

W.T.C.



Memorandum Date: October 6, 2006
Order Date: October 18, 2006

TO: Board of County Commissioners

DEPARTMENT: Public Works Dept./Land Management Division

PRESENTED BY: BILL VANVACTOR, COUNTY ADMINISTRATOR
KENT HOWE, PLANNING DIRECTOR

AGENDA ITEM TITLE: 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 (PA05-5735, ROBERTS)

I. MOTION

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

II. AGENDA ITEM SUMMARY

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 Edgar Roberts to use the property as allowed at the time he acquired an interest in the property?

III. BACKGROUND/IMPLICATIONS OF ACTION

A. Board Action and Other History

This claim was originally hearing on November 8, 2005. On that date, the Board requested additional information regarding the current ownership and the alleged reduction in value.

This item was heard again on August 2, 2006. At that hearing, the Board accepted the new evidence regarding the ownership, but the claimant had not submitted any new evidence regarding the alleged reduction in fair market value. The Board decided to close the hearing, leave the record open and roll this item to the meeting on August 23, 2006, to allow the claimant time to submit new evidence.

On August 23, the Board rolled this item to September 13, because the claimant indicated he needed additional time to submit the requested information. On September 13, the Board rolled this item to October 18.

On October 6, the applicant submitted an appraisal. According to this appraisal, the alleged reduction in fair market value is \$470,000.

Applicant: Edgar Roberts

Current Owner: Roberts Family Trust

Agent: Baker and Assoc. Surveyors

Map and Tax lot: 21-35-18 #900

Acreage: 22 acres

Current Zoning: F2 (Impacted Forest)

Date Property Acquired: Edgar Roberts acquired the property in 1955. The Roberts Trust acquired the property on Jan. 28, 2005.

Date claim submitted: This claim was submitted on June 1, 2005. At the hearing on November 8, 2005, the Board requested information regarding the reduction in value and information regarding the Trust. On that same date, the applicant waived the processing deadline. At the hearing on August 2, 2006, the Board requested additional information regarding the alleged reduction in value.

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

Restrictive County land use regulation: Minimum lot size and restrictions on new dwellings in the F2 zone.

B. Policy Issues

The applicant submitted an appraisal on October 6, 2006.

C. Board Goals

The public hearing will provide an opportunity for citizen participation in decision making, in conformance with the overall goals of the Lane County Strategic Plan.

D. Financial and/or Resource Considerations

Based on the appraisal, the applicant is alleging a reduction in value of \$470,000.

E. Analysis

Summary

The claimant has submitted information in support of this claim including an

appraisal, deeds and the processing fee.

The property contains two dwellings, 22 acres and is zoned F2. In this zone, the minimum lot size is 80 acres and new dwellings require a special use permit. The claimant wishes to subdivide the property into lots that contain less than 80 acres and place a dwelling on each lot. Edgar Roberts acquired an interest in the property in October 1955. The exact date and the recording number are not legible on the submitted deed. Nevertheless, the property was unzoned in 1955.

The property was conveyed to the Roberts Family Trust on January 28, 2005 (WD 2005-20017). This is a revocable trust and Edgar Roberts is a trustee.

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

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

Restrictive Regulations

Edgar Roberts acquired an interest in the property when it was unzoned. He conveyed the property to the Roberts Family Trust on January 28, 2005 (WD 2005-20017). Because trust is revocable and Edgar Roberts is a trustee, the trust is not considered a new owner. If the Board determines this is a valid claim, a waiver of the restrictive regulations of the F2 zone can be granted to Edgar Roberts.

Reduction in Fair Market Value

The claimant has submitted an appraisal that states the fair market value has been reduced by \$470,000. The Board must determine if this evidence demonstrates a reduction in fair market value from the enforcement of a land use regulation.

Exempt Regulations

The F2 (Nonimpacted Forest) limitations on new dwellings, and the minimum parcel size of 80 acres do not appear to be exempt regulations described in Measure 37 or LC 2.710.

Conclusion

It appears this is a valid claim if the Board determines the submitted evidence demonstrates a reduction in fair market value resulting from enforcement of a restrictive land use regulation.

F. Alternatives/Options

The Board has these options:

- Determine the application appears valid and adopt the order attached to this report.
- Require more information regarding the reduction in value or ownership.
- 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. TIMING/IMPLEMENTATION

If the Board determines this is a valid claim and waives a land use regulation, the claimant must receive a similar waiver from the state before a land use application and/or development proposal is submitted.

VI. RECOMMENDATION

If the Board determines the submitted evidence demonstrates a reduction in fair market value from enforcement of a restrictive land use regulation, the County Administrator recommends the Board waive the minimum parcel size and new dwelling restrictions of the F2 zone.

VII. FOLLOW-UP

If an order is adopted, it will be recorded.

VII. ATTACHMENTS

This cover memo prepared for the Board hearing does not contain the entire submittal. The entire submittal is contained in a notebook labeled "PA05-5735/Roberts", available in the County Commissioners Office. The portions of the submittal included with this memo are identified below:

- Draft order to approve the claim of Edgar Roberts.
- Vicinity Map.
- Appraisal submitted on October 6, 2006.

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

ORDER No.) IN THE MATTER OF CONSIDERING A
) BALLOT MEASURE 37 CLAIM AND
) DECIDING WHETHER TO MODIFY, REMOVE
) OR NOT APPLY RESTRICTIVE LAND USE
) REGULATIONS IN LIEU OF PROVIDING JUST
) COMPENSATION (PA05-5735/Roberts)

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 Edgar Roberts (PA05-5735), the owners of real property described in the records of the Lane County Assessor as map 21-35-18, tax lot 900, consisting of approximately 22 acres in Lane County, Oregon; and

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

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

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

WHEREAS, on November 8, 2005, and August 2, 2006, the Board conducted public hearings on the Measure 37 claim (PA05-5735) of Edgar Roberts and has now determined that the restrictive F2 (Impacted Forest) zone dwelling and land division requirements of LC 16.211 were enforced and made applicable to prevent Edgar Roberts from developing the property as might have been allowed at the time he acquired an interest on October 1955, and that the public benefit from application of the current F2 dwelling and division land use regulations to the applicants' property is outweighed by the public burden of paying just compensation; and

WHEREAS, Edgar Roberts requests either \$400,000 as compensation for the reduction in value of his property, or waiver of all land use regulations that would restrict the division of land into lots containing less than eighty acres and placement of a dwelling on each lot, uses that could have otherwise been allowed at the time he acquired an interest in 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 F2 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 Edgar Roberts to make application for development of the subject property in a manner similar to what he could have been able to do under the regulations in effect when he acquired an interest in 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 Edgar Roberts 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 he acquired an interest in 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 Edgar Roberts shall be granted and the restrictive provisions of LC 16.211 that limit the development of dwellings and the division of land in the F2 (Impacted Forest) Zone shall not apply to Edgar Roberts, so he can make application for approval to develop the property specifically described in the records of the Lane County Assessor as map 21-35-18, tax lot 900, in a manner consistent with the land use regulations in effect when he acquired an interest in the property in October 1955.

