

Article Seventeen

Our Trustee's Administrative And Investment Powers

Section 1. Introduction to Trustee's Powers

Except as otherwise provided in this agreement, our Trustee shall have both the administrative and investment powers enumerated under this Article and any other powers granted by law with respect to the various trusts created by this agreement.

Section 2. Powers to be Exercised in the Best Interests of the Beneficiaries

Our Trustee shall exercise the following administrative and investment powers without the order of any court, as our Trustee determines in its sole and absolute discretion to be in the best interests of the beneficiaries.

Notwithstanding anything to the contrary in this agreement, our Trustee shall not exercise any power in a manner inconsistent with the beneficiaries' right to the beneficial enjoyment of the trust property in accordance with the general principles of the law of trusts.

Section 3. Administrative and Investment Powers

Our Trustee is hereby granted the following administrative and investment powers:

a. Agricultural Powers

Our Trustee may retain, acquire, and continue any farm or ranching operation whether as a sole proprietorship, partnership, or corporation.

It may engage in the production, harvesting, and marketing of both farm and ranch products either by operating directly or with management agencies, hired labor, tenants, or sharecroppers.

It may engage and participate in any government farm program, whether state or federally sponsored.

It may purchase or rent machinery, equipment, livestock, poultry, feed, and seed.

It may improve and repair all farm and ranch properties, construct buildings, fences, and drainage facilities; acquire, retain, improve, and dispose of wells, water rights, ditch rights, and priorities of any nature.

Our Trustee may, in general, do all things customary or desirable to operate a farm or ranch operation for the benefit of the beneficiaries of the various trusts created under this agreement.

b. Business Powers

Our Trustee may retain and continue any business in which one or both of us have or had an interest as a shareholder, partner, sole proprietor, or as a participant in a joint venture, even though that interest may constitute all or a substantial portion of the trust property.

It may directly participate in the conduct of any such business or employ others to do so on behalf of the beneficiaries.

It may execute partnership agreements, buy-sell agreements, and any amendments to them.

It may participate in the incorporation of any trust property, any corporate reorganization, merger, consolidation, recapitalization, liquidation, dissolution, or any stock redemption or cross purchase buy-sell agreement.

It may hold the stock of any corporation as trust property, and may elect or employ directors, officers, employees, and agents, and compensate them for their services.

It may sell or liquidate any business interest that is part of the trust property.

It may carry out the provisions of any agreement entered into by one or both of us for the sale of any business interest or the stock thereof.

Our Trustee may exercise all of the business powers granted in this agreement regardless of whether our Trustee is personally interested or an involved party with respect to any business enterprise forming a part of the trust property.

c. Common Fund Powers

For the purpose of convenience with regard to the administration and investment of the trust property, our Trustee may hold the several trusts created under this agreement as a common fund.

Our Trustee may make joint investments with respect to the funds comprising the trust property.

Our Trustee may enter into any transaction authorized by this Article with fiduciaries of other trusts or estates in which any beneficiary hereunder has an interest, even though such fiduciaries are also Trustees under this agreement.

d. Compensation Powers

Our Trustee shall pay from income or principal all of the reasonable expenses attributable to the administration of the respective trusts created in this agreement.

Our Trustee shall pay itself reasonable compensation for its services as fiduciary as provided in this agreement, and shall reasonably compensate those persons employed by our Trustee, including agents, auditors, accountants, and attorneys.

e. Distribution Powers

Our Trustee is specifically authorized to make divisions and distributions of the trust property either in cash or in kind, or partly in cash and partly in kind, or in any proportion it deems advisable.

It shall be under no obligation or responsibility to make pro rata divisions and distributions in kind.

Our Trustee may allocate specific property to any beneficiary or share although the property may differ in kind from the property allocated to any other beneficiary or share.

The foregoing powers may be exercised regardless of the income tax basis of any of the property.

f. Funeral and Burial Expenses

Our Trustee may in its sole discretion pay the funeral and burial expenses, expenses of the last illness, and valid claims and expenses of an income beneficiary of any trust created under this agreement.

Funeral and burial expenses shall include, but not be limited to, the cost of memorials of all types and memorial services of such kind as our Trustee shall approve. Valid claims and expenses shall include, but not be limited to, all state and federal death taxes.

The payments shall be paid from the assets of the trust or trusts from which the beneficiary was receiving income.

g. Income and Principal Powers

Our Trustee may determine in a fair, equitable, and practical manner how all Trustees' fees, disbursements, receipts, and wasting assets shall be credited, charged or apportioned between principal and income.

Our Trustee may set aside from trust income reasonable reserves for taxes, assessments, insurance premiums, repairs, depreciation, obsolescence, depletion, and for the equalization of payments to or for the beneficiaries; they may select any and all accounting periods with regard to the trust property.

h. Investment Powers in General

Our Trustee may invest and reinvest in such classes of stocks, bonds, securities, or other property, real or personal, as they shall determine.

It may invest in investment trusts as well as in common trust funds.

It may purchase life, annuity, accident, sickness, and medical insurance on the behalf of and for the benefit of any trust beneficiary.

i. Life Insurance Powers

Our Trustee shall have the powers with regard to life insurance as set forth in this Paragraph i. except as otherwise provided in this agreement.

Our Trustee may purchase, accept, hold, and deal with as owners, policies of insurance on our individual or joint lives, the life of any trust beneficiary, or on the life of any person in whom any trust beneficiary has an insurable interest.

Our Trustee shall have the power to execute or cancel any automatic premium loan agreement with respect to any policy, and shall have the power to elect or cancel any automatic premium loan provision in a life insurance policy.

Our Trustee may borrow money with which to pay premiums due on any policy either from the company issuing the policy or from any other source and may assign any such policy as security for the loan.

Our Trustee shall have the power to exercise any option contained in a policy with regard to any dividend or share of surplus apportioned to the

policy; to reduce the amount of a policy or convert or exchange the policy; or to surrender a policy at any time for its cash value.

Our Trustee may elect any paid-up insurance or any extended term insurance nonforfeiture option contained in a policy.

Our Trustee shall have the power to sell policies at their fair market value to the insured or to anyone having an insurable interest in the policies.

Our Trustee shall have the right to exercise any other right, option, or benefit contained in a policy or permitted by the insurance company issuing that policy.

Upon termination of any trust created under this agreement, our Trustee shall have the power to transfer and assign the policies held by the trust as a distribution of trust property.

j. Loan, Borrowing, and Encumbrance Powers

Our Trustee may loan money to any person, including a beneficiary, with or without interest, on any term or on demand, with or without collateral, as it deems in the best interests of the trust beneficiaries.

It may borrow money upon such terms and conditions as they shall deem advisable, including, in the case of a corporate fiduciary, the power to borrow from its own banking or commercial department.

It shall have the power to obligate the trust property for the repayment of any sums borrowed where the best interests of the beneficiaries have been taken into consideration.

Our Trustee shall have the power to encumber the trust property, in whole or in part, by a mortgage or mortgages, deeds of trust, or by pledge, hypothecation or otherwise, even though such encumbrance may continue to be effective after the term of any trust or trusts created in this agreement.

k. Margin and Brokerage Account Powers

Our Trustee is authorized to buy, sell, and trade in securities of any nature, including short sales and on margin. Our Trustee may maintain and operate margin accounts with brokers, and may pledge any securities held or purchased by our Trustee with such brokers as securities for loans and advances made to our Trustee.

l. Mortgage Powers

Our Trustee shall have the power to enter into any mortgage whether as a mortgagee or mortgagor; to purchase mortgages on the open market and to otherwise buy, sell, or trade in first or subordinate mortgages.

