

W. 16.c.



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

AGENDA COVER MEMO

MEMO DATE: November 28, 2005

AGENDA DATE: December 14, 2005

TO: BOARD OF COUNTY COMMISSIONERS

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

RE: In the Matter of Considering a Ballot Measure 37 Claim and Deciding Whether to Modify, Remove or Not Apply Restrictive Land Use Regulations in Lieu of Providing Just Compensation (PA 05-5986, Davidson Industries, Inc.)

I. MOTION

Move to approve the Measure 37 Claim and adopt the order attached as Exhibit "A".

II. ISSUE OR PROBLEM

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

III. DISCUSSION

A. Background

Applicant: Davidson Industries

Current Owner: Davidson Industries, PO Box 7, Mapleton

Agent: William Potter, PO Box 1758, Eugene

Legal Description of Property: 17-12-15 #100

Acreage: 114 acres

Current Zoning: F2 (Impacted Forest)

Date Property Acquired: May 9, 1961

Date claim submitted: July 14, 2005 (180th day is January 14, 2006)

Land Use Regulations in Effect at Date of Acquisition: None

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

B. Specific Relief Sought:

On July 14, 2005, William Potter submitted a Measure 37 Claim on behalf of Davidson Industries, Inc. The applicant has requested compensation, or a waiver of the F2 (Impacted Forest) zone regulations that prohibit the division of the property and development of single family and multi-family dwellings.

C. Lane Code Submittal Requirements

The applicant has paid the processing fee and submitted evidence in support of his claim. The entire submittal is contained in a notebook labeled "Davidson Measure 37 Claim", available in the County Commissioners Office.

This cover memo prepared for the Board hearing does not contain the entire submittal. The relevant portions of the submittal included with this memo are identified in the "Attachments" section.

The applicant has submitted information addressing all of the Lane Code submittal requirements, including an appraisal, a title report, and a deed that establishes Davidson Industries, Inc. is the current owner and acquired the property on May 9, 1961.

D. Analysis

The property is undeveloped, contains approximately 114 acres, and is zoned F2 (Impacted Forest). The current owner wishes to subdivide the property into multiple lots and develop each lot with single family and/or multi-family residential dwellings. Although this claim lacks details such as the number and size of the lots, the description is adequate to determine an approximate reduction in value, as evidenced by the appraisal.

The property was unzoned when it was acquired in 1961, but the current F2 zone limits single family dwellings, prohibits multi-family dwellings, and requires a minimum parcel size of 80 acres. These regulations prevent the current owner from developing the property as allowed when acquired. The appraisal was completed under the assumption that single family and multi-family residential development would be allowed on this site.

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

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

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

- Compensate the land owner for the loss of fair market value, or

- Waive the restrictive county land use regulations. The regulations can only be waived to allow a use permitted when the current owner acquired the property.

Regarding #1, the current owner acquired the property in 1961 when it was unzoned. The current F2 (Impacted Forest) zone does not allow multi-family dwellings, limits new single family dwellings, and requires at least 80 acres for new parcels. Because of this, Davidson Industries is prevented from developing the site as they were allowed in 1961.

Regarding #2, the applicant has submitted an appraisal by a certified real estate appraiser. Based on the appraisal, the existing 114 acres is worth \$260,000. If the property was developed with single family and/or multi-family dwellings on multiple lots, the value would be \$8,550,000. However, this appraisal assumed the existing zoning was F1 (Nonimpacted Forest), not F2 (Impacted Forest). Even though the F2 zone allows dwellings, there is no guarantee this site would be approved for a dwelling, since new dwellings require a special use permit that would be denied if the standards are not met. While this may change the specific amount of the appraised value, it is reasonable to assume there is still a reduction in fair market value.

Regarding #3, the F2 (Impacted Forest) limitation 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.

E. Conclusion/County Administrator Recommendation

It appears this is a valid claim and the County Administrator recommends the Board waive the restrictive land use regulations of the F2 (Impacted Forest) zone that prohibit Davidson Industries, Inc. as allowed when it acquired the property.

