, 1988, Reception No. 88-00101, Lane County Oregon Records.

5. Judgement against Gary V. Sutley, in favor of Account Collection Bureau Inc., entered May 16, 2001, Lane County Circuit Court Case No. 169602705, in the amount of \$9,999.00 Judgement Costs, \$122.00 Court Costs. (Includes \$550.00 pre-judgement interest)

NOTE: The address of the property to be insured herein is: NOT KNOWN.

NOTE: A JUDGEMENT/LIEN SEARCH was done for the name(s) SHARON E. SUTLEY, and as of October 20, 2005, none were found.

NOTE: Said property lies outside the city limits, therefore, is not subject to city liens.

INFORMATIONAL NOTE: Off record information indicates that Gary V. Sutley was awarded the property as described herein in Dissolution of Marriage proceedings, Filed August 14, 1996, Circuit Court Case No. 15-96-07218, however Evergreen Land Title Company finds no constructive notice recorded in Lane County Oregon Deed Records.

C O N T I N U E D

NOTE: SUPPLEMENTED TO UPDATE REPORT.

Very truly yours,

EVERGREEN LAND TITLE COMPANY  
HOME OFFICE

By:

A handwritten signature in black ink, appearing to read "Jeffrey K. Walker". The signature is written in a cursive style with a large initial "J" and "K".

Jeffrey K. Walker  
Advisory Title Officer

NO LIABILITY IS ASSUMED HEREUNDER UNTIL POLICY IS ISSUED AND  
PREMIUM PAID. IF FOR ANY REASON THE REPORT IS CANCELLED, A MINIMUM  
CANCELLATION FEE OF \$200.00 WILL BE CHARGED.

**PARCEL 1:**

A parcel of land in the Southwest  $\frac{1}{4}$  of Section 6, Township 18 South, Range 4 West of the Willamette Meridian, said parcel being a portion of that property described on that Deed Recorded on Reel 600, Reception No. 15260, Lane County Oregon Deed Records, said parcel being more particularly described as follows:

Beginning at a point on the South line of said Section 6, said point bears North  $88^{\circ} 09' 25''$  West 458.69 feet from the South  $\frac{1}{4}$  corner of said Section 6; thence North  $88^{\circ} 09' 25''$  West 868.02 feet; thence North  $1^{\circ} 50' 35''$  East 600.00 feet; thence South  $88^{\circ} 09' 25''$  East 365.00 feet; thence South  $1^{\circ} 50' 35''$  West 580.00 feet; thence South  $88^{\circ} 09' 25''$  East 502.99 feet; thence South  $1^{\circ} 44' 49''$  West 20.00 feet to the Point of Beginning, all in Lane County, Oregon.

TOGETHER WITH an easement for roadway and utility purposes over the following described parcel of land:

Beginning at the stone marking the South one-quarter corner of Section 6, Township 18 South, Range 4 West of the Willamette Meridian; thence North  $89^{\circ} 56' 48''$  West 458.69 feet along the South line of said Section 6 to the True Point of Beginning; thence North  $0^{\circ} 02' 34''$  West 2238.86 feet to a point on the South right-of-way line of County Road No. 988 (commonly known as Crow Road); thence North  $53^{\circ} 52' 34''$  East 74.24 feet along said Southerly right-of-way line to a point marked by an iron pin; thence South  $0^{\circ} 02' 34''$  East 2282.67 feet; thence North  $89^{\circ} 56' 48''$  West 60 feet to the Point of Beginning, in Lane County, Oregon.

**PARCEL 2:**

A parcel of land in the Southeast  $\frac{1}{4}$  of Section 6, Township 18 South, Range 4 West of the Willamette Meridian, said parcel being a portion of that property described in that Deed Recorded in Book 278, Page 529, Lane County Oregon Deed Records, said parcel being more particularly described as follows:

Commencing at the East  $\frac{1}{4}$  corner of said Section 6; and running thence North  $87^{\circ} 50' 03''$  West 680.00 feet to the Point of Beginning; thence South  $1^{\circ} 27' 27''$  West 660.00 feet; thence North  $87^{\circ} 50' 03''$  West 3.10 feet; thence South  $1^{\circ} 27' 27''$  West 556.33 feet; thence North  $88^{\circ} 02' 55''$  West 1090.42 feet; thence North  $2^{\circ} 09' 57''$  East 506.02 feet; thence North  $87^{\circ} 50' 03''$  West 457.00 feet; thence North  $36^{\circ} 05' 34''$  East 400.00 feet; thence North  $2^{\circ} 09' 57''$  East 382.40 feet to a point on the East-West center of section line of said Section 6; thence along said line South  $87^{\circ} 50' 03''$  East 1312.22 feet to the Point of Beginning, all in Lane County, Oregon.

CONTINUED

**PARCEL 2: continued ...**

ALSO: An easement for the purpose of ingress and egress over the Northerly 50.00 feet of the following described land:

Commencing at the East ¼ corner of said Section 6; and running thence North 87° 50' 03" West 1992.22 feet to the Point of Beginning; thence South 2° 09' 57" West 382.40 feet; thence South 36° 05' 34" West 400.00 feet; thence North 87° 50' 03" West 107.17 feet; thence North 2° 09' 57" East 664.30 feet; thence North 87° 50' 03" West 392.43 feet to a point on the Southeasterly margin of Crow Road; thence along said margin on the arc of a 602.96 foot radius curve left (the long chord of which bears North 28° 29' 51" East 1.06 feet); thence North 28° 26' 50" East 54.71 feet to a point on the East-West center of section line of said Section 6; thence along said line South 87° 50' 03" East 698.16 feet to the Point of Beginning, all in Lane County, Oregon.

1302

15268

10.110-10(3)

BARGAIN & SALE DEED

FOR VALUE RECEIVED, E. H. SMITH and HAZEL D. SMITH, husband and wife, herein referred to as grantors, hereby grant, bargain, sell and convey unto GRACE E. SUTLEY, herein referred to as grantee, the following described real property, with tenements, hereditaments, and appurtenances, to wit:

BEGINNING at the stone marking the south one-quarter corner of Section 6, Township 18 South, Range 4 West of the Willamette Meridian; thence, North 89° 56' 48" West 458.69 feet along the south line of said Section 6 to an iron pin marking the true point of beginning; thence, North 89° 56' 48" West 2566.18 feet continuing along said south line to a stone marking the southwest corner of said Section 6; thence, West 186.3 feet by that deed recorded in Volume 374, page 173, records of Lane County, Oregon to the east line of the Henry Owens Donation Land Claim No. 40, said township and range; thence, North 0° 10' East 230 feet more or less, by said deed along the east line of said Donation Land Claim to the south right of way line of County Road No. 988 (commonly known as Crow Road); thence, North 53° 53' East by said deed along the south right of way line of said Crow Road to a point which bears North 0° 02' 34" West from the true point of beginning; thence, South 0° 02' 34" East 2238.86 feet to the true point of beginning in Lane County, Oregon.