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

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


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

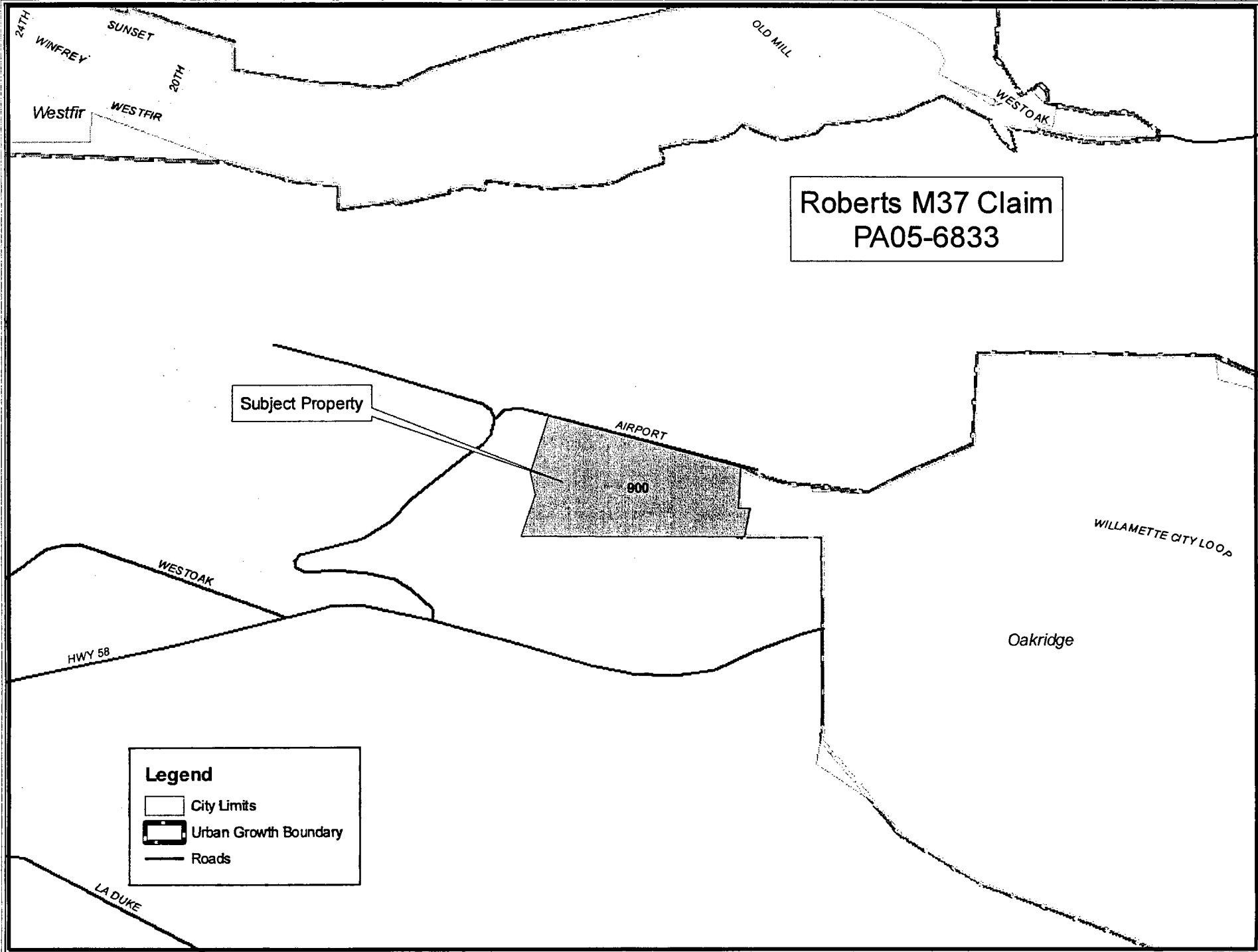
DATED this _____ day of _____, 2006.

Bill Dwyer, Chair
Lane County Board of County Commissioners

APPROVED AS TO FORM

Date 10-10-2006 Lane County





OFFICE OF LEGAL COUNSEL



Roberts M37 Claim
PA05-6833

Subject Property

Legend

-  City Limits
-  Urban Growth Boundary
-  Roads

Uniform Residential Appraisal Report

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

Property Address **47312 AIRPORT RD** City **Oakridge** State **Or** Zip Code **97463-9715**
 Borrower **ROBERTS, Edgar/Delores** Owner of Public Record **ROBERTS, Edgar/Delores** County **Lane**
 Legal Description **Attached w/Deed and Plat Map**
 Assessor's Parcel # **0985143, 1897299, 4084015, 4216063, 5073430** Tax Year **2005/2006** R.E. Taxes \$ **1,463.85**
 Neighborhood Name **Suburban Oakridge** Map Reference **213510 900** Census Tract **41039-0015.00-3**
 Occupant Owner Tenant Vacant Special Assessments \$ **None Known** PUD HOA \$ **0** per year per month
 Property Rights Appraised Fee Simple Leasehold Other (describe)
 Assignment Type Purchase Transaction Refinance Transaction Other (describe) Market value per various highest and best uses options.
 Lender/Client **M/M Edgar Roberts c/o Ken Carver** Address **47312 Airport Road, Oakridge, Oregon 97463**
 Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? Yes No
 Report data source(s) used, offering price(s), and date(s).

I did did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.

Contract Price \$ **Not Sold** Date of Contract _____ Is the property seller the owner of public record? Yes No Data Source(s) _____ County Data/MLS _____
 Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? Yes No
 If Yes, report the total dollar amount and describe the items to be paid.

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics		One-Unit Housing Trends			One-Unit Housing		Present Land Use %	
Location <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values <input checked="" type="checkbox"/> Increasing <input type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE	AGE	One-Unit	70 %			
Built-Up <input type="checkbox"/> Over 75% <input checked="" type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply <input checked="" type="checkbox"/> Shortage <input type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	\$ (000)	(yrs)	2-4 Unit	5 %			
Growth <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time <input checked="" type="checkbox"/> Under 3 mths <input type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	40	Low	0	Multi-Family	5 %		
Neighborhood Boundaries Includes the community of Oakridge, Oregon and surrounding area served by Oakridge School District.		400	High	80	Commercial	5 %		
Oakridge School District		125	Prod.	20-60	Other	15 %		
Neighborhood Description See attached addenda.								
Market Conditions (including support for the above conclusions) See attached addenda.								

Dimensions **See Legal Description** Area **21.90 (Net)** Shape **Irregular** View **Local/Territorial**
 Specific Zoning Classification **F2 Impacted Forest Land** Zoning Description **Resource zoning for forestlands in portions of unincorporated Lane County**
 Zoning Compliance Legal Legal Nonconforming (Grandfathered Use) No Zoning Illegal (describe)
 Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? Yes No If No, describe **Division into multiple smaller building sites if possible. Hypothetical assumption of RR2 zoning (1979 through 1984) will be invoked.**
 Utilities **Public** Other (describe) _____ **Public** Other (describe) _____ Off-site Improvements - Type **Public** **Private**
 Electricity Water Private Well Street **Asphalt**
 Gas None Sanitary Sewer Private Septic Alley **None**
 FEMA Special Flood Hazard Area Yes No FEMA Flood Zone **X** FEMA Map # **41039C2213F** FEMA Map Date **6/2/1999**
 Are the utilities and off-site improvements typical for the market area? Yes No If No, describe _____
 Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? Yes No If Yes, describe _____
See attached addenda.