It may reduce the interest rate on any mortgage and consent to the modification or release of any guaranty of any mortgage.

Our Trustee may continue mortgages upon and after maturity with or without renewal or extension, and may foreclose any mortgage. It may purchase the mortgaged property or acquire it by deed from the mortgagor without foreclosure.

m. Nominee Powers

Our Trustee may hold any trust property in the names of our Trustee, or in the name of a nominee, and may enter into agreements to facilitate holding such property. It may accomplish such with or without disclosing their fiduciary capacity.

n. Nonproductive Property

Our Trustee may hold property which is non-income producing or is otherwise nonproductive if the holding of such property is, in the sole and absolute discretion of our Trustee, in the best interests of the beneficiaries.

o. Oil, Gas, Coal, and Other Mineral Powers

Our Trustee may do all things necessary to maintain in full force and effect any oil, gas, coal, or other mineral interests comprising part or all of the trust property.

It may purchase additional oil, gas, coal, and other mineral interests when necessary or desirable to effect a reasonable plan of operation or development with regard to the trust property.

It may buy or sell undivided interests in oil, gas, coal, and other mineral interests, and may exchange any of such interests for interests in other properties or for services.

It may execute oil, gas, coal, and other mineral leases on such terms as our Trustee may deem proper, and may enter into pooling, unitization, repressurization, and other types of agreements relating to the development, operation, and conservation of mineral properties.

Any lease or other agreement may have a duration that our Trustee deems reasonable, even though extending beyond the duration of any trust created in this agreement.

It may execute division orders, transfer orders, releases, assignments, farmouts, and any other instruments which it deems proper.

It may drill, test, explore, mine, develop, and otherwise exploit any and all oil, gas, coal, and other mineral interests, and may select, employ, utilize, or participate in any business form, including partnerships, joint ventures, co-owners' groups, syndicates, and corporations, for the purpose of acquiring, holding, exploiting, developing, operating, or disposing of oil, gas, coal, and other mineral interests.

It may employ the services of consultants or outside specialists in connection with the evaluation, management, acquisition, disposition, or development of any mineral interest, and may pay the cost of such services from the principal or income of the trust property.

Our Trustee may use the general assets of the trusts created under this agreement for the purposes of acquiring, holding, managing, developing, pooling, unitizing, repressuring, or disposing of any mineral interest.

p. Powers of Attorney

Our Trustee may execute, deliver, and grant to any individual or corporation a revocable or irrevocable power of attorney to transact any and all business on behalf of the various trusts created in this agreement.

The power of attorney may grant to the attorney-in-fact all of the rights, powers, and discretion that our Trustee could have exercised.

q. Powers To Merge Similar Trusts

Our Trustee may merge and consolidate any trust created in this agreement with any other trust created by both or either of us, or any other person at any other time, if the other trust contains substantially the same terms for the same beneficiaries, and has at least one Trustee in common with the trust or trusts created in this agreement.

Our Trustee may administer such merged and consolidated trusts as a single trust or unit. If, however, such a merger or consolidation does not appear feasible, as determined in the sole and absolute discretion of our Trustee, the Trustees may consolidate the assets of such trusts for purposes of investment and trust administration while retaining separate records and accounts for the respective trusts.

r. Powers of an Interested Trustee

Notwithstanding the general powers conferred upon our Trustee, or anything to the contrary contained in this agreement, no individual Trustee shall exercise or participate in the exercise of discretion with respect to the distribution of trust income or principal to or for the benefit of such Trustee.

The above paragraph shall apply unless any such distribution is limited by an ascertainable standard relating to the education, health, maintenance, and support of such individual Trustee.

No individual Trustee shall exercise or participate in the exercise of such discretionary power with respect to distributions to any person or persons such Trustee is legally obligated to support, as to that support obligation.

s. Powers of an Insured Trustee

Any individual Trustee under this agreement, other than either of us, is prohibited from exercising any power conferred on the owner of any policy which insures the life of such individual Trustee and which is held as part of the trust property.

If our Trustee holds any such policy or policies as a part of the trust property, the powers conferred on the owner of such a policy shall be exercised only by the other then acting Trustee.

If the insured Trustee is the only then acting Trustee, then such powers shall be exercised by a substitute Trustee designated pursuant to the provisions of this agreement dealing with the Trusteeship.

If any rule of law or court decision construes the ability of the insured Trustee to name a substitute Trustee as an incident of ownership, the substitution process shall be implemented by a majority of the then current mandatory and discretionary income beneficiaries, excluding the insured Trustee if the insured Trustee is a beneficiary.

t. Real Estate Powers

Our Trustee may make leases and grant options to lease for any term, even though the term may extend beyond the termination of any trust created under this agreement.

It may grant or release easements and other interests with respect to real estate; enter into party wall agreements, execute estoppel certificates, and develop and subdivide any real estate.

It may dedicate parks, streets, and alleys or vacate any street or alley; construct, repair, alter, remodel, demolish, or abandon improvements.

It may elect to insure, as it deems advisable, all actions contemplated by this subsection.

Our Trustee may take any other action reasonably necessary for the preservation of real estate and fixtures comprising a part of the trust property or the income therefrom.

u. S Corporation Stock

If at any time a trust created under this agreement holds stock in an S corporation and such trust is not a qualified Subchapter S trust, our Trustee may, in its sole and absolute discretion, distribute such stock to the beneficiaries as if the trust had terminated, while continuing to hold any other property in such trust.

In addition, our Trustee may divide a trust created under this agreement into separate trusts for each of the beneficiaries, with each newly created trust holding that beneficiary's pro rata share of the S corporation stock.

Each newly created trust shall have mandatory distributions of income. In all other respects, the newly created trusts shall be as consistent as possible with the original trusts and still qualify as qualified Subchapter S trusts.

v. Sale, Lease, and Other Dispositive Powers

Our Trustee may sell, lease, transfer, exchange, grant options with respect to, or otherwise dispose of the trust property.

It may deal with the trust property at such time or times, for such purposes, for such considerations and upon such terms, credits, and conditions, and for such periods of time, whether ending before or after the term of any trust created under this agreement, as it deems advisable.

Our Trustee may make such contracts, deeds, leases, and any other instruments it deems proper under the immediate circumstances, and may deal with the trust property in all other ways in which a natural person could deal with his or her property.

w. Securities Powers

In addition to those other securities powers granted throughout this Article, our Trustee may retain, exercise, or sell rights of conversion or subscription with respect to any securities held as part of the trust property.

Our Trustee may vote or refrain from voting at corporate meetings either in person or by proxy, whether general or limited, and with or without substitutions.

x. Settlement Powers

Our Trustee may compromise, adjust, arbitrate, alter the terms of, or abandon any claim in favor of or against any trust created under this agreement, and may take deeds in lieu of foreclosure.

y. Trust Addition and Retention Powers

Our Trustee is authorized to receive additional trust property, whether by gift, will, or otherwise, either from us, either of us, or from any other person, corporation, or entity.

Upon receipt of any additional property, our Trustee shall administer and distribute the same as part of the trust property.

Our Trustee may retain, without liability for depreciation or loss resulting from such retention, all property constituting the trust estate at the time of its creation or thereafter received from other sources.