IV. ALTERNATIVES/OPTIONS

The Board has three options:

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

V. RECOMMENDATION

The County Administrator recommends the Board waive the restrictive land use regulations of the F2 (Impacted Forest) zone that prohibit Davidson Industries, Inc. from developing the property as allowed at the time it acquired the property.

VI. ATTACHMENTS

Order to approve the Measure 37 claim submitted by Davidson Industries, Inc.

- A. Written claim dated July 13, 2005.**
- B. Application form dated July 13, 2005.**
- C. Warranty Deed dated May 9, 1961.**
- D. Appraisal Report dated August 5, 2005.**
- E. Receipt dated July 14, 2005.**

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

ORDER No.) IN THE MATTER OF CONSIDERING A BALLOT
) MEASURE 37 CLAIM AND DECIDING
) WHETHER TO MODIFY, REMOVE OR NOT
) APPLY RESTRICTIVE LAND USE
) REGULATIONS IN LIEU OF PROVIDING JUST
) COMPENSATION (Davidson Industries, Inc./
) PA05-5986)

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 William Potter on behalf of Davidson Industries (PA05-5986), the owner of real property located along Highway 101 north of Florence, and more specifically described in the records of the Lane County Assessor as map 17-12-15, tax lot 100, consisting of approximately 114 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 Board has 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, 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, on December 14, 2005, the Board conducted a public hearing on Davidson Industries' Measure 37 claim (PA05-5986) 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 Davidson Industries from developing the property as it might have been allowed at the time it acquired the property on May 9, 1961, and that the public benefit

from application of the current F2 dwelling land use regulations to the applicants' property is outweighed by the public burden of paying just compensation; and

WHEREAS, Davidson Industries requests either \$8,550,000 as compensation for the reduction in value of its property, or waiver of all land use regulations that would restrict the division of land into multiple lots and placement of a single family and/or multi-family dwelling on each lot, uses that could have otherwise been allowed at the time it acquired the property; and

WHEREAS, the Board finds that under LC 2.760(3) the public interest would be better served by modifying, removing or not applying the challenged land use regulations of the 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 Davidson Industries to make application for development of the subject property in a manner similar to what it could have been able to do under the regulations in effect when it acquired the property; and

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

NOW, THEREFORE IT IS HEREBY ORDERED that the applicant Davidson Industries made a valid claim under Ballot Measure 37 by describing the use being sought, identifying the county land use regulations prohibiting that use, submitting evidence that those land use regulations have the effect of reducing the value of the property, showing evidence that they acquired the property before the restrictive county land use regulations were enacted or enforced and the Board hereby elects not to pay just compensation but in lieu of payment, the request of Davidson Industries 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 Davidson Industries, so that it can make application for approval to develop the property located along Highway 101 north of Florence, and more specifically described in the records of the Lane County Assessor as map 17-12-15, tax lot 100, in a manner consistent with the land use regulations in effect when it acquired the property on May 9, 1961.

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

IT IS HEREBY FURTHER ORDERED that this action making certain Lane Code provisions inapplicable to Davidson Industries' use of the property 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, including but not limited to ORS 215.705, 215.720 through 215.780, Goal 4 and OAR chapter 660, division 4, 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 build another dwelling 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) 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 _____, 2005.

Anna Morrison, Chair
Lane County Board of County Commissioners

APPROVED AS TO FORM

Date 12-7-2005 Lane County

Stephen J. Barber
OFFICE OF LEGAL COUNSEL

**ARNOLD GALLAGHER SAYDACK
PERCELL ROBERTS & POTTER**
A Professional Corporation

ATTORNEYS AT LAW

800 U.S. Bank Center
800 Willamette Street
Eugene, OR 97401

Telephone: (541) 484-0188
Facsimile: (541) 484-0536
E-Mail: wpotter@agsprp.com
www.agsprp.com