1300  
1303  
1302

Includes  
PIQ

SUBJECT to any rights of the public over any portion lying within County Road No. 361.

SUBJECT to the Lease from William Gimpl to E. H. Smith and Hazel D. Smith, husband and wife, recorded August 24, 1944 at page 263 of volume 273, Lane County Oregon Deed Records, of a certain drilled well located in the northeast quarter of the southwest quarter of Section 6, Township 18 South, Range 4 West of the Willamette Meridian, in Lane County, Oregon, said lease to run for a period of 99 years from date.

NA

RESERVING to the grantors an easement for the purpose of maintaining a water line across the northeast quarter of the southwest quarter of Section 6, Township 18 South, Range 4 West of the Willamette Meridian to the well described in the above lease.

NA

TOGETHER with an easement for roadway and utility purposes over the following described parcel of land: Beginning at the stone marking the south one-quarter corner of Section 6, Township 18 South, Range 4 West of the Willamette Meridian; thence, North 89° 56' 48" West 458.69 feet along the south line of said Section 6 to the true point of beginning; thence, North 0° 02' 34" West 2238.86 feet to a point on the south right of way line of County Road No. 988 (commonly known as Crow Road); thence, North 53° 52' 34" East 74.24 feet along said southerly right of way line to a point marked by an iron pin; thence, South 0° 02' 34" East 2282.67 feet; thence, North 89° 56' 48" West 60 feet to the point of beginning.

Access  
TOPIC  
///

15268

The true and actual consideration for this transfer is None. The foregoing recital of consideration is true as I verily believe.

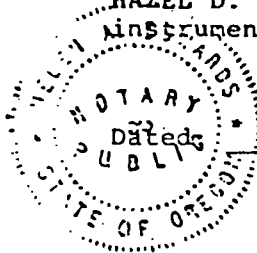
DATED August 23, 1972.

*E. H. Smith*  
E. H. Smith

*Hazel D. Smith*  
Hazel D. Smith

STATE OF OREGON )  
                  : ss.  
County of Lane )

Personally appeared the above named E. H. SMITH and HAZEL D. SMITH, husband and wife, and acknowledged the foregoing instrument to be their voluntary act and deed. Before me:



August 23, 1972

*David Edwards*

Notary Public for Oregon  
My commission expires: 3-7-75

15268

State of Oregon.  
County of Lane—ss.

I, D. M. Penfold, 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

1972 AUG 24 AM 9 47 .4

Reel 600R

Lane County OFFICIAL Records.

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

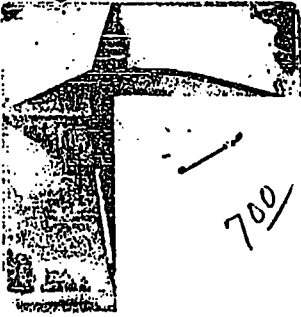
By: *Gladyce Bickel*  
Deputy  
C29-083-05

450

RECORDS & ELECTIONS DEPARTMENT

400 AUG-24-72 50180 - 1 file





7960659

STATUTORY BARGAIN AND SALE DEED

GRACE E. SUTLEY, Grantor, conveys to GARY V. SUTLEY and SHARON E. SUTLEY, husband and wife, Grantee, the real property described in Exhibit "A" attached hereto and incorporated herein by this reference, together with an easement for roadway and utility purposes over the following described parcel of land: Beginning at the stone marking the south one-quarter corner of Section 6, Township 18 South, Range 4 West of the Willamette Meridian; thence, North 89° 56' 48" West 458.69 feet along the south line of said Section 6 to the true point of beginning; thence, North 0° 02' 34" West 2238.86 feet to a point on the south right of way line of County Road No. 988 (commonly known as Crow Road); thence, North 53° 52' 34" East 74.24 feet along said southerly right of way line to a point marked by an iron pin; thence, South 0° 02' 34" East 2282.67 feet; thence, North 89° 56' 48" West 60 feet to the point of beginning.

The true and actual consideration for this conveyance is One Thousand One Hundred Six Dollars and Thirty-One Cents (\$1,106.31).

DATED this 8 day of October, 1979.

L 5 . 1111 1227 0+007.00

*Grace E. Sutley*  
Grace E. Sutley

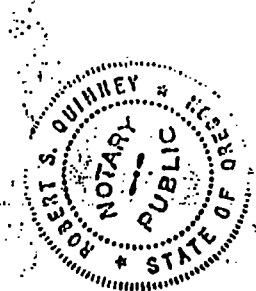
STATE OF OREGON )  
                          )ss.  
County of Lane )

Personally appeared the above named Grace E. Sutley and acknowledged the foregoing instrument to be her voluntary act and deed. Before me:

*Robert S. Quinkey*  
Notary Public for Oregon  
My Commission Expires: 1-6-80

Until a change is requested,  
all tax statements are to be  
sent to the following address:

Gary and Sharon Sutley  
87426 Dukhobor Road  
Eugene, Oregon 97402



STATUTORY BARGAIN AND SALE DEED

7960659

A parcel of land in the Southwest 1/4 of Section 6, Township 18 South, Range 4 West, W.M., said parcel being a portion of that property described on that deed recorded on Reel 600, Instrument No. 15260, Lane County, Oregon Deed Records, said parcel being more particularly described as follows:

Beginning at a point on the South line of said Section 6, said point bears North 88° 09' 25" West 458.69 feet from the South 1/4 corner of said Section 6; thence North 88° 09' 25" West 868.02 feet; thence North 1° 50' 35" East 600.00 feet; thence South 88° 09' 25" East 365.00 feet; thence South 1° 50' 35" West 580.00 feet; thence South 38° 09' 25" East 502.99 feet; thence South 1° 44' 49" West 20.00 feet to the point of beginning, all in Lane County, Oregon.

Contains 5.258 acres, more or less.

7960659

State of Oregon.  
County of Lane—ss.

I, D.M. Penfold, Director of the Department of General Services, in and for the said County, do hereby certify that the within instrument was received for record at

OCT 79 10: 45

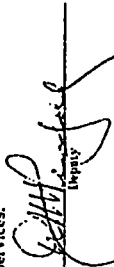
Reel

1028R

Lane County OFFICIAL Records.

D.M. Penfold, Director of the Department of General Services.