The foregoing shall be acceptable even though such property may not be of the character prescribed by law for the investment of trust funds, or may result in inadequate diversification of the trust property.

z. Trustees' or Fiduciaries' Powers Act

In addition to all of the powers specifically granted our Trustee in this Article, our Trustee may exercise those powers set forth under the Trustees' or Fiduciaries' Powers Acts, or their equivalent, of the state of Oregon, together with any amendment to such laws.

Our Trustee may perform every act reasonably necessary to administer each and every share or trust created under this agreement.

All of the powers granted to our Trustee in this Article shall be in addition to those powers conferred upon Trustees under all applicable state and federal statutes.

Each power conferred upon our Trustee under this Article, or upon Trustees in general, by applicable state or federal statutes, shall be subject to any express limitations or contrary directions contained in this agreement.

f. Duplicate Originals

This agreement may be executed in several counterparts; each counterpart shall be considered a duplicate original agreement.

g. Severability

If any provision of this agreement is declared by a court of competent jurisdiction to be invalid for any reason, such invalidity shall not affect the remaining provisions of this agreement. The remaining provisions shall be fully severable, and this agreement shall be construed and enforced as if the invalid provision had never been included in this agreement.

We have executed this agreement the day and year first written above.

We certify that we have read our foregoing revocable living trust agreement, and that it correctly states the terms and conditions under which our trust property is to be held, managed, and disposed of by our Trustee. We approve this revocable living trust in all particulars, and request our Trustee to execute it.

Philip L. Allison
PHILIP L. ALLISON, Trustmaker

Carolyn L. Allison
CAROLYN L. ALLISON, Trustmaker

Philip L. Allison
PHILIP L. ALLISON, Trustee

Carolyn L. Allison
CAROLYN L. ALLISON, Trustee

STATE OF OREGON)

COUNTY OF LANE)

.SS

The foregoing living trust agreement was acknowledged before me on June 27, 1991, by PHILIP L. ALLISON and CAROLYN L. ALLISON, as Trustmaker and Trustee.

[Signature]
Notary Public for Oregon
My commission expires: 10/31/91

7-1-05 TO 6-30-06 REAL PROPERTY TAX STATEMENT
 LANE COUNTY · 125 E. EIGHTH AVE. · EUGENE, OR 97401 · (541) 682-4321

ACCOUNT NUMBER 1462884
 SITUS ADDRESS: ADDRESS UNKNOWN

PROP: 550
 TCA: 00113 ACRES: 5.0
 MAP: 19 02 04 00 01000

ALLISON PHILIP L TE
 35882 N MORNING STAR RD
 PLEASANT HILL OR 97455

LAST YEAR'S TAX

4.94

See back for explanation of taxes marked with (*)

CURRENT TAX BY DISTRICT

PLEASANT HILL SCHOOL DISTRICT	2.18
U LANE COMMUNITY COLLEGE	0.29
U LANE EDUCATION SERVICE DIST	0.11
EDUCATION TOTALS:	2.58
PLEASANT HILL RFPD	0.52
U LANE COUNTY	0.61
GENERAL GOVERNMENT TOTALS:	1.13
PLEASANT HILL SD BOND	1.34
U LANE COMMUNITY COLLEGE BOND	0.12
U LANE COUNTY BOND	0.06
BONDS - OTHER TOTALS:	1.52

VALUES:	LAST YEAR	THIS YEAR
MARKET VALUES		
LAND:	98,719	116,560
IMPROVEMENT:	0	0
TOTAL:	98,719	116,560
M5 SPECIALLY ASSESSED VALUE:	488	515
M5 REAL MKT VALUE:	488	515
ASSESSED VALUE:	460	474
EXEMPTIONS:	0	0
NET TAXABLE:	460	474

FARM DEFERRAL

Potential Additional Tax

MORTGAGE CO:
 LOAN #:

If a mortgage company pays your taxes, CONTROL NO. 123,543
 This statement is for your records only.

Full Payment with 3% Discount 5.07	2/3 Payment with 2% Discount	1/3 Payment No Discount
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2005-2006 TAXES BEFORE DISCOUNT 5.23

TOTAL TAX (After Discount) 5.07

2-4321

7-1-05 TO 6-30-06 REAL PROPERTY TAX STATEMENT
LANE COUNTY · 125 E. EIGHTH AVE. · EUGENE, OR 97401 · (541) 682-4321

~~1133.95~~
1589.48

ACCOUNT NUMBER 1020450
SITUS ADDRESS: ADDRESS UNKNOWN
PROP: 551
TCA: 00106 ACRES: 37.0
MAP: 19 02 04 00 00800

ALLISON PHILIP L
35882 N MORNING STAR RD
PLEASANT HILL OR 97455

LAST YEAR'S TAX 64.83
See back for explanation of taxes marked with (*)

4.94

es marked with (*)

RICT

RICT 2.18
0.29
DIST 0.11

CURRENT TAX BY DISTRICT

PLEASANT HILL SCHOOL DISTRICT 28.46
U LANE COMMUNITY COLLEGE 3.79
U LANE EDUCATION SERVICE DIST 1.37

EDUCATION TOTALS: 33.62

PLEASANT HILL RFPD 6.88
U LANE COUNTY 7.98

GENERAL GOVERNMENT TOTALS: 14.86

PLEASANT HILL SD BOND 17.56
U LANE COMMUNITY COLLEGE BOND 1.64
U LANE COUNTY BOND 0.81

BONDS - OTHER TOTALS: 20.01

BOND

2.58
0.52
0.61

1.13
1.34
0.12
0.06

1.52

VALUES:	LAST YEAR	THIS YEAR
MARKET VALUES		
LAND:	49,547	58,501
IMPROVEMENT:	0	0
TOTAL:	49,547	58,501
M5 SPECIALLY ASSESSED VALUE:	6,396	6,724
M5 REAL MKT VALUE:	6,396	6,724
ASSESSED VALUE:	6,060	6,241
EXEMPTIONS:	0	0
NET TAXABLE:	6,060	6,241

FARM DEFERRAL
Potential Additional Tax

MORTGAGE CO:
LOAN #:

If a mortgage company pays your taxes, CONTROL NO. 123,226
This statement is for your records only.

5.23

5.07

Full Payment with 3% Discount	2/3 Payment with 2% Discount	1/3 Payment No Discount
66.44	44.75	22.83

2005-2006 TAXES BEFORE DISCOUNT 68.49

TOTAL TAX (After Discount) 66.44

2-4321

7-1-05 TO 6-30-06 REAL PROPERTY TAX STATEMENT
LANE COUNTY · 125 E. EIGHTH AVE. · EUGENE, OR 97401 · (541) 682-4321

33.95
589.46
es marked with (*)

64.83

ACCOUNT NUMBER 1318243
SITUS ADDRESS: 35882 N MORNINGSTAR RD
PLEASANT HILL
PROP: 551
TCA: 00113 ACRES: 37.97
MAP: 19 02 04 00 00800

ALLISON PHILIP L
35882 N MORNING STAR RD
PLEASANT HILL OR 97455

LAST YEAR'S TAX 1,583.87
See back for explanation of taxes marked with (*)

DISTRICT

RICT 28.46
3.79
DIST 1.37
33.62
6.88
7.98
14.86
17.56
1.64
0.81
20.01

BOND

CURRENT TAX BY DISTRICT

PLEASANT HILL SCHOOL DISTRICT 631.58
U LANE COMMUNITY COLLEGE 84.24
U LANE EDUCATION SERVICE DIST 30.37
EDUCATION TOTALS: 746.19
PLEASANT HILL RFPD 161.67
U LANE COUNTY 187.19
GENERAL GOVERNMENT TOTALS: 348.86
PLEASANT HILL SD BOND 412.46
U LANE COMMUNITY COLLEGE BOND 38.44
U LANE COUNTY BOND 19.01
BONDS - OTHER TOTALS: 469.91