General Description	Foundation	Exterior Description	materials/condition	Interior	materials/condition
Units <input checked="" type="checkbox"/> One <input checked="" type="checkbox"/> One with Accessory Unit	<input type="checkbox"/> Concrete Slab <input checked="" type="checkbox"/> Crawl Space	Foundation Walls	Concrete/Good	Floors	Vin/Carpet/Wood/Avg
# of Stories 1	<input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls	Wd Bevel/Avg	Walls	Drywall/Panel/Good
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Alt. <input type="checkbox"/> S-Det/End Unit	Basement Area 0 sq.ft.	Roof Surface	Metal/Avg-Good	Trim/Finish	Wood/Good
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish 0 %	Gutters & Downspouts	Metal	Bath Floor	Vinyl/Carpet/Avg
Design (Style) Ranch	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type	Metal Frame	Bath Wainscot	FG/Ceramic/Avg/Good
Year Built 1984	Evidence of <input type="checkbox"/> Infestation	Storm Sash/Insulated	Yes/Yes	Car Storage	<input type="checkbox"/> None
Effective Age (Yrs) 14-18	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens	Yes	<input checked="" type="checkbox"/> Driveway	# of Cars 4
Attic <input type="checkbox"/> None <input checked="" type="checkbox"/> Stairs	Heating <input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Amenities	<input type="checkbox"/> Woodstove(s) # 1	Driveway Surface	Gravel/Asphalt
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input type="checkbox"/> Other <input type="checkbox"/> Fuel Electric	Fireplace(s) #	<input type="checkbox"/> Fence Partial	Garage	# of Cars
<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuttle	Cooling <input type="checkbox"/> Central Air Conditioning	Patio/Deck	<input checked="" type="checkbox"/> Porch	<input checked="" type="checkbox"/> Carport	# of Cars 2
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input checked="" type="checkbox"/> Other Hp-Hp	Pool	<input type="checkbox"/> Other	<input checked="" type="checkbox"/> Att.	<input type="checkbox"/> Det. <input type="checkbox"/> Built-in
Appliances <input checked="" type="checkbox"/> Refrigerator <input checked="" type="checkbox"/> Range/Oven <input checked="" type="checkbox"/> Dishwasher <input checked="" type="checkbox"/> Disposal <input checked="" type="checkbox"/> Microwave <input checked="" type="checkbox"/> Washer/Dryer <input checked="" type="checkbox"/> Other (describe) BI Toaster					
Finished area above grade contains: 7 Rooms 2 Bedrooms 2 Bath(s) 2,591 Square Feet of Gross Living Area Above Grade					
Additional features (special energy efficient items, etc.) Appears Weatherized at least to 1984 code.					

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). **Well kept average to good quality house. Nicely finished in some areas. Some dating associated with age and owner choices but fully acceptable in all areas. No obvious defect noted. Minimal deferred upkeep. Continual updating described by owner/occupant. Replacement of oak parquet with hardwood strip flooring imminent. Newer FWA furnace and HP2AC. Newer roof cover after fire damage. Nicely kept 1 story home well suited to its location.**

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? Yes No If Yes, describe _____
See attached addenda.

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? Yes No If No, describe _____

Uniform Residential Appraisal Report

ROBERTS, Edgar/Dolores
 # 47312 Airport Road

There are 8 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 219,000 to \$ 725,000		There are 9 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 200,000 to \$ 475,000						
FEATURE	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3				
Address	47312 AIRPORT RD Oakridge, Or 97463-9715	76718 High Prairie Road Oakridge, Or 97463-9715	48167 McFarland Road Oakridge, Or 97463-9715	49395 Mountain View Road Oakridge, Or 97463-9715				
Proximity to Subject		3.08 miles	2.05 miles	5.48 miles				
Sale Price	\$ Not Sold	\$ 285,000	\$ 275,000	\$ 205,000				
Sale Price/Gross Liv. Area	\$ sq.ft.	\$ 179.42 sq.ft.	\$ 152.78 sq.ft.	\$ 170.69 sq.ft.				
Data Source(s)		5037411, County, Drive-by, Agent	5039621, County, Drive-by, Agent	5000793, County, Drive by, Agent				
Verification Source(s)		Too new for county summary.	2005-88788	2005-48940				
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	
Sales or Financing Concessions		Cash to Seller None per Agent		Conventional None Known		Conventional None Known		
Date of Sale/Time		8/06 Cl 406 Dom		8/05 Cl 17 Dom	+35,750	6/05 Cl 4 Dom	+28,700	
Location		Avg Suburban		Avg Suburban		Avg Suburban		
Leasehold/Fee Simple		Fee Simple		Fee Simple		Fee Simple		
Site		21.90 (Net)	2.47 ac Mls	+100,000	3.64 ac Mls	+95,000	2.47 ac Mls	+100,000
View		Local/Territorial		Local/Territorial		Local/Territorial		
Design (Style)		Ranch		Ranch		Ranch		
Quality of Construction		Average/Better	Inferior	+15,000	Inferior	+10,000	Inferior	+20,000
Actual Age		22	1984	+5,000	1979		1985 Rehab	
Condition		Average/Good	Inferior	+5,000	Average/Good		Average/Good	+5,000
Above Grade		Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths	Total Bdrms. Baths	Total Bdrms. Baths	
Room Count		7 2 2	5 3 2		6 3 2	6 3 1.5		+1,000
Gross Living Area		2,691 sq.ft.	1,477 sq.ft.	+27,850	1,800 sq.ft.	+19,775	1,201 sq.ft.	+34,750
Basement & Finished Rooms Below Grade		0 None	0 None		0 None	0 None	0 None	
Functional Utility		Adequate	Adequate		Adequate	Adequate	Adequate	
Heating/Cooling		FWA/Ac-Hp	FWA/Ac-Hp		FWA/None	+3,000	Zonal EI/None	+7,500
Energy Efficient Items		Weatherized	Weatherized		Weatherized		Weatherized	
Garage/Carport		2 Carport	851sf 2 Garage	-8,000	851sf 2 Garage	-6,000	482sf 2 Garage	-4,000
Porch/Patio/Deck		Decks, Porch	Comparable		Inferior	+3,000	Inferior	+5,000
Other		Stove/Apppl	Inferior	+2,000	Inferior	+2,000	Inferior	+2,000
		Shop Building	Inferior	+17,250	Inferior	+17,250	Smaller Shop	+8,625
Net Adjustment (Total)		⊗ + ⊖ -	\$ 166,100	⊗ + ⊖ -	\$ 179,775	⊗ + ⊖ -	\$ 208,575	
Adjusted Sale Price of Comparables		Net Adj. 82.7%		Net Adj. 85.4%		Net Adj. 101.7%		
		Gross Adj. 67.2%	\$ 431,100	Gross Adj. 69.7%	\$ 454,775	Gross Adj. 105.6%	\$ 413,575	

SALES COMPARISON APPROACH

I did did not research the sale or transfer history of the subject property and comparable sales. If not, explain

My research did did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data Source(s) County summary of sales data and interview with owner seller on site at time of inspection.

My research did did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.

Data Source(s) County summary data as set forth on form.

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

ITEM	SUBJECT	COMPARABLE SALE #1	COMPARABLE SALE #2	COMPARABLE SALE #3
Date of Prior Sale/Transfer	None in the prior 5 years	None in the prior 5 years	2002	1997
Price of Prior Sale/Transfer			225,000	132,000
Data Source(s)			2002-98541	9707322700
Effective Date of Data Source(s)	Current	Current	Current	Current

Analysis of prior sale or transfer history of the subject property and comparable sales Subject property built for current owner per discussion at time of inspection. Other prior sales data for comps support increasing prices over time as described in report.

Summary of Sales Comparison Approach See attached addenda.

Indicated Value by Sales Comparison Approach \$ 431,100
 Indicated Value by: Sales Comparison Approach \$ 431,100 Cost Approach (if developed) \$ Income Approach (if developed) \$

RECONCILIATION

This appraisal is made "as is", subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair:

Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 431,100 as of 9/01/2006, which is the date of inspection and the effective date of this appraisal.

Form 1004 - "TOTAL" for Windows" appraisal software by a is made, Inc. - 1-800-AMONE

Uniform Residential Appraisal Report

ROBERTS, Edgar/Delores
File # 47312 Airport Road

Addition prior sale #3 7/2002, \$82500, 2002-59401 per county summary data

ADDITIONAL COMMENTS

COST APPROACH

INCOME

FILE INFORMATION

COST APPROACH TO VALUE (not required by Fannie Mae)

Provide adequate information for the lender/client to replicate the below cost figures and calculations.
Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value)

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE	= \$
Source of cost data	DWELLING	Sq.Ft. @ \$
Quality rating from cost service		Sq.Ft. @ \$
Effective date of cost data	
Comments on Cost Approach (gross living area calculations, depreciation, etc.)	Garage/Carport	Sq.Ft. @ \$
	Total Estimate of Cost-New
	Less Physical
	Functional
	External
	Depreciation	--\$()
	Depreciated Cost of Improvements
	"As-Is" Value of Site Improvements

Estimated Remaining Economic Life (HUD and VA only) _____ Years INDICATED VALUE BY COST APPROACH = \$

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent \$ N/A X Gross Rent Multiplier N/A = \$ Indicated Value by Income Approach
Summary of Income Approach (including support for market rent and GRM)

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? Yes No Unit type(s) Detached Attached

Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.