By



Deputy  
C-10-53

EXHIBIT "A"

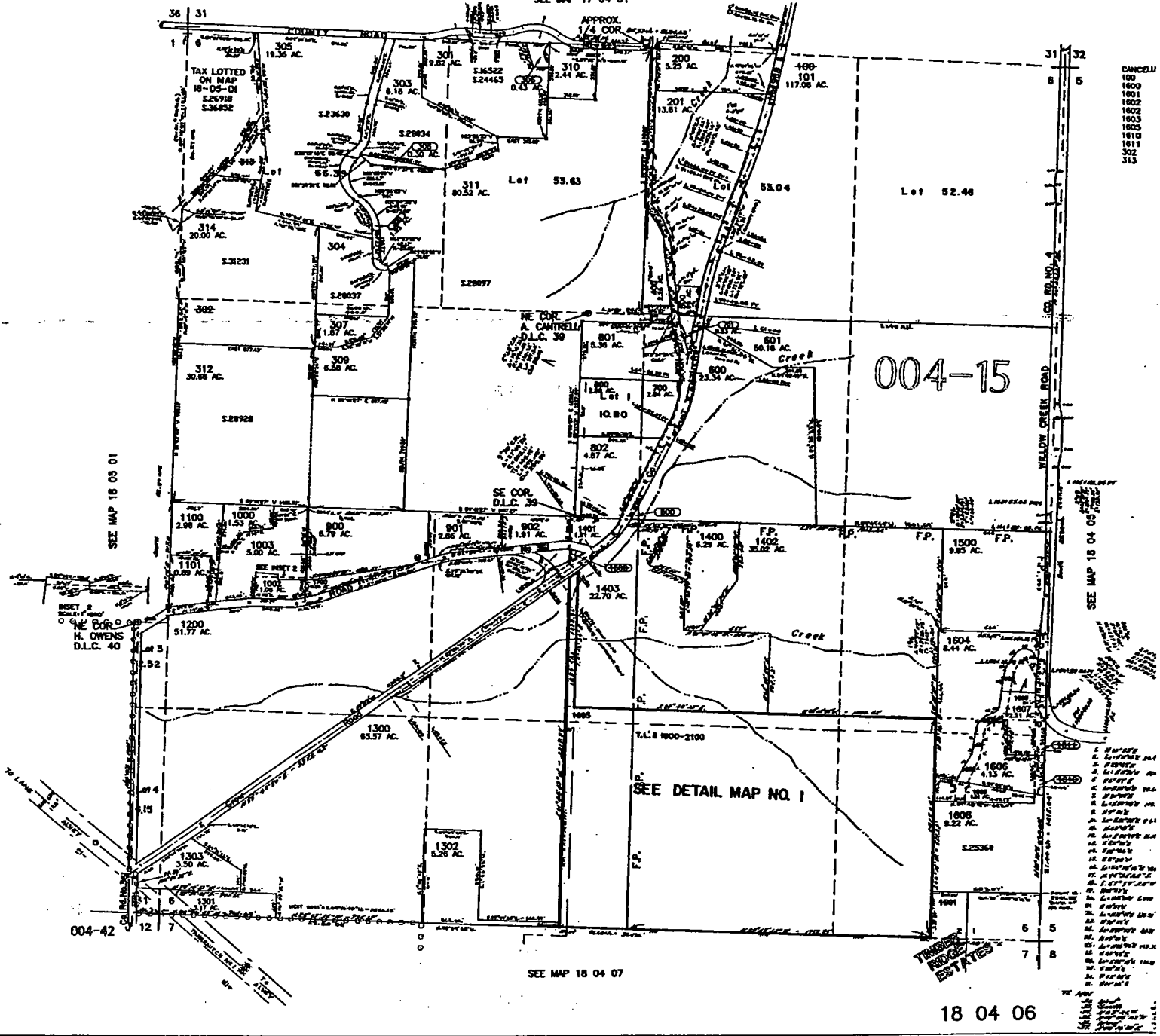
FOR ASSESSMENT  
AND TAXATION  
ONLY

SECTION 6 T.18S. R.4W. W.M.  
LANE COUNTY

SCALE 1" = 400'  
SEE MAP 17 04 31

DATE	REVISION	BY

18 04 06  
NAD 83/91



**CHRIS S. BELL, SRA**

*Real Estate Appraisal & Consultation  
1234 High Street, Eugene, OR 97401*

September 15, 2005

Gary Sutley  
P.O. Box 295  
Dexter, OR 97431

Dear Client:

Upon your request I have completed an appraisal of the real property identified as Tax Lot 18-04-06 #1302 outside Eugene, Oregon. The subject property is a 5 ac semi-rural parcel of unimproved land and is described in the attached summary report. The purpose of this appraisal was to estimate the market value of the subject real property for a measure 37 appeal. To this end, I have inspected the property, made a search of MLS sales data & deed records for sales of comparable properties. I am fully qualified to make an appraisal of this type of property. I have estimated the market value of the subject as a homesite and without the possibility of homesite approval. My estimate of the subject's market value with a homesite, as of September 13, 2005 is:

**(\$223,000)**

My estimate of the subject's market value without a homesite, as of September 13, 2005 is:

**(\$15,800)**

The subject property was appraised assuming fee simple ownership and unencumbered, subject to the assumptions and limiting conditions contained herein. I am assuming there is no significant hazardous material on the property, or hidden defect. The basis for the above value conclusion is explained in the contents of the attached summary appraisal report. If you have any further questions, please do not hesitate to call me.

Sincerely,

*Chris S Bell*

# LAND APPRAISAL REPORT

File No. 05-171

**Borrower CLIENT:** Gary Sutley Census Tract 1002/2 Map Reference  
**Property Address** TL 1302, Hazel Del Rd.  
**City** Eugene **County** Lane **State** OR **Zip Code** 97405  
**Legal Description** metes & bounds  
**Sale Price** \$ not sold **Date of Sale** n/a **Loan Term** yrs. **Property Rights Appraised**  Fee  Leasehold  De Minimis PUD  
**Actual Real Estate Taxes** \$ 21.20 (yr) **Loan charges to be paid by seller** \$ n/a **Other sales concessions** n/a  
**Lender/Client** n/a **Address**  
**Occupant** vacant land **Appraiser** Chris S. Bell, SRA **Instructions to Appraiser** Estimate market value of vacant parcel, with and without homesite potential.

**IDENTIFICATION**

**Location**  
 Urban  Suburban  Rural  
 Over 75%  25% to 75%  Under 25%  
**Growth Rate**  Fully Dev.  Rapid  Steady  Slow  
**Property Values**  Increasing  Stable  Declining  
**Demand/Supply**  Shortage  In Balance  Oversupply  
**Marketing Time**  Under 3 Mos.  4-6 Mos.  Over 6 Mos.  
**Present Land Use**  50% 1 Family  2-4 Family  Apts.  % Condo  % Commercial  
 % Industrial  % Vacant  50% agricultural  
**Change in Present Land Use**  Not Likely  Likely (\*)  Taking Place (\*)  
 (\*) From \_\_\_\_\_ To \_\_\_\_\_  
**Predominant Occupancy:**  Owner  Tenant  % Vacant  
**Single Family Price Range** \$ 250,000 to \$ 700,000+ **Predominant Value** \$ 325,000  
**Single Family Age** 0 yrs. to 70 yrs. **Predominant Age** 20 yrs.