Correspondence:
P.O. Box 1758
Eugene, OR 97440-1758

WILLIAM R. POTTER

July 13, 2005

Lane County Land Management Division
125 East Eighth Avenue
Eugene OR 97401

**RE: Davidson Industries, Inc. Measure 37 Claim
Please Refer to Our File No. 15010-1**

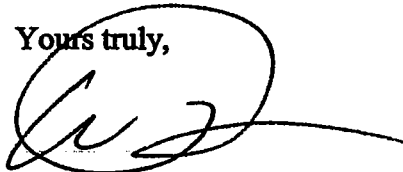
To Whom It May Concern:

Enclosed is a completed Measure 37 Claim Form for Davidson Industries, Inc. together with all necessary attachments. In reviewing the claim, please note that Davidson Industries, Inc. is requesting that the county not apply those land use regulations which have reduced the value of the property.

In addition to the required county claim form and its attachments, you will see that I have also enclosed a copy of the Measure 37 claim that was filed with the state for your reference.

Please contact me directly with any questions you may have.

Yours truly,



WILLIAM R. POTTER

WRP:MBM:mab

Enclosures

cc: Davidson Industries, Inc.

N:\A - EDavidson Industries 15010\Southview II 15010-42\Correspondence\Ltr Lane County 071305.doc

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

| | | |
|----------------------------------|--|---------------------|
| <u>Davidson Industries, Inc.</u> | <u>P.O. Box 7, Mapleton, OR 97453</u> | <u>541-268-4422</u> |
| Applicant Name (Please Print) | Mailing Address | Phone |
| <u>William R. Potter</u> | | |
| <u>Arnold Gallagher Saydack</u> | <u>P.O. Box 1758, Eugene, OR 97440</u> | <u>541-484-0188</u> |
| Agent Name (Please Print) | Mailing Address | Phone |

2. Property Owner

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

| | | |
|---|---------------------------------------|---------------------|
| <u>Davidson Industries, Inc., fee owner</u> | <u>P.O. Box 7, Mapleton, OR 97453</u> | <u>541-268-4422</u> |
| Property Owner Name (Please Print) | Mailing Address | Phone |
| <u> </u> | <u> </u> | <u> </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 Map 17-12-15 Tax Lot 100

Street Address None Legal Description Attached Yes

4. Identification of Imposed Land Use Regulation

Please identify the Lane Code section or other land use regulation imposed on the private real property that is alleged to restrict the use of the subject property in a manner that reduces the fair market value. Include the date the regulation was first adopted, enforced or applied to the subject property and a written statement addressing all the criteria in LC 2.740(1).

See attached

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.

Title report and deed attached. Davidson Industries, Inc. has owned the property continuously since May 1, 1961.

6. Appraisal/Regulatory Effect

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

See attached property valuations. Fair market value before the application of the regulations is \$3,700,000 and fair market value after the application of regulations is \$49,004.

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.

Davidson Industries, Inc. requests that Lane County not apply the land use regulations

that have reduced the fair market value of the property. (See the attached Mann report.)

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).

Davidson Industries, Inc.
By [Signature] President
Owner(s) Signature

July 13, 2005
Date

Arnold [Signature]
William [Signature], Shareholder
Applicant/Agent Signature

July 13, 2005
Date

The following contacts are provided to assist you in finding the necessary information for this application.

For zoning and land use information, please contact the Land Management Division at 682-3577.

This phone contact is a message line. Please leave a message and a Planner will return your call.

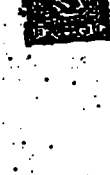
For deeds and records information, please contact Lane County Deeds and Records at 682-3654.