VALUES:	LAST YEAR	THIS YEAR
MARKET VALUES		
LAND:	205,234	246,499
IMPROVEMENT:	165,680	135,950
TOTAL:	370,914	382,449
M5 SPECIALLY		
ASSESSED VALUE:	12,157	13,287
M5 REAL MKT VALUE:	177,837	149,237
ASSESSED VALUE:	145,249	146,557
EXEMPTIONS:	0	0
NET TAXABLE:	145,249	146,557

FARM DEFERRAL
Potential Additional Tax

MORTGAGE CO:
LOAN #:

If a mortgage company pays your taxes, CONTROL NO.
This statement is for your records only. 123.453

68.49

66.44

Full Payment with 3% Discount 1,518.01	2/3 Payment with 2% Discount 1,022.44	1/3 Payment No Discount 521.66
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2005-2006 TAXES BEFORE DISCOUNT 1,564.96

TOTAL TAX (After Discount) 1,518.01

GAYDOS
CHURNSIDE
BALTHROP_{INC}

Gerry Gaydos
Donald J. Churnside
Sheryl Balthrop

P. Rebecca Kamitsuka
Jonathan R. Miko, *Of Counsel*

440 East Broadway
Suite 300
P.O. Box 1499
Eugene, OR 97440

541.343.8060
888.761.1073
541.343.1599 FAX

April 27, 2006

VIA BARRISTERS' AIDE

04-28-06A10:27 RCVD

Steve Hopkins
Associate Planner
Lane County Land Management Division
125 East 8th Avenue
Eugene, Oregon 97401

Re: *Carolyn and Philip Allison Measure 37 Claim*
No. PA056038

Dear Mr. Hopkins:

Pursuant to your request, enclosed please find a copy of the 1991 Assignment of Contract in the above-referenced matter.

Thank you.

Very truly yours,



Sheryl Balthrop

SB/mn

Enclosure

cc: Client

10-
10-
20-
9132411

800

ASSIGNMENT OF LAND SALE CONTRACT

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, for the consideration hereinafter stated, do hereby assign and set over unto PHILIP L. ALLISON AND CAROLYN L. ALLISON, TRUSTEES, OR THEIR SUCCESSORS IN TRUST, UNDER THE ALLISON LOVING TRUST DATED JUNE 27, 1991, AND ANY AMENDMENTS THERETO, all of their right, title and interest in and to that Contract of Land Sale dated July 1, 1971, by and between KENNETH ALFRED DANSTROM and THELTA IRIS DANSTROM, Husband and Wife, Vendor, and PHILIP L. ALLISON AND CAROLYN L. ALLISON, Husband and Wife, Purchaser, which Memorandum was recorded December 7, 1982, as Instrument No. 8236675, Reel ~~XXXXXXXXXXXXXXXXXXXX~~ Page 1222R, in the Official Records of Lane County, Oregon, said real property described as follows, to-wit:

4399JUL.11'91#07REC 10.00

Beginning at the iron pin marking the southeast corner of the Thomas Mulholland Donation Land Claim No. 45 in Township 19 South, Range 2 West of the Willamette Meridian; thence N 0° 13' 35" W 2584.76 feet along the east line of said Donation Land Claim No. 45 to the stone marking the east-northeast corner thereof; thence, N 0° 13' 35" W 96.25 feet to a point marked by an iron pin; thence, S 85° 03' 06" W 676.52 feet to an iron pin set on the southerly right of way line of the proposed State Highway; thence, S 48° 23' 59" W 126.63 feet along said right of way line to an iron pin opposite to and 100.00 feet southeasterly from proposed centerline station 257+39.33 P.T.; thence, S 47° 04' 15" W 460.67 feet continuing along said right of way line to an iron pin opposite centerline station 262+00 P. T.; thence, S 48° 39' 44" W 261.75 feet continuing along the southerly right of way line of said highway to a point marked by an iron pin; thence, S 0° 13' 35" E 2059.09 feet to an iron pin set on the south line of said Mulholland Donation Land Claim No. 45; thence, N 89° 41' 06" E 1305.00 feet to the point of beginning in Lane County, Oregon, containing 75 acres, more or less.

4399JUL.11'91#07PFUND 10.00
4399JUL.11'91#07A&T FUND 20.00

IN WITNESS WHEREOF, the undersigned has hereunto set their hands this 27th day of June, 1991.

9132411

Philip L. Allison
PHILIP L. ALLISON

Carolyn L. Allison
CAROLYN L. ALLISON

State of Oregon)
 :
County of Lane) ss.

Before me this 27th day of June, 1991, personally appeared PHILIP L. ALLISON AND CAROLYN L. ALLISON and acknowledged the foregoing instrument to be their voluntary act and deed.



[Signature]
Notary Public of Oregon
My Commission expires: 10-31-91

Return to:

James H. Smith
1017 N. Riverside, Suite 116
Medford, OR 97501

9132411

State of Oregon,
County of Lane--ss.
I, the County Clerk, in and for the said
County, do hereby certify that the within
instrument was received for record at

11 JUL 91 6:46
Reel **1706R**

Lane County OFFICIAL Records.
Lane County Clerk

By: *John E. Fawcett*
County Clerk



Gerry Gaydos
Donald J. Churnside
Sheryl Balthrop

P. Rebecca Kamitsuka
Jonathan R. Miko, *Of Counsel*

440 East Broadway
Suite 300
P.O. Box 1499
Eugene, OR 97440

541.343.8060
888.761.1073
541.343.1599 FAX

July 21, 2005

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

Re: *Carolyn and Philip Allison
Measure 37 Claim*

Dear Lane County Land Management Division:

This office represents Carolyn and Philip Allison with respect to the enclosed claim.

Attached are our Measure 37 Claim documents along with this firm's check in the amount of \$850, representing the claim-processing fee deposit and notice costs.

Please direct all communications regarding this matter to our office.

Very truly yours,



Sheryl Balthrop

SB/ann

Enclosure

cc: Client

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

Carolyn Allison	35882 N Morningstar Road	541/
<u>Philip Allison</u>	<u>Pleasant Hill, OR 97455</u>	<u>747 4597</u>
Applicant Name (Please Print)	Mailing Address	Phone
Carolyn Allison	35882 N Morningstar Road	541/
<u>Philip Allison</u>	<u>Pleasant Hill, OR 97455</u>	<u>747 4597</u>
Agent Name (Please Print)	Mailing Address	Phone

2. Property Owner

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

	35882 N Morningstar Road	541/
<u>Carolyn Allison</u>	<u>Pleasant Hill, OR 97455</u>	<u>747 4597</u>
Property Owner Name (Please Print)	Mailing Address	Phone
	35882 N Morningstar Road	541/
<u>Philip Allison</u>	<u>Pleasant Hill, OR 97455</u>	<u>747 4597</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 19-02-04; Tax Lot No. 800

35882 N Morningstar Road

Street Address Pleasant Hill, OR 97455 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).