Legal Name of Project

Total number of phases _____ Total number of units _____ Total number of units sold _____

Total number of units rented _____ Total number of units for sale _____ Data source(s) _____

Was the project created by the conversion of existing building(s) into a PUD? Yes No If Yes, date of conversion.

Does the project contain any multi-dwelling units? Yes No Data Source _____

Are the units, common elements, and recreation facilities complete? Yes No If No, describe the status of completion.

Are the common elements leased to or by the Homeowners' Association? Yes No If Yes, describe the rental terms and options.

Describe common elements and recreational facilities.

Uniform Residential Appraisal ReportROBERTS, Edgar/Delores
File # 47312 Airport Road

This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit; including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

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 or she considers his or her 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 judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting 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, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader 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 this appraisal report whether any portion of 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, or as otherwise required by law.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, 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 research involved in performing the appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. 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, this appraisal report must not be considered as an environmental assessment of the property.
6. 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 the completion, repairs, or alterations of the subject property will be performed in a professional manner.

Uniform Residential Appraisal Report

ROBERTS, Edgar/DeJores
File # 47312 Airport Road**APPRAISER'S CERTIFICATION:** The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the interior and exterior areas of the subject property. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of 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 at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of 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 opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, 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 or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in 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 this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

Uniform Residential Appraisal Report

ROBERTS, Edgar/Delores
File # 47312 Airport Road

21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies 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 at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER

Signature 
Name Robert A. Gentile
Company Name APPRAISAL SERVICES OF EUGENE
Company Address 2380 Bonnieview Drive, Eugene, Or 97408

Telephone Number (541) 686-8002
Email Address barefoot@epud.net
Date of Signature and Report 9/14/2006
Effective Date of Appraisal 9/01/2006
State Certification # _____
or State License # L00275
or Other (describe) _____ State # _____
State Or _____
Expiration Date of Certification or License 09/30/2007

ADDRESS OF PROPERTY APPRAISED

47312 AIRPORT RD
Oakridge, Or 97463-9715

APPRAISED VALUE OF SUBJECT PROPERTY \$ 431,100

LENDER/CLIENT

Name Mr/Mrs Edgar Roberts
Company Name M/M Edgar Roberts c/o Ken Carver
Company Address 47312 Airport Road, Oakridge, Oregon 97463
Email Address c/o Ken Carver (kcarver@callatg.com)

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
Name _____
Company Name _____
Company Address _____
Telephone Number _____
Email Address _____
Date of Signature _____
State Certification # _____
or State License # _____
State _____
Expiration Date of Certification or License _____

SUBJECT PROPERTY

- Did not inspect subject property
 Did inspect exterior of subject property from street
Date of Inspection _____
 Did inspect interior and exterior of subject property
Date of Inspection _____

COMPARABLE SALES

- Did not inspect exterior of comparable sales from street
 Did inspect exterior of comparable sales from street
Date of Inspection _____

Subject Photo Page

Borrower/Client ROBERTS, Edgar/Dolores				
Property Address 47312 AIRPORT RD				
City Oakridge	County Lane	State Or	Zip Code 97463-9715	
Lender M/M Edger Roberts c/o Ken Carver				

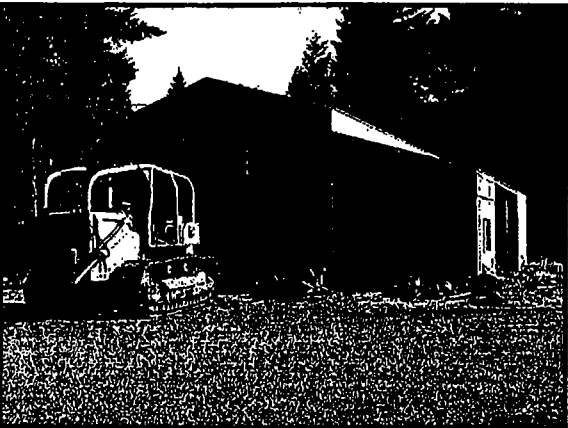


Subject Front

47312 AIRPORT RD
Sales Price Not Sold
Gross Living Area 2,591
Total Rooms 7
Total Bedrooms 2
Total Bathrooms 2
Location Avg Suburban
View Local/Territorial
Site 21.80 (Net)
Quality Average/Better
Age 22



Subject Rear



Subject Shop

Supplemental Addendum

File No. 47312 Airport Road

File No. 47312 Airport Road

Borrower/Client	ROBERTS, Edgar/Dolores		
Property Address	47312 AIRPORT RD		
City	Oakridge	County	Lane
State	Or	Zip Code	97463-9715
Lender	M/M Edgar Roberts c/o Ken Carver		

• URAR : Condition of Improvements

1 story ranch home from 1978. Average quality. 3 bedrooms, 1 bath design. Kitchen with painted veneered cabinets and formica counters. Adjacent dinette area. Bedroom sizes are adequate and typical with typical closet space. Utility generally average. Home appears to have had consistent upkeep. Short lived items are not new but all remain serviceable. Some recent updates include new exterior doors, new overhead garage door, new exterior paint being applied at time of inspection. Roof cover appears recent. Recent repair in bathroom floor. Overall 2 car garage contains FWA furnace and water heater. Large open patio in rear. Storage shed. Adequate landscape front and rear. Subject offered at \$157,900. Earnest money received in 37 days per MLS figures.

• URAR : Improvements - Physical Deficiencies or Adverse Conditions

The appraiser has not had access to title, structural, mechanical, environmental or termite and dry rot reports. The appraiser is not aware of any reports that have been completed. The appraiser is not an expert in any of these areas and cannot warrant the subject to be free of defect in any of these areas. During the course of the normal appraisal inspection significant defect was not noted by the appraiser in any of these areas. In all cases where composition siding is present the appraiser can offer no warrants as to its type or condition. Inspection is recommended at the discretion of the end user of this report. Information provided by others in the form of maps, deeds, zoning information, assessors summaries and the like are assumed accurate but not warranted by the appraiser.

• URAR : Sales Comparison Comments

Closed & pending sales reviewed. There is not much sales data in this price range that can be used as comparables for the subject. Sales as far back as 1/1/2005 were reviewed. Time adjustments computed at 1% per month. Site value adjustments made based upon site sales and land value analysis presented earlier. Other adjustments include size at \$25/sf, 1/2 baths at \$1,000 and shop building valued at 50% of replacement cost new. Effective age, quality and condition adjustments based upon drive by inspection, agent confirmations and interior photos from MLS service.

Estimated value as currently developed is \$431,100 assuming current use to be the highest and best use as it existed at time of inspection. This is an "AS IS" as opposed to a prospective value based upon implementation of the proposed level of development subject to a zoning change.. That would be considered a "PROSPECTIVE VALUE" and assumes a zoning change to allow creation of 5 building sites as opposed to 1.

Prospective value assuming division of site is allowed and assuming current residential improvements are located on one of the 2.5+- acre sites. The subjects shop building and access drive will be located on the adjacent 2.5+- acre site.

Assuming the proposed partitioning of the site is allowed value of subject improvements on a 2.5+-acres site would be \$313,850.

Adjacent site of 2.5+- acres with shop building and access would be valued at \$122,250.