32573
WARRANTY DEED

FOR VALUE RECEIVED, EDWARD NELSON and NEVA C. NELSON, husband and wife, herein referred to as Grantors, hereby grant, bargain, sell and convey unto DAVENSON INDUSTRIES, INC., an Oregon corporation, herein referred to as Grantee, the following described real property, with tenements, hereditaments and appurtenances, to wit:

(4)(4-1)(7)(2)(10)

13-17-12W



PARCEL 1: Beginning at a point 10.69 chains West and 2.05 chains North of the Northeast corner of the Southeast quarter of the Southwest quarter of Section 15, Township 17 South, Range 12 West of the Willamette Meridian; thence North 50 $^{\circ}$ West 20 feet; thence West 29 $^{\circ}$ South 124 feet; thence South 60 $^{\circ}$ East 180 feet to Northwest corner of Idaho Campbell land; thence along Northeast boundary of said Campbell land to place of beginning, in Lane County, Oregon, in that tract of land registered as Lake Max by the Sea.

PARCEL 2: Begin at the Southwest corner of the Southeast quarter of the Southwest quarter of Section 15; run North 466 feet; East 466 feet; South 466 feet; and West 466 feet to the place of beginning, in Lane County, Oregon.

ALSO: Commencing at a point in County Road 76 feet; 8 inches North and 33 feet, 10 inches East from the Northeast corner of the fireplace foundation in Idaho P. Campbell dwelling, run South 25 $^{\circ}$ West 125 feet; East 25 $^{\circ}$ South 148 feet; North 25 $^{\circ}$ East 125 feet; and West 25 $^{\circ}$ North 348 feet to beginning, containing 1 acre, and situated in East one-half of southwest quarter, Section 15, Township 17 South, Range 12 West, Willamette Meridian, in Lane County, Oregon.

PARCEL 3: All of the following described property lying westerly of the westerly right of way line of Mosswalt Coast Highway; Lots 1, 2, and 3, the East one-half of the Northwest quarter, the West one-half of the Northeast quarter, the Northeast quarter of the Southwest quarter and the Northwest quarter of the Southeast quarter of Section 15, Township 17 South, Range 12 West of the Willamette Meridian, except that certain tract conveyed to Geo. N. Miller by Deed recorded June 29, 1892 in Book 22, Page 190, Lane County Oregon Deed Records. Also except that certain tract conveyed to Samuel N. Mosher and Edith Mosher, his wife, by Deed recorded October 23, 1944 in Book 276, Page 560, Lane County Oregon Deed Records.

Also except that certain tract conveyed to Ray M. Grove and Mae E. Grove, husband and wife, by Deed recorded December 7, 1937, Clerk's Filing No. 56743; Also except that certain tract conveyed to Ray M. Grove and Mae E. Grove, husband and wife, by Deed recorded August 29, 1939, Clerk's Filing No. 74390; Also except that tract conveyed to Otto N. Mowson and Hilda Mowson by Deed recorded June 24, 1937, Clerk's

01573

Filing No. 52438; Also except that tract conveyed to George J. Gaiger and Iva Gaiger, husband and wife, by Deed recorded September 6, 1943, Clark's Filing No. 74457. Also except that certain tract conveyed to Lenia Nelson and Oscar Nelson, husband and wife, by Deed recorded October 14, 1938, Clark's Filing No. 65290; Also except that certain tract conveyed to Carl Nelson and Nell Nelson, by Deed recorded November 27, 1946 in Book 136, Page 647; and also except that certain tract conveyed to Carl Nelson and Nell Nelson, by deed recorded February 19, 1946 in Book 131, Page 129.

ALSO: All of the following described property lying Easterly of the Easterly right of way of the Roosevelt Coast Highway: The Northeast quarter, the Northwest quarter of the Northwest quarter, the Southwest quarter of the Southeast quarter of Section 15, Township 17 South, Range 12 West of Willamette Meridian, in Lane County, Oregon. Except any portion thereof lying South of the westerly lines of the following described tracts: That certain tract conveyed to Louis Schachmauser and Bessie Schachmauser, husband and wife, by Deed recorded July 13, 1942, Clark's Filing No. 111810; and that certain tract conveyed to Clarence A. Welty and Nava Welty, husband and wife, by Deed recorded September 10, 1942, Clark's Filing No. 113506; Also except that certain tract conveyed to J. Gilbert Boughton by Deed recorded December 29, 1936, Clark's Filing No. 47806; Also except that certain tract conveyed to Elmer K. Baker by Deed recorded October 21, 1936, Clark's Filing No. 46179; Also except that certain tract conveyed to Louie Schachmauser and Bessie Schachmauser, by Deed recorded February 19, 1946, in Book 131, Page 127, Lane County Oregon Deed Records.