Claimants, Carolyn and Philip Allison, have continuously owed the subject property since 1971. In 1976, Lane County changed the applicable zoning to Exclusive Farm Use, 40 acres minimum. LC 16.212 *et seq.* restricted Claimants' ability to place additional dwellings upon or subdivide the property, thus reducing its fair market value as described in the appraisal filed herewith. Exclusive Farm Use and LC 16.212 *et seq.* are not exempt regulations as defined by LC 2.710. They are not 1) a restriction upon a public nuisance; (2) to protect public health and safety; (3) required by federal law; (4) related to pornography or nude dancing; or (5) enacted prior to Claimants' ownership of the property.

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.

Attached

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.

Claimants request the Lane County Board of Commissioners issue an Ordinance removing and discontinuing the application of the Exclusive Farm Use to the subject property, so as to allow division of the property into 5-acre parcels and the construction of dwellings upon each parcel. In the alternative, Claimants request \$709,000 which is the reduction of the fair market value of the property resulting from the regulation.

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).

Carolyn Allison
 CAROLYN ALLISON

Philip Allison
 PHILIP ALLISON OWNERS SIGNATURE

7-21-05
 Date

7-21-05
 Date

Carolyn Allison
 CAROLYN ALLISON

Philip Allison
 PHILIP ALLISON APPLICANT/AGENT SIGNATURES

7-21-05
 Date

7-21-05
 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.



STATUS OF RECORD TITLE REPORT

SHERYL BALTHROP, ATTORNEY
440 EAST BROADWAY, SUITE 300
EUGENE, OR 97401

Our No: CT-0246278
Date: JULY 20, 2005
Charge: \$200.00
Government Service Fee: \$25.00

As requested, Cascade Title Co. has searched our tract indices as to the following described real property:

(A T T A C H E D)

and as of: JULY 10, 2005, at 8:00 A.M. we find the following:

Vestee:

PHILIP L. ALLISON, TRUSTEE, AND CAROLYN L. ALLISON, TRUSTEE
of THE ALLISON LOVING TRUST

Said property is subject to the following on record matters:

1. Taxes for the fiscal year 2005-2006, a lien not yet payable.
2. As disclosed by the tax rolls, the premises herein described have been zoned or classified for farm use. At any time that said land is disqualified for such use, the property will be subject to additional taxes or penalties and interest.
3. Easement, including the terms and provisions thereof, granted to the State of Oregon by and through the Oregon State Game Commission, as set forth in instrument recorded June 24, 1941, in Book 215, Page 99, Lane County Oregon Deed Records.
4. Easement for roadway, including the terms and provisions thereof, as set forth in deed recorded May 20, 1944, in Book 267, Page 670, Lane County Oregon Deed Records.
5. Easement, including the terms and provisions thereof, granted Pacific Power & Light Company by instrument recorded June 9, 1971, Reception No. 49988, Lane County Official Records.
6. Grant of easement, including the terms and provisions thereof, granted to Pacific Northwest Bell Telephone Company, by instrument recorded April 10, 1972, Reception No. 93760, Lane County Official Records.
7. Right of Way Easement, including the terms and provisions thereof, granted to Pacific Power and Light Company, by instrument recorded June 12, 1973, Reception No. 7326416, Lane County Official Records.

continued-

MAIN OFFICE * 811 WILLAMETTE ST. * EUGENE, OREGON 97401 * PH: (541) 687-2233
FLORENCE * 1234 RHODODENDRON DR. * FLORENCE, OREGON 97439 * PH: (541) 997-8417
EUGENE FAX: 485-0307 * E-MAIL: info@cascadetitle.com * FLORENCE FAX: 997-8246

8. Agreement for easement, including the terms and provisions thereof, as set forth in instrument recorded January 13, 1982, Reception No. 8201088, Lane County Official Records.
9. Agreement for easement, including the terms and provisions thereof, as set forth in instrument recorded May 17, 1982, Reception No. 8214472, Lane County Official Records.
10. The terms, provisions, rights of the beneficiaries, and powers of the Trustee under The Allison Loving Trust, and any amendments thereto, under which the vestee herein holds title. A copy of the trust agreement or an adequate Certification of Trust must be furnished for our examination.
11. Deed of Trust, including the terms and provisions thereof, executed by Philip L. Allison and Carolyn L. Allison, as tenants by the entirety, Grantor, to Western Title & Escrow Co., Trustee, for the benefit of Mortgage Electronic Registration Systems, Inc., (MERS) acting solely as a nominee for Frontier Investment Co. dba Rainland Mortgage Company, Beneficiary, dated May 04, 2004, recorded May 12, 2004, Reception No. 2004-035408, Lane County Official Records, to secure payment of a note in the amount of \$120,000.00.
12. The public record does not disclose if the premises herein described have a means of ingress and egress to and from a legally dedicated road or highway. Notwithstanding Paragraph 4 of the insuring clauses of the policy or policies to be issued, the policy or policies will not insure against loss arising by reason of any lack of a right of access to and from the land.

NOTE: To the best of our knowledge the address of the herein described premises is:

35882 North Morningstar Road
Pleasant Hill, OR 97455

NOTE: Taxes, Account No. 1020450, Assessor's Map No. 19 02 04, #800, Code 1-06, 2004-2005, in the amount of \$64.83, PAID IN FULL.

Taxes, Account No. 1318243, Assessor's Map No. 19 02 04, #800, Code 1-13, 2004-2005, in the amount of \$1,583.87, PAID IN FULL.

This report is to be utilized for information only. Any use of this report as a basis for transferring, encumbering or foreclosing the real property described will require prior notification to the undersigned and payment in an amount equivalent to applicable title insurance premiums as required by the rating schedule on file with the Oregon Insurance Division.

The liability of Cascade Title Co. is limited to the addressee and shall not exceed the premium paid hereunder.

CASCADE TITLE CO., by:


ar/Title Officer: DOUG PIERCE

800

PROPERTY DESCRIPTION

Beginning at the iron pin marking the Southeast corner of the Thomas Mulholland Donation Land Claim No. 45, in Township 19 South, Range 2 West of the Willamette Meridian; thence North $0^{\circ} 13' 35''$ West 2584.76 feet along the East line of said Donation Land Claim No. 45 to the stone marking the East-Northeast corner thereof; thence North $0^{\circ} 13' 35''$ West 96.25 feet to a point marked by an iron pin; thence South $85^{\circ} 03' 06''$ West 676.52 feet to an iron pin set on the Southerly right-of-way line of the proposed State Highway; thence South $48^{\circ} 23' 59''$ West 126.63 feet along said right-of-way line to an iron pin opposite to and 100.00 feet Southeasterly from proposed Centerline Station 257+39.33 P.T.; thence South $47^{\circ} 04' 15''$ West 460.67 feet continuing along said right-of-way line to an iron pin opposite Centerline Station 262+00 P.T.; thence South $48^{\circ} 39' 44''$ West 261.75 feet continuing along the Southerly right-of-way line of said highway to a point marked by an iron pin; thence South $0^{\circ} 13' 35''$ East 2059.09 feet to an iron pin set on the South line of said Mulholland Donation Land Claim No. 45; thence North $89^{\circ} 41' 06''$ East 1305.00 feet to the point of beginning, in Lane County, Oregon.