	Good	Avg.	Fair	Poor
Employment Stability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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 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 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 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Comments** including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, view, noise): The subject is located just west of Eugene, within 1 mile of the city limits, and within the Eugene school district. Access and desirability are good. The area is a mix of small farms and homes on small parcels. Further development is limited by restrictive land use laws, which maintains the semi-rural atmosphere. Demand is very strong due to the general atmosphere and limited supply of building site. There are no adverse influences.

**Dimensions** irregular - see plat map = 5.26 Sq. Ft. or Acres  Corner Lot  
**Zoning classification** E-40; farm use **Present Improvements**  do  do not conform to zoning regulations  
**Highest and best use**  Present use  Other (specify) single family homesite  
**Public**  Other (Describe) \_\_\_\_\_  
**Elec.**  \_\_\_\_\_  
**Gas**  \_\_\_\_\_  
**Water**  individ. well  \_\_\_\_\_  
**San. Sewer**  individ. septic  \_\_\_\_\_  
 Underground Elect. & Tel.  Sidewalk  Street Lights

**OFF SITE IMPROVEMENTS**  
**Street Access**  Public  Private  
**Surface** gravel lane  
**Maintenance**  Public  Private  
 Storm Sewer  Curb/Gutter  
 Topo Knoll, level to moderate slope  
 Size typical  
 Shape rectangular plus access strip  
 View very good to distant mountains  
 Drainage adequate natural  
**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): The subject site is a wooded knoll, with access from a private lane. It has no city services. A well is reported to exist. The knoll has a leveled area at the top that offers a good view. Most of the site is sloping and wooded with oak trees and native brush. A long narrow strip provides access to the site from Hazel Del Rd. There are no apparent adverse conditions.

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	TL 1302, Hazel Del Rd. Eugene	Lot 20, Hidden Meadow Eugene	Lot 24, Hidden Meadow Eugene	TL#2100, Newton Ct. Eugene
Proximity to Subject				
Sales Price	\$ not sold	\$ 190,000	\$ 190,000	\$ 212,200
Price	\$	\$	\$	\$
Data Source	inspection	Barnhart Rlty / #5015642	Barnhart Rlty / #5015642	Windermere Rlty / #5008286
Date of Sale and Time Adjustment	DESCRIPTION n/a	DESCRIPTION +(-)\$ Adjust. August 2005	DESCRIPTION +(-)\$ Adjust. July 2005 +3,800	DESCRIPTION +(-)\$ Adjust. April 2005 +17,000
Location	good semi-rural	sl. inferior +25,000	sl. inferior +25,000	comparable
Site/View	5.26ac / wooded	5.13ac / mixed =	5.0ac / mixed =	8.23ac / wooded -12,000
View	good, territorial	comparable	comparable	comparable
Improvements	well	community water	community water	none +3,000
Terrain	level to moderate	comparable	comparable	comparable
Sales or Financing Concessions	n/a	new conv. in.	new conv. in.	new conv. in.
Net Adj. (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 25,000	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 28,800	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 8,000
Indicated Value of Subject		\$ 215,000	\$ 218,800	\$ 220,200

**Comments on Market Data:** These are the most recent and similar sales that were found. Sales 1 & 2 are located in a competing new subdivision, but with less appeal due to lack of privacy. Sale 3 is slightly larger and somewhat dated. A 2%/mo. time adjustment must be made to reflect increases in value during 2005. Sale 4 is included on the attached sales grid. (See comments page)

**Comments and Conditions of Appraisal:** It is assumed that the well is functioning adequately, and that the subject is a legal homesite. The value estimate for the subject without legal homesite status is included in the comments addendum.

**RECONCILIATION**  
 It should also be noted that in a rising market with very limited supply of similar homesites, the sale price could easily be higher than can be supported by recent sales.  
**Final Reconciliation:** Sales 1 & 2 are judged to be less comparable to the subject than sales 3 & 4 because of their setting. Sales 3 & 4 are therefore given the most weight.

**I ESTIMATE THE MARKET VALUE, AS DEFINED, OF SUBJECT PROPERTY AS OF** September 15, 2005 **to be \$** 223,000

*Chris S. Bell*  
 Chris S. Bell, SRA  Did  Did Not Physically Inspect Property  
 Appraiser(s) Review Appraiser (if applicable)

[Y2K]

**LAND APPRAISAL REPORT  
MARKET DATA ANALYSIS**

File No. 05-171

ITEM	SUBJECT PROPERTY	COMPARABLE NO. 4	COMPARABLE NO. 5	COMPARABLE NO. 6
Address	TL 1302, Hazel Del Rd. Eugene	27985 Crow Rd. Eugene		
Proximity to Subject		6.97 miles		
Sales Price	\$ not sold	\$ 251,000	\$	\$
Price	\$	\$	\$	\$
Data Source	inspection	Prudential Rlty / #5045263		
Date of sale and Time Adjustment	DESCRIPTION	DESCRIPTION +(-)\$ Adjust.	DESCRIPTION +(-)\$ Adjust.	DESCRIPTION +(-)\$ Adjust.
Location	n/a	July 2005 +5,000		
Site/View	good semi-rural	same		
View	5.26ac / wooded	10.6ac / open -20,000		
Improvements	good, territorial	sl. inferior +2,500		
Terrain	well	well, old septic, drive -10,000		
	level to moderate	nearly level -2,500		
Sales or Financing Concessions	n/a	cash		
Net Adj. (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> - : \$ 25,000	<input type="checkbox"/> + <input type="checkbox"/> - : \$	<input type="checkbox"/> + <input type="checkbox"/> - : \$
Indicated Value of Subject		\$ 226,000	\$	\$

MARKET DATA ANALYSIS

COMMENTS

Comments: This property is very near the subject at the intersection of Crow, Pine Grove & Benson Rds. It is nearly level, open land with a developed homesite. The old home contributed no value. Improvements that do contribute are the well, existing (old) septic system, driveway & power, and an older garage & shed. The view is over the nearby valley & hills, but inferior to the subject.

**Supplemental Addendum**

File No. 05-171

Borrower/Client	CLIENT: Gary Sutley		
Property Address:	TL 1302, Hazel Del Rd.		
City	Eugene	County	Lane
		State	OR
		Zip Code	97405
Lender	n/a		

**SALES DATA**

Sale 1 is also identified as tax map 18-03-21 #4700. Sale 2 is also identified as tax map 18-03-21 #5100. Sale 3 is also identified as tax map 18-04-31 #210. Sale 4 is also identified as tax map 18-05-12 #800.