Additional site value as presented earlier for 3 additional 5.5+- acre sites would be \$465,000.

Total value under the proposed program of utilization would be \$901,250.

Variance in value associated with proposed zoning and density change appears to be \$470,000.

Supplemental Addendum Items

File No. 47312 Airport Road

File No. 47312 Airport Road

Buyer/Client	ROBERTS, Edgar/Delores		
Property Address	47312 AIRPORT RD		
City	Oakridge	County	Lane
State	Or	Zip Code	97463-9715
Lender	M/M Edgar Roberts c/o Ken Carver		

*** URAR : Site Comments**

Mixed sloped parcel on the downhill (south) side of Airport Road. Much of the parcel is near level or gently sloped with evenly spaced young reprod tree cover. Some steeply sloped land is present but utility is generally good. Site appears adequately drained. Site served with a private well. Owner indicated pump at 190 feet with 10-12 gpm flow. Septic said to function properly. Appraiser is unaware of any adverse easements or encroachments affecting utility of the parcel. Owner related none at time of inspection. Scanned zoning map confirms zoning as F2 with the subject parcel. Current zoning implemented in 1984. Between 1979 and 1984 zoning was RR2. Prior to 1979 subject site was unzoned.

On attached zoning map subject parcel appears to be mis-identified as tax lot 901. Tax lot is 900 per current tax lot map scanned into addenda. Tax lot 900 is assumed correct.

Site adjoins Oakridge city limits. Other zonings in the area include RR5, RR10, F1, M3 and AO. City indicated subject site is not in Oakridge Urban Growth or Urban Services Boundary.

Highest and best use is the discussion which generated this appraisal request. A measure 37 claim has been filed. Highest and best use under F2 zoning regulations is a single 21.9 buildable homesite as currently developed.

Under requested changes a total of 5 sites are proposed, 2 at 2.5+- acres and 3 at 5.5 acres. Land (vacant and improved) will be valued under each program of utilization.

The proposed level of development appears reasonable and consistent with the mix of sites on this tax lot map many of which were developed in 1978.

. URAR : Site Sales Reviewed and Land Value Conclusions

Site sales from 06/01/2004 to the current date of appraisal were reviewed. Data from the Oakridge/Westfir area is rather minimal and data from the area around Lowell and Dexter was used to supplement local data. Its unavoidable. The data has to come from somewhere. Relatively little current data is available so the period from which comparables are chosen is extended backwards to gather sufficient data to estimate value.

213510	533	4.74 ac	\$89,500	Well in place, Septic approved
212511	700	2.00 ac	\$55,000	Well in place, Septic approved
212511	800	2.00 ac	\$55,000	Well in place, Septic approved
212511	900	2.22 ac	\$55,000	Well in place, Septic approved
212511	1100	2.01 ac	\$55,000	Well in place, Septic approved
212511	1200	2.09 ac	\$55,000	Well in place, Septic approved
21351714	900	2.09 ac	\$61,000	City water and sewer available
21351623	2100	.36 ac	\$39,900	No well, Septic approved
190117	1800	20.00 ac	\$145,000	No well, Septic approved
21351732	505	.23 ac	\$37,500	City water and sewer available
21351611	6601	.40 ac	\$33,000	City water and sewer available
213510	903	2.43 ac	\$165,000	Well in place, Septic approved (Offering)
213522	501	15.14 ac	\$57,000	No well or septic approval at sale (F2 sloped parcel)
180130	500	11.70 ac	\$199,900	Power, Well, Septic, Power + old shop in place. (Pending)
Brown Rd		5.00 ac	\$189,700	MLS 6053948, No Improvements (Pending)
Brown Rd		5.00 ac	\$184,700	MLS 6007137, No Improvements (Sold)
180224	603	5.07 ac	\$200,000	MLs 6047257, No Improvements (Pending)
190210	1022	2.77 ac	\$149,500	Power, Well, Septic, Driveway in.
180132	1800	2.68 ac	\$165,000	Power, Well, Septic, Driveway in.
190118	1008	5.00 ac	\$210,000	Power, Well, Septic, Driveway, Telephone in.
190202	1109	7.54 ac	\$230,000	P#1, Well in place, Septic approved
190202	1109	5.00 ac	\$175,000	P#3, Well, Power, Phone in place, Septic approved.

This Oakridge/Westfir area is a relatively small distinct marketplace. Site sales from the prior 2 years were reviewed. There is not a lot of data available. Pending and offered data also reviewed. Sales from closest adjacent area of Lowell/Dexter/Pleasant Hill area also reviewed.

Subject location within the community is somewhat unique. Elevated area with expansive views of surrounding wooded hill and territory. Low traffic airfield services primarily single engine small planes does not produce adverse noise influence but does assure that intensive development will not occur there by increasing the appeal of the location. A range will be given which basically compared indicated value based upon local against out of area comparables. Local pricing provided low indicators, out of area comps set upper limits. Given the amenities of the proposed sites a value estimate bracketed by the high and low indicators to be reasonable. Sales were adjusted to produce the indicated range. Most common adjustments made include various utilities, time and location/appeal.

2.5+- acre sites \$75,000 to \$135,000, say \$105,000 (2 such sites proposed)
 5.5+- acre sites \$115,000 to \$195,000, say \$155,000 (3 such sites proposed)

Summary of land value as of date of inspection is \$675,000 assuming county approval of proposed division by Lane County and associated costs of such division. Absorption within 12 months is reasonable given current Oakridge/Westfir market conditions. Estimated values include standard septic approvals only. Costs associated with installation of items such as wells, septic systems, access and power prior to sale should be added to land value estimates. Terms of sale are cash or equal.

Land value under the current program of utilization (one non-divisible 21.9 acre homesite) is estimated at between \$182,600 and \$225,000, say \$205,000.

The difference in land value between the two programs of utilization is \$470,000.

Supplemental Addendum Items

File No. 47312 Airport Road

File No. 47312 Airport Road

Borrower/Client	ROBERTS, Edgar/Delores		
Property Address	47312 AIRPORT RD		
City	Oakridge	County	Lane
State	Or	Zip Code	97463-9716
Lender	M/M Edgar Roberts c/o Ken Carver		

• **URAR : Neighborhood Market Factors**

The subject is located in the Oakridge/Westfir area approximately 45 miles southeast of Eugene via Hwy 58. Populations are roughly 3,000 and 260, respectively. These are rural communities largely surrounded by national and private forest lands. The closest neighboring community is Lowell, Oregon which is smaller than Oakridge and perhaps 25 miles west along Highway 58. Basically, nothing but hills, trees and the Willamette River between Oakridge and Lowell. This is a distinct market area due to its demographics. Comparables from other communities tend not to be acceptable when considering residential sites or developed properties.

Until 25+ years ago Oakridge was supported by an active timber industry. The reduction of allowable timber cutting on federal lands destroyed the local lumber based economy. There have been no new industries attracted to the area to replace lost timber jobs. Currently, the major employers in the area include the local municipality, including school district, and the forest service. Commuting into the Eugene/Springfield area for employment is common.

It's taken considerable time but the economic base is shifting to tourism and retirement. The area has good access to recreational opportunities in the Willamette National Forest. Access to Willamette Ski Pass is good. HWY 58 is one of the few passes through the Cascade Mountains separating eastern and western Oregon. HWY 58 carries considerable traffic. The communities location amid hunting, fishing, skiing and other outdoor sports activities is beginning to attract out of area buyers.

The local housing market exhibits consistent sales activity in all classes of property and price ranges represented. Financing concessions in the form of seller contributions to closing costs are intermittently present in all price ranges. Some REO property sales are noted. Lately, there appears to be more buyers from the larger markets of Eugene and Springfield purchasing Oakridge properties. Also many buyers are coming in from out of state. Values in the Oakridge area are lower than in Eugene and Springfield and much lower than many California markets. These properties are becoming good investments to some buyers. As values rise considerable numbers of homes are being purchased for renovation and resale. Overall, the communities housing stocks appears to be improving and increasing in value.