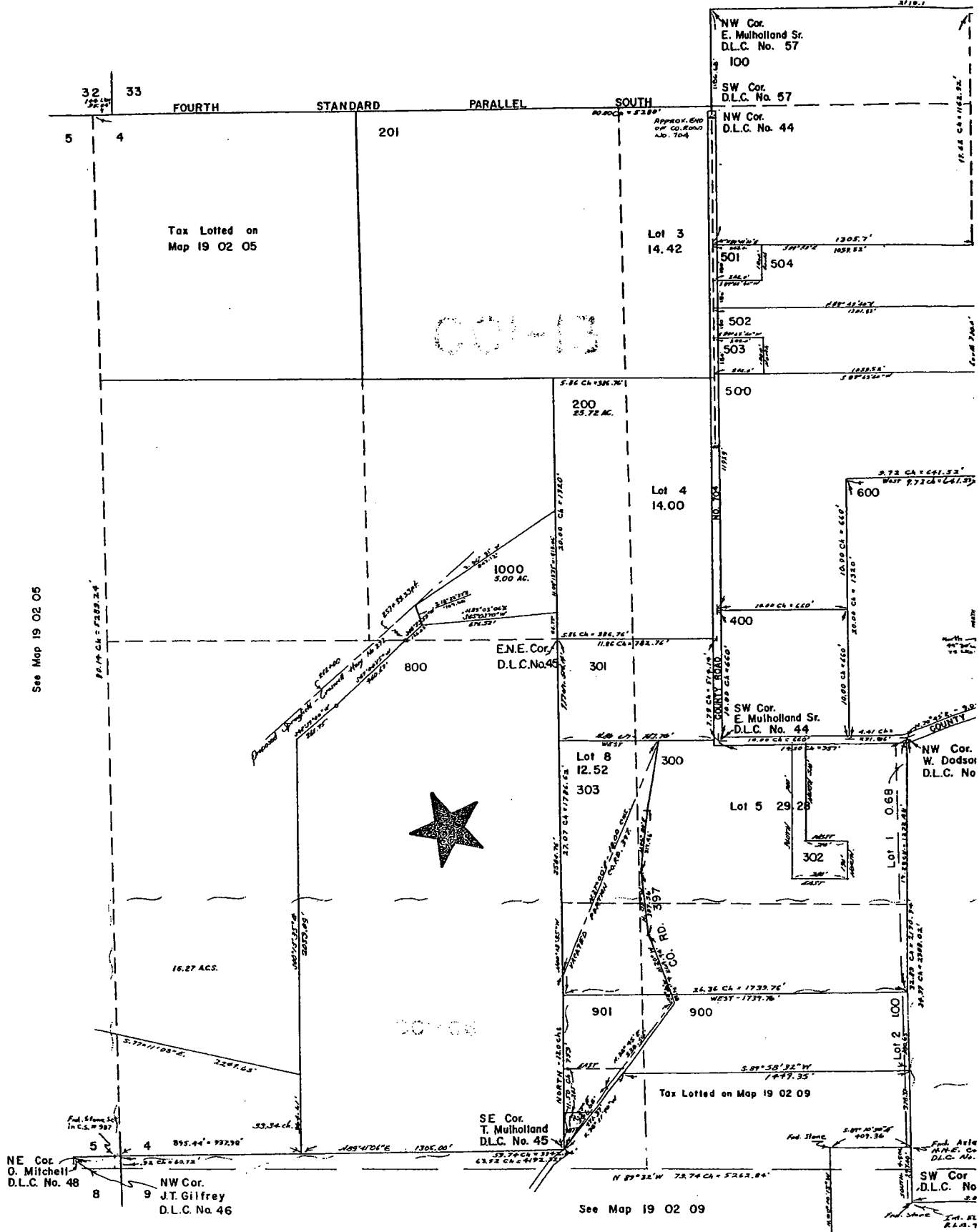
Section 4 T.19S. R.2W.W.M.

LANE COUNTY

1"=400'

See Map 18 02 33

19-02-04
THIS MAP IS TO ASSIST LOCATING
PROPERTY. THE COMPANY ASSUMES
NO LIABILITY FOR INACCURACIES.



See Map 19 02 05

See Map 19 02 09

1:30 JUL 05 2005



June 30, 2005

Sheryl Bathrop (For Carolyn Allison)
Gaydos Churnside & Bathrop
440 E. Broadway, Suite 300
Eugene, OR 97401

LAND MANAGEMENT DIVISION
http://www.LaneCounty.org/PW_LMD/

PA 05-5815
Research for Assessor's Map 19-02-04, Tax Lot 800, 1000

Request: I need to know all regulations pertaining to the property (description attached) from July 1971 which might impact the ability to divide the property or place another dwelling thereon. I would like this research to be performed ASAP.

Response:

Current Zoning: The current zoning of the property is Exclusive Farm Use, 40-acre minimum. A copy of the zoning plot map is enclosed. The requirements for placing a dwelling on the property LC 16.212(5) through (7), or dividing the property are contained in LC 16.212(9). That ordinance is available on the Internet at www.lanecounty.org, then find the link on the left to Lane Code, then go to Chapter 16.

The zoning in July 1971 was Agriculture-Grazing-Timber (AGT) established on April 7, 1965 and effective through June 9, 1976 when zoning was changed to Farm-Forest 20-acre minimum (FF-20). A copy of the supporting archived tax map and AGT zoning requirements is enclosed.

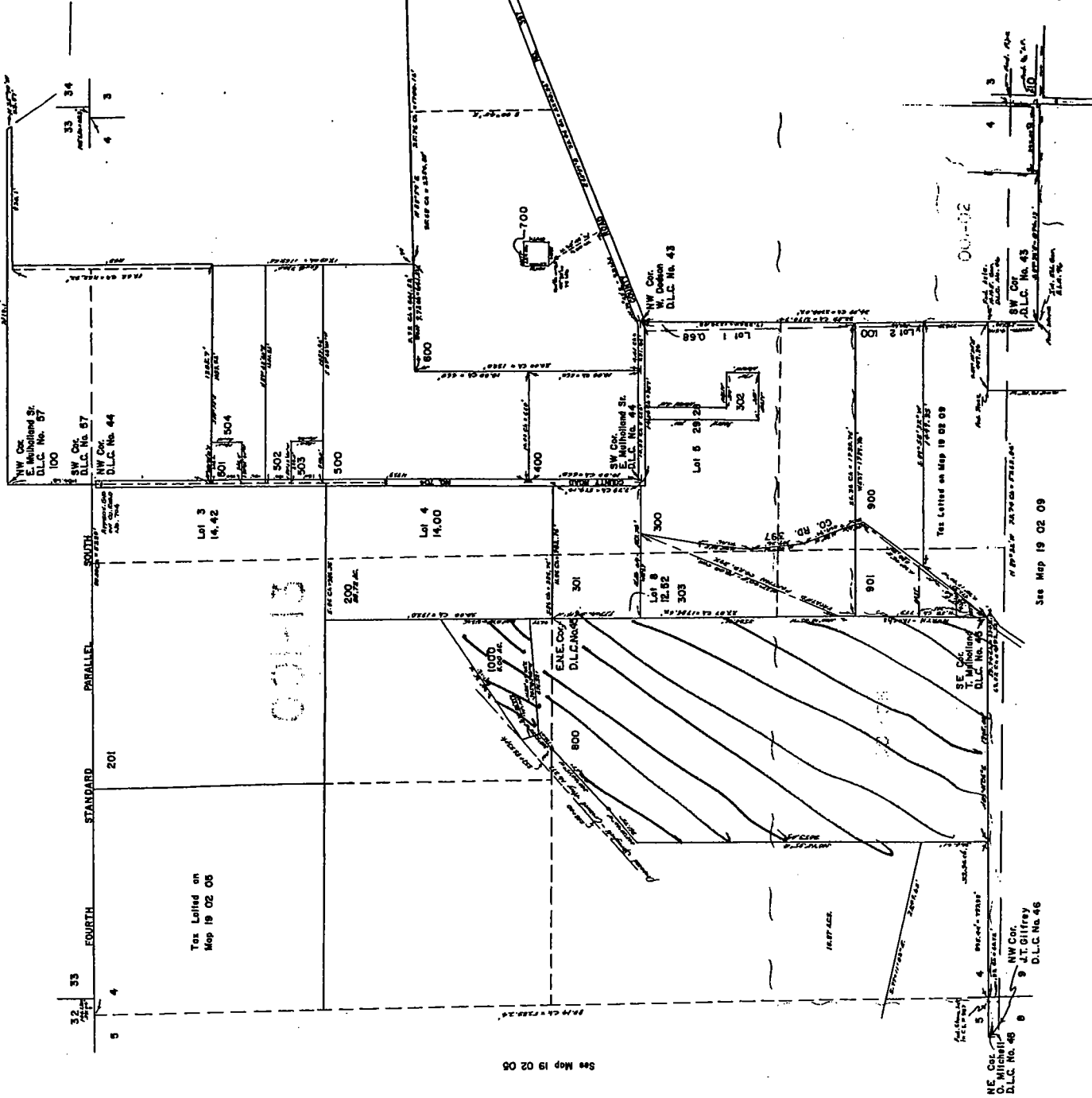
If additional information is needed, please provide specific information about the information sought along with an additional research application request.