**VALUE WITHOUT HOMESITE APPROVAL**

The subject is a 5 acre parcel of land zone E-40. It is mostly moderately sloping and covered with oak trees & brush, with a level summit. With rocky, clay-based soils it is best suited to grazing, but will require some clearing and planting of grass for that use. It could also serve to grow timber. These uses result in a very low economic return to the land. The following sales have been used to analyze the market for a small parcel dedicated only to these uses:

Sale A) A 20.97 acre parcel on Beymer Rd. identified as tax lot 18-03-29 #201. It sold in October 2004 for \$295,000. This parcel was unimproved, with a mix of pasture & woodland. It has a good view of Spencer Butte, as well as a creek & homesite approval. It is considered to be superior to the subject in vegetation, with an equal view. This sale indicates a value of \$279,000 for a good 20 acre view homesite. This sale is paired with sale B to arrive at the contributory value of additional acreage.

Sale B) A 33.95 acre parcel off Christensen Rd. identified as tax lot 18-03-29 #104. It sold July 2003 for \$315,000. This parcel included a good well and good view, and was moderately sloping with young trees. It is superior in vegetation and improvements. This sale indicates a value of \$36,000 for the additional 14 acres, or \$2,571 per acre.

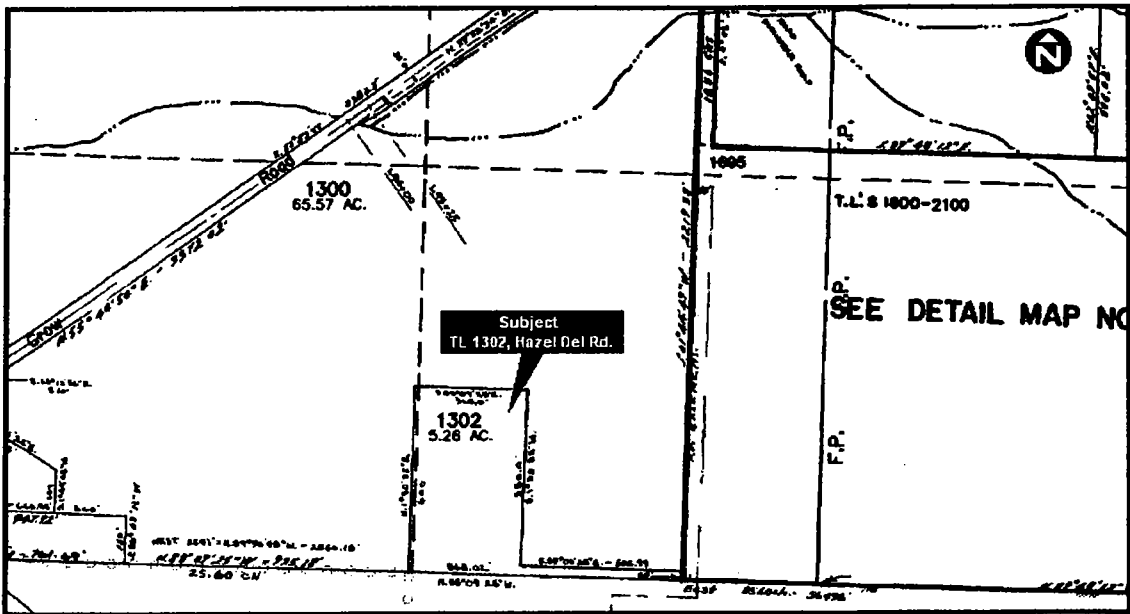
Sale C) A 8.23 acre parcel on Newton Ct. identified as tax lot 18-04-31 #210. It sold in April 2005 for \$212,200, and has one approved homesite with a good view but no improvements. This sale is paired with sale C to arrive at the contributory value of additional acreage.

Sale D) A 29.49 acre parcel on Christensen Rd. identified as tax lot 18-03-29 #105. It sold in August 2005 for \$320,000. It is wooded, with no improvements but slightly superior views and more level terrain, and is therefore superior to sale 3. There is also a small amount of marketable timber present. When the 8.2 acre homesite is deducted at \$250,000, the remaining 21.5 acres is found to contribute \$3,256 per acre.

These two sets of paired sales are consistent with prior studies done by the appraiser, and are judged to adequately reflect the market value for additional land of this type. They indicate a range of \$2,500 to \$3,300 per acre. Considering the subject's terrain, setting and soils, a value near the upper middle of this range is judged most appropriate, say \$3,000 per acre. The market value of the subject property, without homesite potential, is therefore approximately 5.26 ac @ \$3,000, or **\$15,780**.

# Plat Map

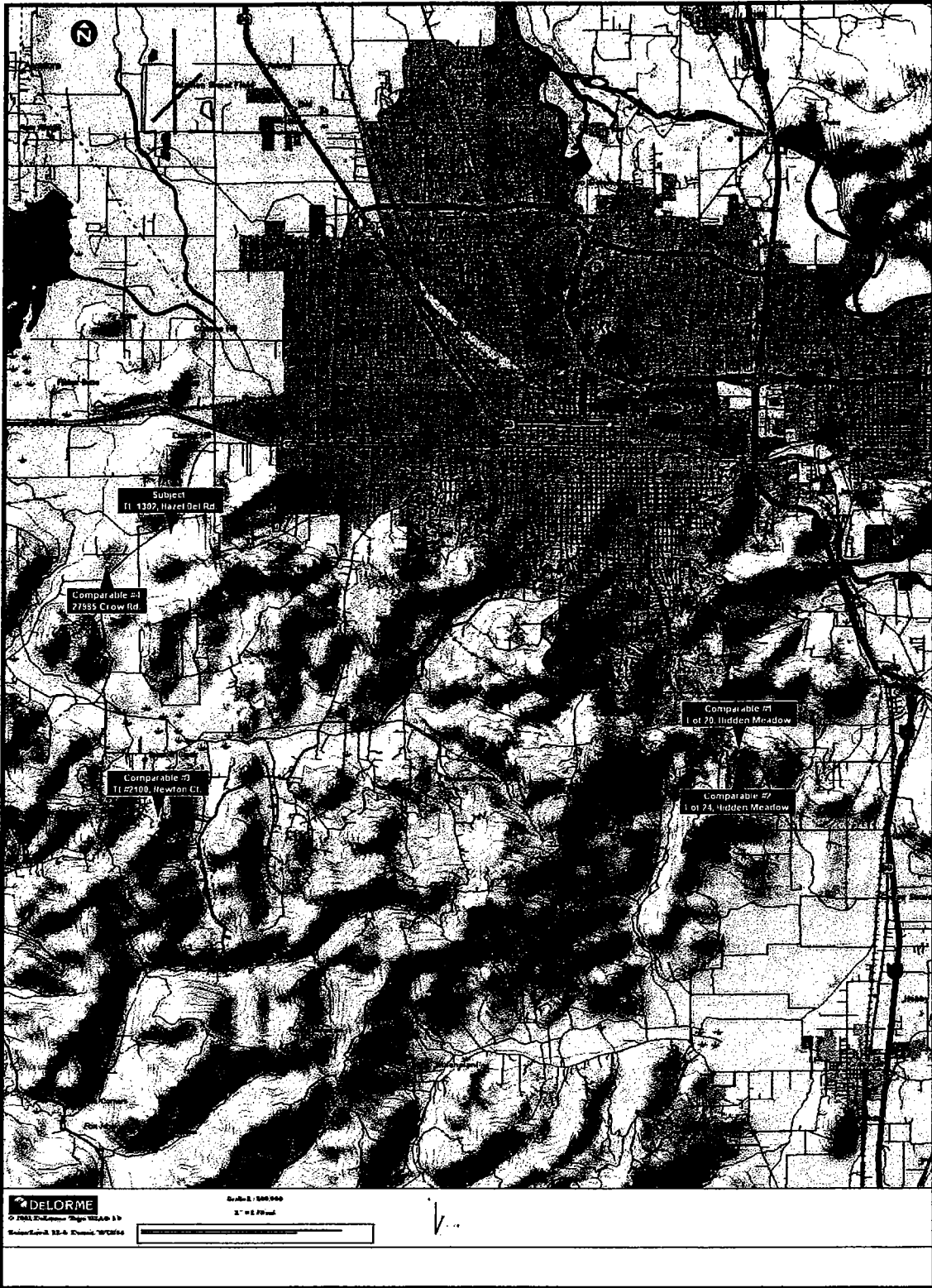
Borrower/Client CLIENT: Gary Sutley			
Property Address TL 1302, Hazel Del Rd.			
City Eugene	County Lane	State OR	Zip Code 97405
Lender n/a			