TO HAVE AND TO HOLD the said premises unto said Grantee, its successors and assigns forever. And the said Grantors hereby covenant that they are lawfully seized in fee simple of said premises; that they are free from all encumbrances, except assessments and rights of way of record, and that they will warrant and defend the above granted premises against all lawful claims whatsoever, except as above stated.

Dated: May 1, 1961.

Edward Nelson
Edward Nelson

Nava C. Nelson
Nava C. Nelson

STATE OF OREGON, }
COUNTY OF LANE } ss

Personally appeared the above named EDWARD NELSON, and NAVA C. NELSON, husband and wife, and acknowledged the foregoing instrument to be their voluntary act and deed. Before me

Dated: May 1, 1961

Walter R. Nelson
Notary Public for Oregon
My Commission Expires: _____



*Roller -
Dawson Industries, Inc
Hastings, Oregon*



11-1174-4

4007-Dawson Ind

*Public Notary
Dawson Industries, Inc
Hastings, Oregon*

1051 MAY 9 PM 2 11

201 172 01 D

*Witness by the witness
Dawson Industries, Inc
Hastings, Oregon*

2.50

BARGAIN AND SALE DEED

31574

5952

2

FOR VALUE RECEIVED EDWARD NELSON and NEVA C. NELSON, husband and wife,

herein referred to as grantors, hereby grant, bargain, sell and convey unto DAVIDSON INDUSTRIES, INC., an Oregon corporation

herein referred to as grantee, the following described real property, with tenements, hereditaments and appurtenances, to wit:

All our right, title and interest in Section 15 Township 12 South Range 12 West, Willamette Meridian in Lane County, Oregon.

1.50
2.00
10.00
22.50

To Have and to Hold, the above described and granted premises unto the said grantee, its heirs and assigns forever

May 1, 1961

Edward Nelson
Neva C. Nelson

STATE OF OREGON, County of Lane

On this 1 day of May, 1961, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named EDWARD NELSON and NEVA C. NELSON, husband and wife,

known to me to be the identical individuals described in and who executed the within instrument, and acknowledged to me that they executed the same freely and voluntarily. IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

My Commission Expires

Russell K. Kellen
Notary Public for Oregon



31574

CASCADE TITLE COMPANY
812 Oak Street Eugene, Oregon

BARGAIN & SALE

DEED

State of Oregon
County of Lane
This instrument was recorded by serial #

MAY 9 PM 2 13

2005 JUN 13 10 39 AM '05

Davidson Industries, Inc.
1000 NE Oregon Street
Eugene, Oregon

Davidson Industries, Inc.
Eugene, Oregon

CASCADE TITLE COMPANY

1000 NE Oregon Street Eugene, Oregon 97401

5/23/05

705
200

17-12-15

②
17-15-200
RETURN TO CASCADE TITLE CO.
Ct. 222881

DIVISION OF CHIEF DEPUTY CLERK
LANE COUNTY DEEDS AND RECORDS



48.00

2004021558 12:01:23 PM 04/17/2004
RPR DEED 1 CASHIER 03
25.00 11.00 10.00

DECLARATION OF PROPERTY LINE ADJUSTMENT

The parties to this transfer are: Davidson Industries, Inc. an Oregon Corporation, is the owner of two adjoining parcels of property herein described as Tract 1 and Tract 2 in this document. Davidson Industries, Inc. is setting forth this declaration to set an adjusted property line between Tract 1 and Tract 2 to comply with Lane County Land Use Regulations and the provisions of O.R.S. 32.190(4). A portion of Tract 1 will be conveyed to Tract 2.

The true consideration for this conveyance is \$0.00.