In response to this increasing effective demand and partition submitted by developers the Oakridge planning department, at its May 1008 meeting, approved zone changes and annexations for 260+ building sites within the urban growth limits of Oakridge. These developments represent the first significant additions to the community in years and are a direct response to the increased effective demand noted above.

The commute to the larger markets of Eugene and Springfield is being made more difficult by higher gas prices. Still this appears to be an active market in this area. Values appear to be increasing over time and for a community of this size there is considerable sales activity in the prior 12 months. Pending sales prices tend to be much higher than the corresponding period 12 months ago. Specific appreciation rates have not been extracted but a rate of at least 12% per year would not be unreasonable. MIs does not break out stats for the Oakridge/Westfir area. Just lately there has been somewhat of a slowdown in the market throughout all of Lane County. Sales activity is down, particularly in the higher price ranges. Properties tend to be sitting on the market longer and price reductions are not uncommon. Oakridge realtors report a recent increase in listing and slowdown of sales as well. Part of this is seasonal with the beginning of the school year but its also a reaction to national housing trends.

The subject is located just outside of city limits on the hill west of town. Flanks of the hillside tend to be wooded and mixed moderate to steep slope. A power line easement bisects the hillside and adjoins the subjects southern boundary line. Owner of subject site indicated power line does not encumber the subject property. A residential utility easement runs along the northern edge of the subject site along Airport Road. The land on the crest of the hill surrounding the subject is the site of the Oakridge Airport and a number of residential homesites of varied size. A review of the subject and surrounding tax lot maps indicates a mix of parcel sizes ranging from 1+ acres ranging up to large timber production tracts. This mix of parcel sizes is typical of many unincorporated areas adjacent to incorporated communities. Area was unzoned till 1978 when RR2 zoning was imposed. Zoning was then changed to F2 in 1984. Most of the partitioning noted on the subjects tax lot map occurred in 1978 through 1983.

• **URAR : Neighborhood Market Conditions**

15 & 30 year conventional mortgages at 6 to 7% are most prevalent. FHA/VA financing is also represented. Concessions in the form of paid closing costs are intermittently present in all price ranges. All price ranges appear active but it must be remembered this is a small community with relatively few sales in some price ranges and some classes of property. New construction is not a factor in the market but renovation is. As noted earlier new site development and new construction is just beginning. Some foreclosure activity is present with many homes being purchased for rehabilitation and resale. Renovated homes appear well received by the marketplace. There is not an oversupply of available homes in the town. Sales activity has been steady and properties in all price ranges are readily absorbed with increasing prices over time. Interest rates are very favorable to home purchases or refinances and appear to be supporting the current market activity levels. Lately there has been a slow down in effective sales activity. The local economy appears to be reacting to national trends. With our high percentage of move in buyers sluggish markets in other locations such as California produce a corresponding slow down in local market activity. In the larger markets of Eugene and Springfield marketing periods for upper end properties appear to be extending. Increasing numbers of listing are appearing as are price reductions in some price ranges. Local Oakridge realtors indicate some slowing of effective sales activity and an increase in listings. For now values appear generally stable.

Subject Interior Photo Page

Borrower/Client ROBERTS, Edgar/Delores				
Property Address 47312 AIRPORT RD				
City Oakridge	County Lane	State Or	Zip Code 97463-9715	
Lender MM Edgar Roberts c/o Ken Carver				

**Subject Interior - Rec Room**

47312 AIRPORT RD
 Sales Price Not Sold
 Gross Living Area 2,591
 Total Rooms 7
 Total Bedrooms 2
 Total Bathrooms 2
 Location Avg Suburban
 View Local/Territorial
 Site 21.90 (Net)
 Quality Average/Better
 Age 22

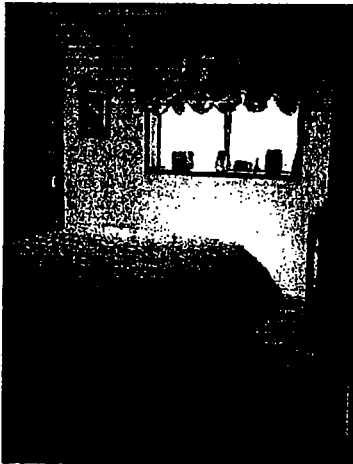
**Subject Interior - Den (Brm 3)****Kitchen**

PHOTOGRAPH ADDENDUM

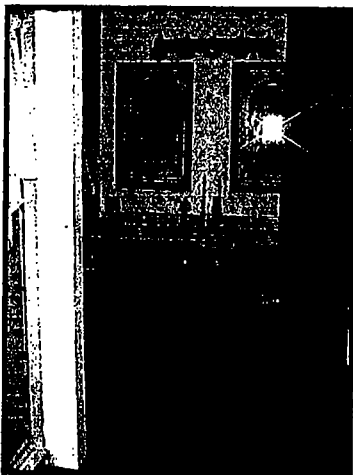
Borrower/Client	ROBERTS, Edgar/Dolores						
Property Address	47312 AIRPORT RD						
City	Oakridge	County	Lane	State	Or	Zip Code	97483-9715
Lender	MM Edgar Roberts c/o Ken Carver						