Prepared by _____


Celja Barry, Associate Planner

Section 4 T.19S. R.2 M.
LANE COUNTY
1"=400'

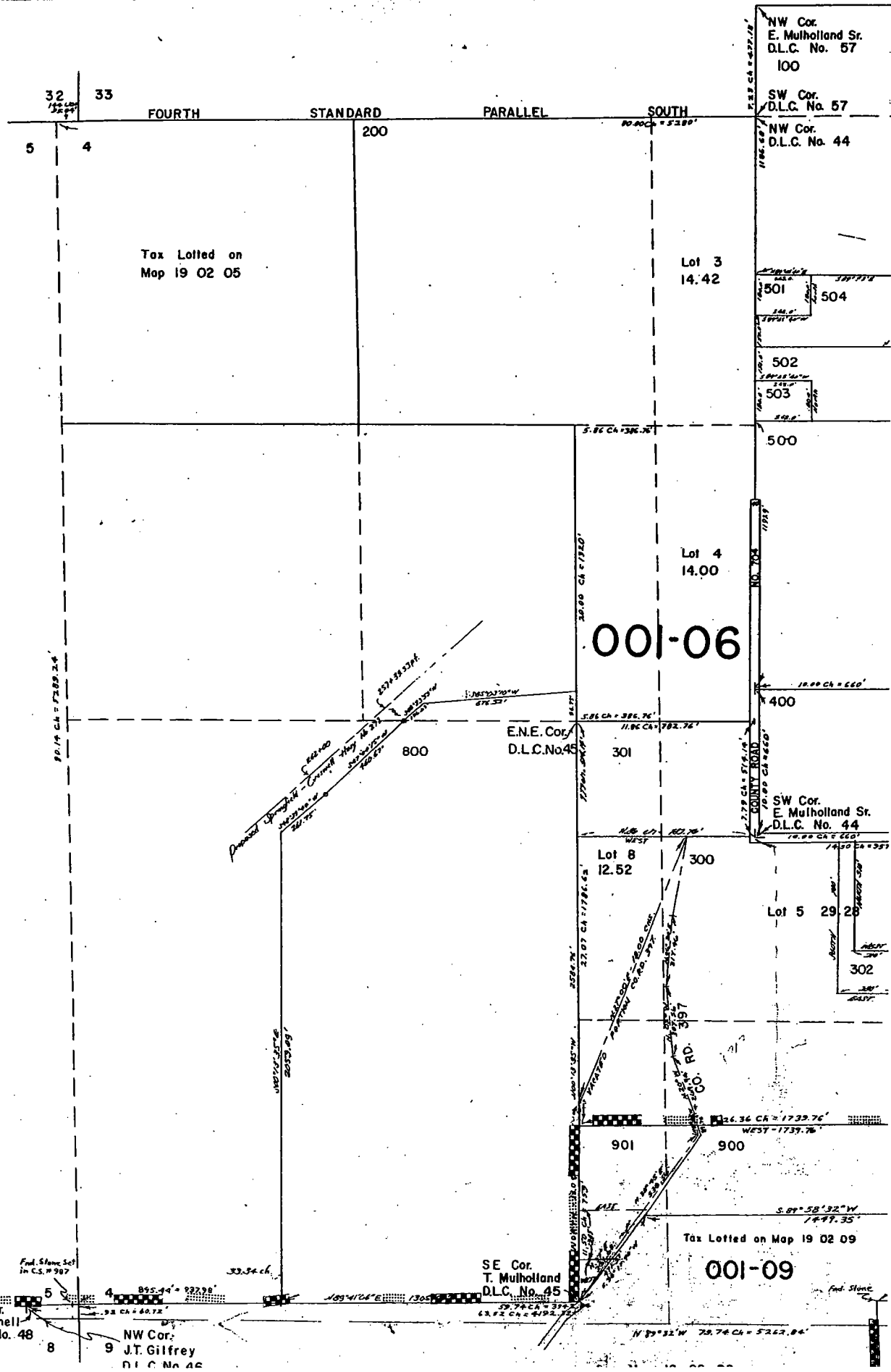
See Map 18 02 33



1. UNZONED TO AGT 65-027 (ENTIRE SHEET) 7 APR 65
2. AGT TO FF20 (ENTIRE SHEET) Ord. 587 9 JUNE 76

See Map 18 02 33

See Map 19 02 05



Tax Lotted on
Map 19 02 05

001-06

001-09

NW Cor.
E. Mulholland Sr.
D.L.C. No. 57
100

SW Cor.
D.L.C. No. 57

NW Cor.
D.L.C. No. 44

E.N.E. Cor.
D.L.C. No. 48

SW Cor.
E. Mulholland Sr.
D.L.C. No. 44

SE Cor.
T. Mulholland
D.L.C. No. 45

NE Cor.
O. Mitchell
D.L.C. No. 48

NW Cor.
J.T. Gilfrey
D.L.C. No. 46

Find Stone Set
in C.S. #987

Find Stone

Lane County
ZONING & LAND USE

Ordinance 4
Reprint Jan 1971



(AGT) SECTION VI. AGRICULTURE, GRAZING, TIMBER-RAISING DISTRICT

12. Mobile home on an individual lot or site, pursuant to a mobile home use permit issued by the Department of Health and Sanitation. (See SECTION XVI for permit provisions.) If located in a subdivision approved by the Planning Commission, the conditions and requirements of SECTION VIII (RA) shall apply.
13. Normal accessories for a mobile home, such as awning, cabana, ramada, patio carport, garage or storage building, pursuant to an original mobile home use permit or subsequent permit for only accessories.

B. AREA

1. Size of Lot

- a. No dwelling unit or mobile home shall be erected or located on less than one acre of lot area, having a minimum average width of not less than one hundred fifty (150) feet. Notwithstanding the lot area and lot width requirements of this section, a single-family dwelling or mobile home may be erected or located on any lot separately owned at the time of the passage of this amendment, or on any numbered lot in an approved and final major or minor subdivision plat that was on record at the time of the passage of this amendment. (Ordinance #293, effective September 13, 1969.)
- b. Lots for other uses as specified under A.5, A.6, A.7, A.8, A.9, and A.10 shall have a minimum width of two hundred feet and a minimum area of one acre.