1. The reference to the description of Tract 1 prior to the property line adjustment:

A parcel of land in the Section 15, Township 17 South, Range 12 West, Willamette Meridian, said parcel conveyed to Davidson Industries, Inc. on February 1, 1991, as a portion of Parcel 1 of a Warranty Deed, recorded as Real 1676R, Instrument No. 0105922, Lane County, Oregon Official Records.

Following this Declaration of Property Line Adjustment, the description of Tract 1 is as follows:

Beginning at a General Land Office Brass Cap marking the 1/4 corner common to Sections 10 and 15, Township 17 South, Range 12 West, Willamette Meridian; thence along the Section line common to Sections 10 and 15, North 88°35'22" East a distance of 100.00 feet to a 5/8 inch rebar; thence leaving said Section line South 41°40'45" West a distance of 120.28 feet to a 5/8 inch rebar; thence South 46°02'40" West a distance of 198.29 feet to a 5/8 inch rebar; thence South 47°58'20" West a distance of 251.05 feet to a 5/8 inch rebar on the easterly margin of U.S. Highway 101 (Roosevelt Highway); thence along said easterly margin, South 39°29'55" West a distance of 20.00 feet to a 5/8 inch rebar; thence continuing along said easterly margin and along the arc of 804.83 foot radius curve right (chord bears North 44°20'44" West 194.06 feet) an arc distance of 194.45 feet to a 7/8 inch rebar; thence along said easterly margin, North 38°11'22" West a distance of 91.75 feet to a 7/8 inch rebar; thence continuing along said easterly margin and along the arc of a 1475.78 foot radius curve left (chord bears North 38°38'00" West 75.23 feet) an arc distance of 75.23 feet to the point of intersection of the easterly margin of U.S. Highway 101 (Roosevelt Highway) and the southerly boundary of Southview P.U.D., File 73, Sides 553 to and through 555, Lane County, Oregon Plat Records, said point reference by a 5/8 inch rebar bearing North 70°06'05" East, 3.54 feet; thence leaving the easterly margin of U.S. Highway 101 (Roosevelt Highway) and along the southerly boundary of Southview P.U.D., North 70°06'05" East a distance of 887.43 feet to the Point of Beginning, all in Lane County, Oregon and containing 3.30 acres.

Bearings for this description are based on Lane County Survey File No.'s 28425 to and through 28430

After Recording Return to:
Davidson Industries, Inc.
P.O. Box 7
Mapleton, Oregon 97453

Until change is requested
Mail Tax Statements to:
Davidson Industries, Inc.
P.O. Box 7
Mapleton, Oregon 97453

2. The reference to the description of Parcel 2 prior to the property line adjustment:
 A parcel of land in the Section 14, Township 17 South, Range 12 West, Willamette Meridian, said parcel conveyed to Davidson Industries, Inc. on May 8, 1961 by a Warranty Deed, recorded on Reel 172R, Reception No. 21573, Lane County, Oregon Official Records.