Living Room



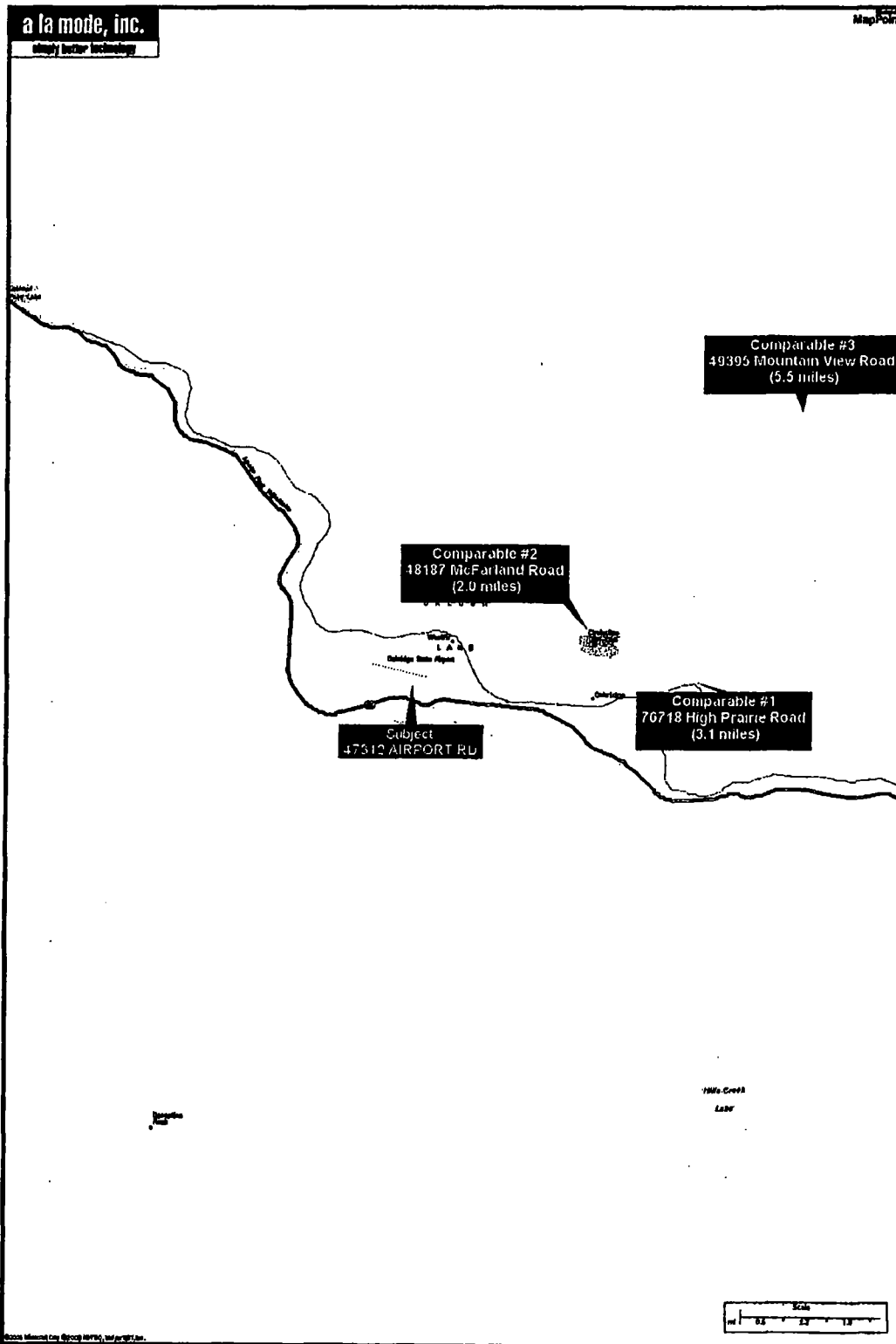
Typical Bedroom



Master Bath

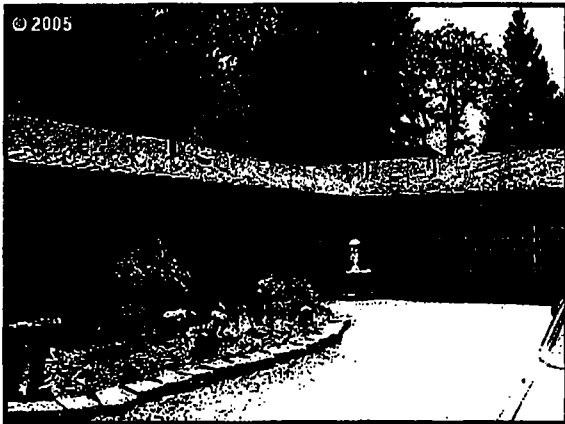
Location Map

Borrower/Client ROBERTS, Edgar/Dolores					
Property Address 47312 AIRPORT RD					
City Oakridge	County Lane	State Or	Zip Code 97463-9715		
Lender MM Edgar Roberts c/o Ken Carver					



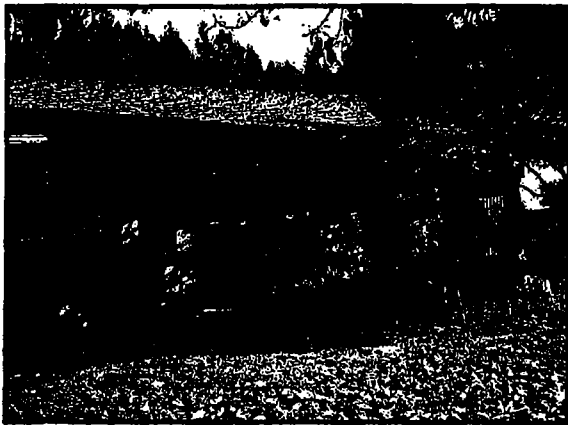
Comparable Photo Page

Borrower/Client ROBERTS, Edgar/Delores				
Property Address 47312 AIRPORT RD				
City Oakridge	County Lane	State Or	Zip Code 97463-9715	
Lender M/M Edgar Roberts c/o Ken Carver				



Comparable 1

76718 High Prairie Road
 Prox. to Subject 3.08 miles
 Sale Price 285,000
 Gross Living Area 1,477
 Total Rooms 5
 Total Bedrooms 3
 Total Bathrooms 2
 Location Avg Suburban
 View Local/Territorial
 Site 2.47 ac Mts
 Quality Inferior
 Age 1984



Comparable 2

48187 McFarland Road
 Prox. to Subject 2.05 miles
 Sale Price 275,000
 Gross Living Area 1,800
 Total Rooms 6
 Total Bedrooms 3
 Total Bathrooms 2
 Location Avg Suburban
 View Local/Territorial
 Site 3.64 ac Mts
 Quality Inferior
 Age 1979

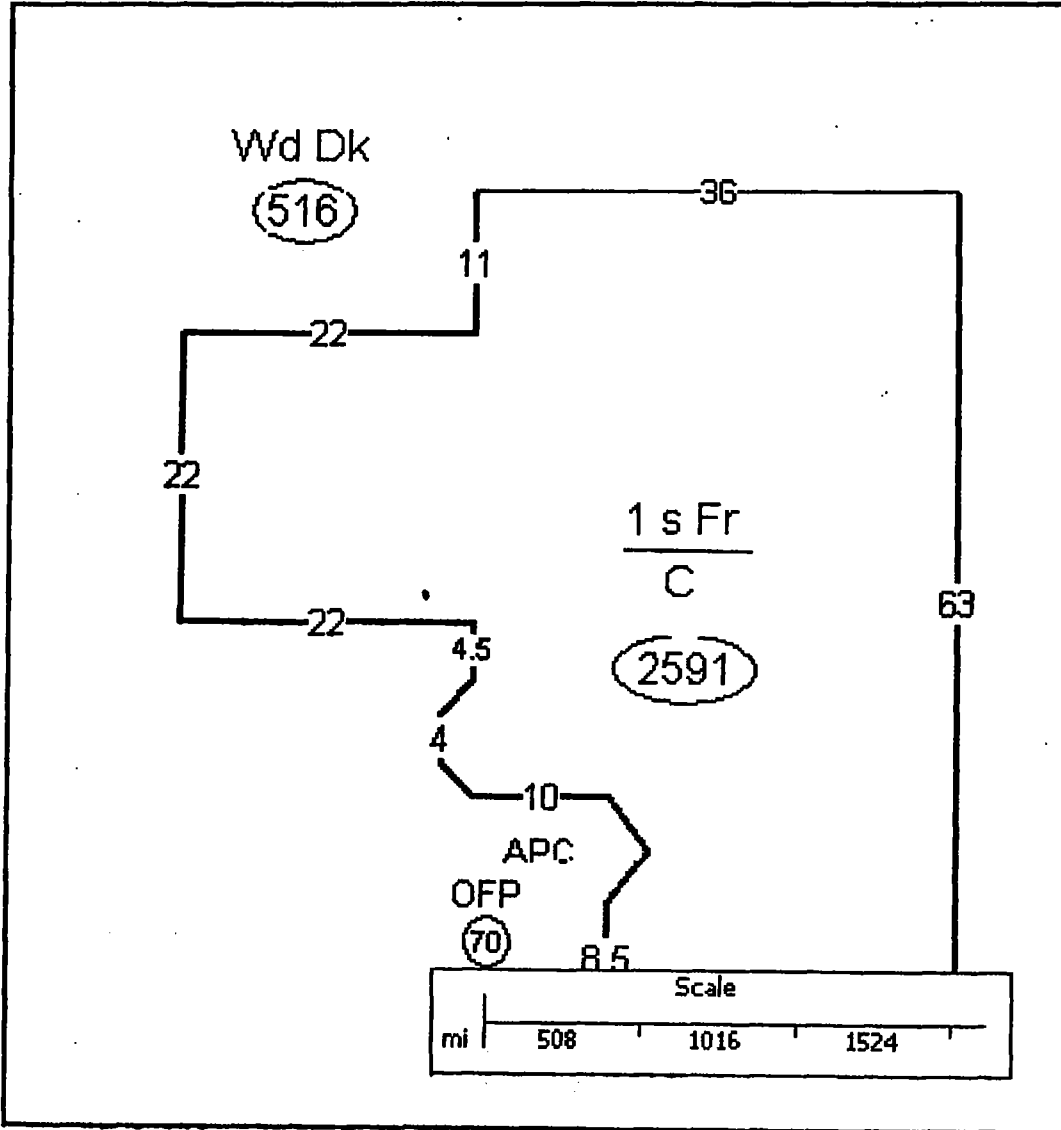


Comparable 3

49395 Mountain View Road
 Prox. to Subject 5.48 miles
 Sale Price 205,000
 Gross Living Area 1,201
 Total Rooms 5
 Total Bedrooms 3
 Total Bathrooms 1.5
 Location Avg Suburban
 View Local/Territorial
 Site 2.47 ac Mts
 Quality Inferior
 Age 1985 Rehab