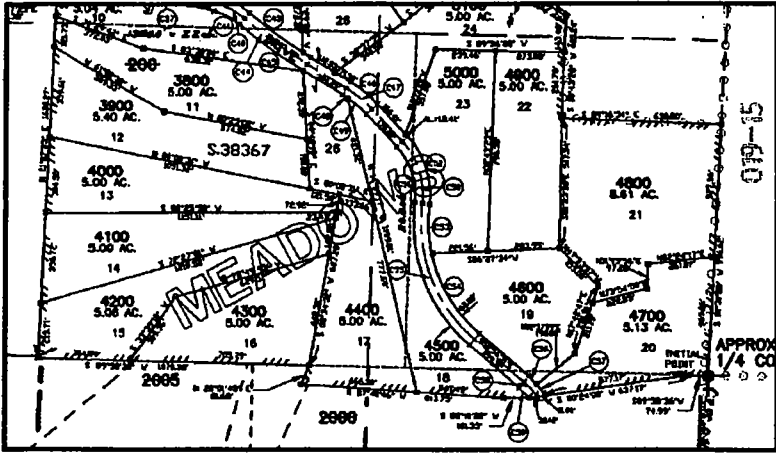
# Location Map

Borrower/Client	CLIENT: Gary Sutley						
Property Address	TL 1302, Hazel Del Rd.						
City	Eugene	County	Lane	State	OR	Zip Code	97405
Lender	n/a						



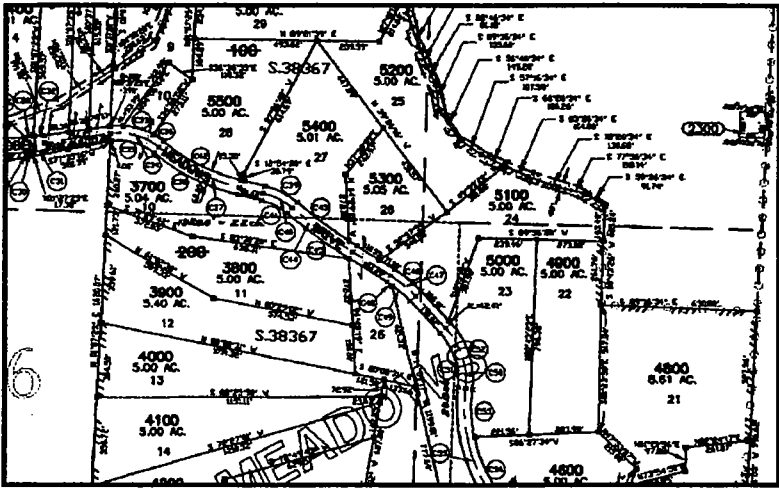
# Comparable Photo Page

Borrower/Client CLIENT: Gary Sutley			
Property Address TL 1302, Hazel Del Rd.			
City Eugene	County Lane	State OR	Zip Code 97405
Lender n/a			



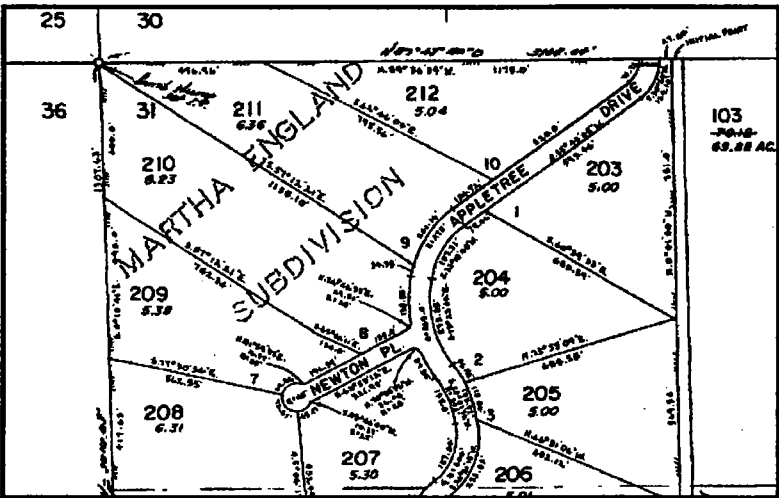
### Comparable 1

Lot 20, Hidden Meadow  
 Proximity  
 Sale Price 190,000  
 GLA  
 Total Rooms  
 Total Bedrms  
 Total Bathrms  
 Location sl. inferior  
 View 5.13ac / mixed =  
 Site  
 Quality  
 Age



### Comparable 2

Lot 24, Hidden Meadow  
 Proximity  
 Sale Price 190,000  
 GLA  
 Total Rooms  
 Total Bedrms  
 Total Bathrms  
 Location sl. inferior  
 View 5.0ac / mixed =  
 Site  
 Quality  
 Age