2. Percent of Coverage

The main building and accessory buildings located on any one building site shall not cover in excess of thirty (30) percent of the lot area.

C. YARD REGULATIONS

1. Front Yard Setback

- a. Basic structure: 15 feet.
- b. Garages, carports, and parking spaces with access from the front or side of the property: 20 feet.

2. Side Yard Setback

- a. Basic structure:

Interior: 5 feet
Alley: 5 feet
Street: Regular corner lot -- 10 feet
Reverse corner lot -- 15 feet

- b. Garages, carports or parking spaces with access from:

An alley side yard: Not less than 14 feet from the alley centerline.

A street side yard: Not less than 20 feet from the property line.

Where a utility easement is recorded, the setback shall be not less than the width of the easement.

(Ordinance #343 effective September 3, 1969.)

D. REGULATIONS

Regulations hereafter prescribed shall not apply to uses conforming to A.1, A.2,

FORM No. 991 - BARGAIN AND SALE DEED - STATUTORY FORM (Individual Grantor).

STEVENESS

LAW PUBLISHING CO., PORTLAND, OR www.stevensness.com

NO PART OF ANY STEVENESS FORM MAY BE REPRODUCED IN ANY FORM OR BY ANY ELECTRONIC OR MECHANICAL MEANS.

Philip L Allison
Carolyn L Allison
35882 N. Macainstar Rd, Pleasant Hill

Philip L Allison Trustee
Carolyn L Allison Trustee
35882 N. Macainstar Rd, Pleasant Hill, OR 97455

After recording, return to (Name, Address, Zip):
Philip L Allison
35882 N. Macainstar Rd
Pleasant Hill, OR 97455

Until requested otherwise, send all tax statements to (Name, Address, Zip):
None

STATE OF OREGON,
County of _____ } ss.

I certify that the within instrument was received for recording on _____, at _____ o'clock _____ M., and recorded in book/reel/volume No. _____ on page _____ and/or as fee/file/instrument/microfilm/reception

Division of Chief Deputy Clerk
Lane County Deeds and Records 2004-083534



\$31.00

10/28/2004 01:34:02 PM

RPR-DEED Cnt=1 Str=15 CASHIER 07
\$10.00 \$11.00 \$10.00

BARGAIN AND SALE DEED - STATUTORY FORM (INDIVIDUAL GRANTOR)

Philip L Allison and Carolyn L Allison, Grantor,
conveys to Philip L Allison Trustee and Carolyn L Allison Trustee of The Allison Living Trust, Grantee,
the following real property situated in Lane County, Oregon, to-wit:

See Exhibit A

200

(IF SPACE INSUFFICIENT, CONTINUE DESCRIPTION ON REVERSE)

The true consideration for this conveyance is \$ 9 (Here, comply with the requirements of ORS 93.030.)

DATED October 28, 2004

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

Philip L Allison
Carolyn L Allison

STATE OF OREGON, County of Lane) ss.
This instrument was acknowledged before me on October 28th 2004
by Philip L Allison and Carolyn L Allison



Sarah Scofield
Notary Public for Oregon
My commission expires Aug 2, 2008

EXHIBIT "A"

Beginning at the iron pin marking the Southeast corner of the Thomas Mulholland Donation Land Claim No. 45, in Township 19 South, Range 2 West of the Willamette Meridian; thence North 0 degrees 13' 35" West 2584.76 feet along the East line of said Donation Land Claim No. 45 to the stone marking the East-Northeast corner thereof; thence North 0 degrees 13' 35" West 96.25 feet to a point marked by an iron pin; thence South 85 degrees 03' 06" West 676.52 feet to an iron pin set on the Southerly right-of-way line of the proposed State Highway; thence South 48 degrees 23' 59" West 126.63 feet along said right-of-way line to an iron pin opposite to and 100.00 feet Southeasterly from proposed Centerline Station 257+39.33 P.T.; thence South 47 degrees 04' 15" West 460.67 feet continuing along said right-of-way line to an iron pin opposite Centerline Station 262+00 P.T.; thence South 48 degrees 39' 44" West 261.75 feet continuing along the Southerly right-of-way line of said highway to a point marked by an iron pin; thence South 0 degrees 13' 35" East 2059.09 feet to an iron pin set on the South line of said Mulholland Donation Land Claim No. 45; thence North 89 degrees 41' 06" East 1305.00 feet to the Point of Beginning, in Lane County, Oregon.

**COMPLETE APPRAISAL -
SUMMARY REPORT**

of

REAL PROPERTY LOCATED AT

**THE NORTH TERMINUS OF
MORNINGSTAR ROAD
LANE COUNTY, OREGON**

Date of Report: July 21, 2005

Submitted to:

**Carolyn L. and Philip L. Allison
35882 North Morningstar Road
Pleasant Hill, OR 97455**

Date of Value: July 21, 2005

Submitted by:

**Charles P. Thompson, MAI, SRA
Charles P. Thompson & Assoc., Inc.
1234 High Street, Suite A
Eugene, OR 97401**



Real Estate Valuations Northwest

Charles P. Thompson & Assoc., Inc.

Real Estate Appraisers & Counselors
Commercial Division



July 21, 2005

Carolyn and Philip Allison
35882 North Morningstar Road
Pleasant Hill, OR 97455

RE: Complete Appraisal - Summary Report of real property located at the north terminus of N. Morningstar Road in Lane County, Oregon. Lane County Assessor's Map 19-02-04, Tax Lot No. 800

Dear Mr. and Mrs. Allison:

Pursuant to your request, I have personally inspected the above-referenced property for the purpose of estimating the market value as zoned (E-40), and under the *hypothetical assumption* that the property was either unzoned or zoned for division into five acre parcels.

It is my understanding that the appraisal will be utilized in filing a claim under Measure 37. The two value estimates are set forth as follows:

Estimated Value of Subject Property under the
"hypothetical assumption" that it is currently
unzoned or zoned AGT-5, effective June 1, 2005:\$1,046,000

Estimated Value of Subject Property as zoned
(E-40), effective June 1, 2005:.....\$337,000

Potential Measure 37 Claim:.....\$709,000

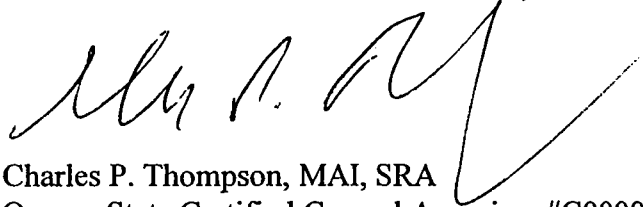
This Complete Appraisal - Summary Report has been completed in conformity with the Code of Ethics and Standards of Professional Practice of the Appraisal Institute, and is in accordance with the 2005 edition of the Uniform Standards of Professional Appraisal Practice (USPAP), adopted by the Appraisal Foundation.

This summary appraisal report is respectfully submitted and your attention drawn to the "Assumptions and Limiting Conditions" as set forth beginning on page 31.

If you have any questions or need additional information, please contact me at your convenience.

Very truly yours,

CHARLES P. THOMPSON & ASSOC., INC.

A handwritten signature in black ink, appearing to read 'C. P. Thompson', with a large, sweeping flourish extending to the right.

Charles P. Thompson, MAI, SRA
Oregon State Certified General Appraiser #C000007