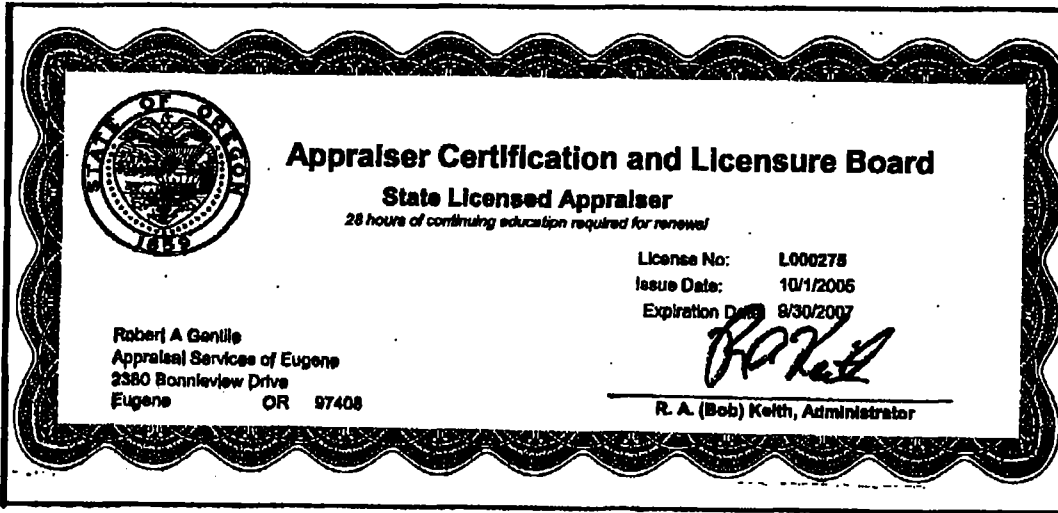
Assessors Sketch (Confirmed by Appraiser)

Borrower/Client ROBERTS, Edgar/Delores							
Property Address 47312 AIRPORT RD							
City	Oekridge	County	Lane	State	Or	Zip Code	97483-9715
Lender W/M Edgar Roberts c/o Ken Carver							



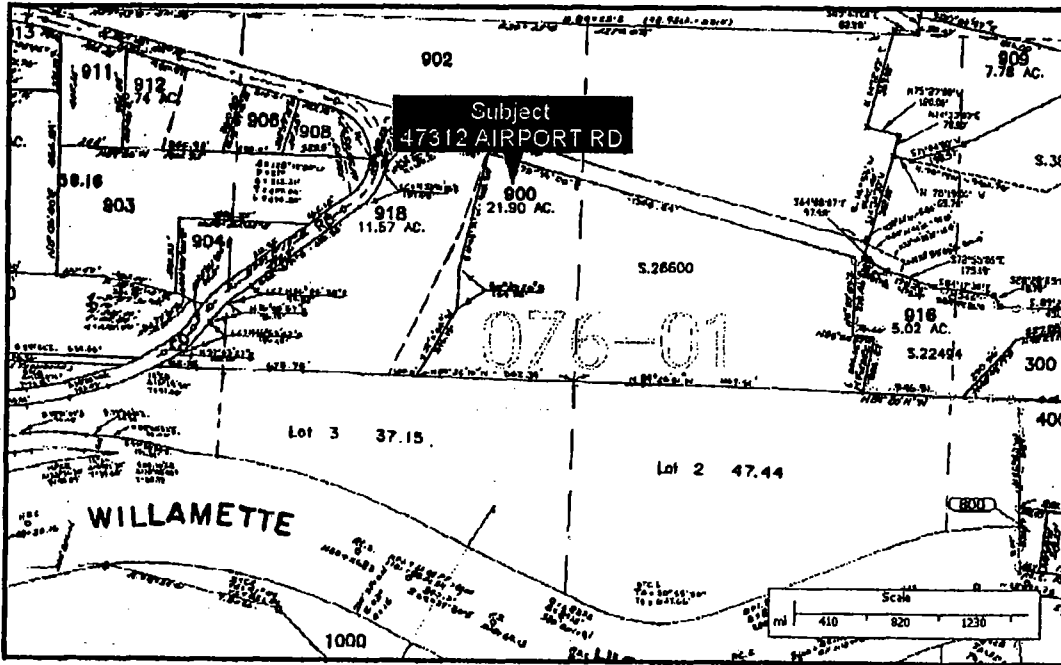
Appraisers License

Borrower/Client ROBERTS, Edgar/Delores				
Property Address 47312 AIRPORT RD				
City Oakridge	County Lane	State Or	Zip Code 97463-8715	
Lender M/M Edgar Roberts c/o Ken Carver				



Plat Map

Borrower/Client ROBERTS, Edgar/Dolores			
Property Address 47312 AIRPORT RD			
City Oakridge	County Lane	State Or	Zip Code 97463-9716
Lender M/M Edgar Roberts c/o Ken Carver			



Legal Description

Borrower/Client ROBERTS, Edgar/Dekores			
Property Address 47312 AIRPORT RD			
City Oakridge	County Lane	State Or	Zip Code 97463-9716
Lender M/M Edgar Roberts c/o Ken Carver			

FORD ■ NESS ■ FASSBENDER

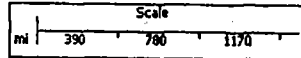
LAND SURVEYING ■ CONSTRUCTION SUPERVISION ■ WATER RIGHTS EXAMINATIONS

1120 Bailey Hill Road, No. 1 Eugene, Oregon 97402-3048 (503) 344-1852 FAX (503) 344-9923

**DESCRIPTION OF NEW ROBERTS PARCEL
FROM SEPTEMBER 23, 1994 SURVEY
October 10, 1994**

Beginning at a 3 1/4" brass cap marking the center-north sixteenth corner of Section 18, Township 21 South, Range 3 East of the Willamette Meridian; thence North 89° 22' 16" West 542.39 feet along the east-west centerline of the Northwest quarter of said Section 18 to a 5/8" iron rod; thence North 29° 11' 54" East 296.13 feet to a 5/8" iron rod; thence North 0° 24' 20" West 159.38 to a 5/8" iron rod; thence North 11° 43' 31" East 408.24 feet to a 5/8" iron rod on the south line of Airport Road (county road); thence South 75° 14" East 1388.29 feet along said south line to a 5/8" iron rod; thence South 0° 37' 53" West 272.46 feet to a 5/8" iron rod; thence South 85° 24' 59" East 76.60 feet to a 5/8" iron rod; thence South 9° 04' 38" West 204.62 feet to a 5/8" iron rod on the east-west centerline of the Northeast quarter of Section 18; thence North 89° 24' 51" West 1067.51 feet along said east-west centerline to the point of beginning, containing 21.90 acres, more or less, all in Lane County, Oregon.

robdes.1



Zoning Map

Borrower/Client ROBERTS, Edgar/Delores			
Property Address 47312 AIRPORT RD			
City Oakridge	County Lane	State Or	Zip Code 97463-9715
Lender MM Edgar Roberts, c/o Ken Carver			