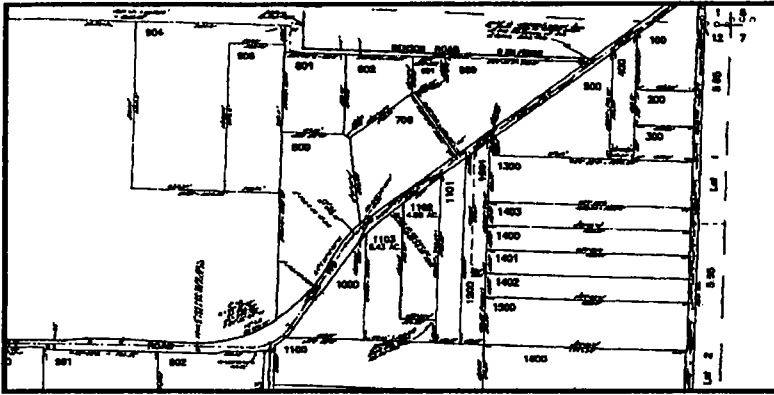


### Comparable 3

TL#210, Newton Ct.  
 Proximity  
 Sale Price 212,200  
 GLA  
 Total Rooms  
 Total Bedrms  
 Total Bathrms  
 Location comparable  
 View 8.23ac / wooded  
 Site  
 Quality  
 Age

# Comparable Photo Page

Borrower/Client CLIENT: Gary Sutley			
Property Address TL 1302, Hazel Del Rd.			
City Eugene	County Lane	State OR	Zip Code 97405
Lender n/a			



## Comparable 4

27985 Crow Rd.  
Proximity 6.97 miles  
Sale Price 251,000  
GLA  
Total Rooms  
Total Bedrms  
Total Bathrms  
Location same  
View 10.6ac / open  
Site  
Quality  
Age

## Comparable 5

Proximity  
Sale Price  
GLA  
Total Rooms  
Total Bedrms  
Total Bathrms  
Location  
View  
Site  
Quality  
Age

## Comparable 6

Proximity  
Sale Price  
GLA  
Total Rooms  
Total Bedrms  
Total Bathrms  
Location  
View  
Site  
Quality  
Age

**DEFINITION OF MARKET VALUE:** The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions\* granted by anyone associated with the sale.

\* Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgement.

## STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

**CONTINGENT AND LIMITING CONDITIONS:** The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
9. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.
10. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower, the mortgagee or its successors and assigns; the mortgage insurer, consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

**APPRAISER'S CERTIFICATION:** The Appraiser certifies and agrees that:

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.
4. I have no present or prospective interest in the property that is the subject to this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.
5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
7. I performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have personally inspected the interior and exterior areas of the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

**SUPERVISORY APPRAISER'S CERTIFICATION:** If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

**ADDRESS OF PROPERTY APPRAISED:** TL 1302, Hazel Del Rd., Eugene, OR 97405

**APPRAISER:**

Signature: Chris S Bell  
 Name: Chris S. Bell, SRA  
 Date Signed: 9-15-05  
 State Certification #: \_\_\_\_\_  
 or State License #: L000166  
 State: Oregon  
 Expiration Date of Certification or License: 12/31/2006

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

Signature: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Date Signed: \_\_\_\_\_  
 State Certification #: \_\_\_\_\_  
 or State License #: \_\_\_\_\_  
 State: \_\_\_\_\_  
 Expiration Date of Certification or License: \_\_\_\_\_

Did  Did Not Inspect Property



# Evergreen

Land Title Company

## *PRELIMINARY TITLE REPORT*

**TO:** GARY SUTLEY  
P.O. BOX 295  
DEXTER, OREGON 97431

**RE:** SUTLEY

**Order reports and listing kits online at ([www.evergreenlandtitle.com](http://www.evergreenlandtitle.com))**

*October 27, 2005*

ELT-45069

**Main Office:**

1570 Mohawk Boulevard  
Springfield, OR 97477

**Phone #** (541) 741-1981 **Fax #** (541) 741-0619

**Branch Office:**

1509 Willamette Street  
Eugene, OR 97401

**Phone #** (541) 687-9794 **Fax #** (541) 687-0924

**MAIN OFFICE**

1570 MOHAWK BLVD. • SPRINGFIELD, OR 97477  
P.O. BOX 931 • SPRINGFIELD, OR 97477  
PHONE: 541.741.1981  
FAX: 541.741.0619



**BRANCH OFFICE**

1509 WILLAMETTE ST. • EUGENE, OR 97401  
P.O. BOX 10211 • EUGENE, OR 97440  
PHONE: 541.687.9794  
FAX: 541.687.0924

**4<sup>th</sup> SUPPLEMENTAL TITLE REPORT**

October 27, 2005

ELT-45069

Gary Sutley  
P.O. Box 295  
Dexter, Oregon 97431

Estimated Premium for:		
TO COME	OWNER'S POLICY	\$200.00
	ADDITIONAL CHAIN	\$100.00
	Gov't Service Fee	WAIVED
<b>TOTAL</b>		<b>\$300.00</b>

Dear Gary:

We are prepared to write Title Insurance covering the following described premises to-wit:

SEE ATTACHED

Showing fee simple title as of October 20, 2005, at 8:00 a.m., vested in:

GARY V. SUTLEY AND SHARON E. SUTLEY,  
as tenants in common

Subject to the usual printed exceptions, and

1. Taxes, Map No. 18-04-06-00-01402, Code 04-15, Account No. 1301942, 2005-2006, a lien in the amount of \$10.82, now payable.

Taxes, Map No. 18-04-06-00-01302, Code 04-01, Account No. 1302627, 2005-2006, a lien in the amount of \$21.69, now payable.

Taxes, Map No. 18-04-06-00-01402, Code 04-01, Account No. 1301934, 2005-2006, a lien in the amount of 25.52, now payable.

CONTINUED

2. The Assessment Roll and the Tax Roll disclose that the premises herein described have been specially assessed as Farm Use Land. If the land becomes disqualified for the special assessment under the statute, an additional tax may be levied and in addition thereto a penalty may be levied if notice or disqualification is not timely given.

“This report (policy) does not include any search for financing statements or agricultural services, liens which are filed with the Secretary of State and any matters which would be disclosed, thereby are expressly omitted from coverage herein.”

3. Deed of Trust, including the terms and provisions thereof, executed by Gary V. Sutley and Sharon E. Sutley, husband and wife, as Grantor(s), to Willamette Valley Title Company, as Trustee, for the benefit of Queen City Savings and Loan Association, as Beneficiary, Dated April 18, 1983, Recorded April 25, 1983, Reel 1242R, Reception No. 83-13058, Official Records of Lane County, Oregon, given to secure payment of a Note for \$240,000.00.  
(Parcel 2)

The beneficial interest in said Deed of Trust was assigned to Saguario, Inc., a New Mexico corporation, by mesne assignments, the last of which Recorded January 4, 1988, Reception No. 88-00102, Lane County Oregon Records.

4. Deed of Trust, including the terms and provisions thereof, executed by Gary V. Sutley and Sharon E. Sutley, husband and wife, as Grantor(s), to Willamette Valley Title Company, as Trustee, for the benefit of Queen City Savings and Loan Association, as Beneficiary, Dated June 30, 1983, Recorded July 1, 1983, Reception No. 83-22985, Official Records of Lane County, Oregon, given to secure payment of a Note for \$1,000,000.00. (Parcel 1)

Richard H. Busby, was appointed Successor Trustee, by instrument Recorded February 20, 1987, Reel 1446R, Reception No. 87-07924, Lane County Oregon Records.

The beneficial interest in said Deed of Trust was assigned to Saguario, Inc., a New Mexico corporation, by mesne assignments, the last of which Recorded January 4, 1988, Reception No. 88-00101, Lane County Oregon Records.

5. Judgement against Gary V. Sutley, in favor of Account Collection Bureau Inc., entered May 16, 2001, Lane County Circuit Court Case No. 169602705, in the amount of \$9,999.00 Judgement Costs, \$122.00 Court Costs. (Includes \$550.00 pre-judgement interest)

NOTE: The address of the property to be insured herein is: NOT KNOWN.

NOTE: A JUDGEMENT/LIEN SEARCH was done for the name(s) SHARON E. SUTLEY, and as of October 20, 2005, none were found.

NOTE: Said property lies outside the city limits, therefore, is not subject to city liens.

INFORMATIONAL NOTE: Off record information indicates that Gary V. Sutley was awarded the property as described herein in Dissolution of Marriage proceedings, Filed August 14, 1996, Circuit Court Case No. 15-96-07218, however Evergreen Land Title Company finds no constructive notice recorded in Lane County Oregon Deed Records.

CONTINUED

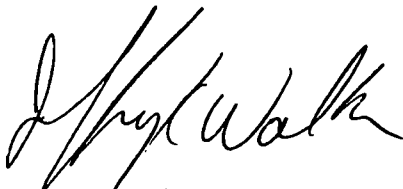


NOTE: SUPPLEMENTED TO UPDATE REPORT.

Very truly yours,

EVERGREEN LAND TITLE COMPANY  
HOME OFFICE

By:

A handwritten signature in black ink, appearing to read "Jeffrey K. Walker". The signature is written in a cursive style with a large initial "J".

Jeffrey K. Walker  
Advisory Title Officer

NO LIABILITY IS ASSUMED HEREUNDER UNTIL POLICY IS ISSUED AND  
PREMIUM PAID. IF FOR ANY REASON THE REPORT IS CANCELLED, A MINIMUM  
CANCELLATION FEE OF \$200.00 WILL BE CHARGED.

**PARCEL 1:**

A parcel of land in the Southwest  $\frac{1}{4}$  of Section 6, Township 18 South, Range 4 West of the Willamette Meridian, said parcel being a portion of that property described on that Deed Recorded on Reel 600, Reception No. 15260, Lane County Oregon Deed Records, said parcel being more particularly described as follows:

Beginning at a point on the South line of said Section 6, said point bears North  $88^{\circ} 09' 25''$  West 458.69 feet from the South  $\frac{1}{4}$  corner of said Section 6; thence North  $88^{\circ} 09' 25''$  West 868.02 feet; thence North  $1^{\circ} 50' 35''$  East 600.00 feet; thence South  $88^{\circ} 09' 25''$  East 365.00 feet; thence South  $1^{\circ} 50' 35''$  West 580.00 feet; thence South  $88^{\circ} 09' 25''$  East 502.99 feet; thence South  $1^{\circ} 44' 49''$  West 20.00 feet to the Point of Beginning, all in Lane County, Oregon.

TOGETHER WITH an easement for roadway and utility purposes over the following described parcel of land:

Beginning at the stone marking the South one-quarter corner of Section 6, Township 18 South, Range 4 West of the Willamette Meridian; thence North  $89^{\circ} 56' 48''$  West 458.69 feet along the South line of said Section 6 to the True Point of Beginning; thence North  $0^{\circ} 02' 34''$  West 2238.86 feet to a point on the South right-of-way line of County Road No. 988 (commonly known as Crow Road); thence North  $53^{\circ} 52' 34''$  East 74.24 feet along said Southerly right-of-way line to a point marked by an iron pin; thence South  $0^{\circ} 02' 34''$  East 2282.67 feet; thence North  $89^{\circ} 56' 48''$  West 60 feet to the Point of Beginning, in Lane County, Oregon.

**PARCEL 2:**

A parcel of land in the Southeast  $\frac{1}{4}$  of Section 6, Township 18 South, Range 4 West of the Willamette Meridian, said parcel being a portion of that property described in that Deed Recorded in Book 278, Page 529, Lane County Oregon Deed Records, said parcel being more particularly described as follows:

Commencing at the East  $\frac{1}{4}$  corner of said Section 6; and running thence North  $87^{\circ} 50' 03''$  West 680.00 feet to the Point of Beginning; thence South  $1^{\circ} 27' 27''$  West 660.00 feet; thence North  $87^{\circ} 50' 03''$  West 3.10 feet; thence South  $1^{\circ} 27' 27''$  West 556.33 feet; thence North  $88^{\circ} 02' 55''$  West 1090.42 feet; thence North  $2^{\circ} 09' 57''$  East 506.02 feet; thence North  $87^{\circ} 50' 03''$  West 457.00 feet; thence North  $36^{\circ} 05' 34''$  East 400.00 feet; thence North  $2^{\circ} 09' 57''$  East 382.40 feet to a point on the East-West center of section line of said Section 6; thence along said line South  $87^{\circ} 50' 03''$  East 1312.22 feet to the Point of Beginning, all in Lane County, Oregon.

CONTINUED

**PARCEL 2: continued ...**

**ALSO:** An easement for the purpose of ingress and egress over the Northerly 50.00 feet of the following described land:

Commencing at the East  $\frac{1}{4}$  corner of said Section 6; and running thence North  $87^{\circ} 50' 03''$  West 1992.22 feet to the Point of Beginning; thence South  $2^{\circ} 09' 57''$  West 382.40 feet; thence South  $36^{\circ} 05' 34''$  West 400.00 feet; thence North  $87^{\circ} 50' 03''$  West 107.17 feet; thence North  $2^{\circ} 09' 57''$  East 664.30 feet; thence North  $87^{\circ} 50' 03''$  West 392.43 feet to a point on the Southeasterly margin of Crow Road; thence along said margin on the arc of a 602.96 foot radius curve left (the long chord of which bears North  $28^{\circ} 29' 51''$  East 1.06 feet); thence North  $28^{\circ} 26' 50''$  East 54.71 feet to a point on the East-West center of section line of said Section 6; thence along said line South  $87^{\circ} 50' 03''$  East 698.16 feet to the Point of Beginning, all in Lane County, Oregon.