Following this Declaration of Property Line Adjustment, the description of Parcel 2 is as follows:
 Commencing at a General Land Office Brass Cap marking the 1/4 corner common to Sections 16 and 15, Township 17 South, Range 12 West, Willamette Meridian; thence along the Section line common to Sections 16 and 15, North 88°35'22" East a distance of 180.00 feet to a 5/8 inch rebar and the TRUE POINT of BEGINNING; thence continuing along said Section line, North 88°35'22" East a distance of 2473.04 feet, more or less to the Northeast Section Corner of Section 15; thence along the Section line common to Section 14 and 15, South 4°23'34" East a distance of 1760.03 feet, more or less to the Northeast corner of a that certain property conveyed to James E. and Jane G. Pflieger in a Warranty Deed, recorded May 6, 1961 on Reel 1134R, Instrument No. 8149327, Lane County, Oregon Official Records; thence leaving the Section line common to Sections 14 and 15 and along the northerly boundary of said Pflieger property, West a distance of 884.82 feet to the Northwest corner thereof and also being a point on the easterly boundary of that certain property conveyed to Nicholas Edward Lutz by Eugene and Sara Deed, recorded on Reel 1838R, Instrument No. 8339663, Lane County, Oregon Official Records; thence along the easterly boundary of said Lutz property, North 34°42'20" West a distance of 80.00 feet; thence along the northerly boundary of said Lutz property, South 85°17'40" West a distance of 861.80 feet to a point on the easterly margin of U.S. Highway 101 (Roosevelt Highway), opposite Station 468+00; thence leaving the northerly boundary of said Lutz property and along the easterly margin of U.S. Highway 101 (Roosevelt Highway), North 34°42'20" West a distance of 748.60 feet; thence continuing along said easterly margin and along the arc of a 2688.88 foot radius curve right (chord bears North 31°12'20" West 684.68 feet) and arc distance of 606.11 feet; thence continuing along said easterly margin, North 27°42'20" West a distance of 60.40 feet to a point opposite Station 500+00 and the Southwest corner of that certain property conveyed to Ronald W. and Joyce Fraese and Neil L. and Carol L. Cooney by Warranty Deed, recorded on October 2, 1988 on Reel 1588R, Instrument No. 8944437, Lane County, Oregon Official Records; thence leaving the easterly margin of U.S. Highway 101 (Roosevelt Highway) and along the southerly boundary of said Fraese-Cooney property, North 62°17'40" East a distance of 145.00 feet; thence along the easterly boundary of said Fraese-Cooney property, North 28°01'15" West a distance of 300.60 feet; thence along the northerly boundary of said Fraese-Cooney property, South 82°16'50" West a distance of 145.00 feet to a point on the easterly margin of U.S. Highway 101 (Roosevelt Highway); thence along said easterly margin and along the arc of a 812.88 foot radius curve left (chord bears North 32°03'31" West 3.14 feet) an arc distance of 3.14 feet; thence North 57°47'40" East a distance 20.00 feet; thence continuing along said easterly margin and along the arc of a 632.98 foot radius curve left (chord bears North 46°27'58" West 311.82 feet) an arc distance of 315.07 feet; thence continuing along said easterly margin, North 60°43'32" West a distance of 14.80 feet; thence continuing along said easterly margin, North 29°16'28" East a distance of 10.00 feet; thence continuing along said easterly margin, North 60°43'32" West a distance of 178.60 feet; thence continuing along said easterly margin and along the arc of a 884.93 foot radius curve right (chord bears North 55°35'45" West 167.70 feet) an arc distance of 167.91 feet to a 5/8 inch rebar; thence leaving said easterly margin, North 47°56'20" East a distance of 351.68 feet to a 5/8 inch rebar; thence North 48°03'48" East a distance of 188.28 feet; thence North 41°40'45" East a distance of 120.88 feet to the TRUE POINT of BEGINNING, all in Lane County, Oregon and containing 114.5 acres, more or less.

Bearings for this description are based on Lane County Survey File No.'s 26425 to and through 26430

Exhibit A is an slope easement along the southerly boundary of Tract 1 and appurtenant to Tract 2, said easement will run with the land.

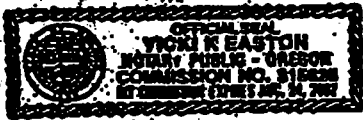
THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSONS OR PERSONS ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE COUNTY PLANNING DEPARTMENT TO VERIFY ALLOWED USES.

Dated this 14 APRIL day of March, 2000

[Signature]
DAVID CROWELL, VICE PRESIDENT
DAVIDSON INDUSTRIES

STATE OF OREGON)
County of Lane) ss

On this 14 APRIL day of March, 2000, personally appeared before me, DAVID CROWELL and acknowledged this foregoing instrument to be his voluntary act and deed.



[Signature]
Vicki K Easton
Notary Public for Oregon
My Commission Expires 08-24-02

FOR INFORMATION AND TAXATION USE ONLY
SECTION 5172, BUREAU OF LAND TAXATION
LAW COUNTY

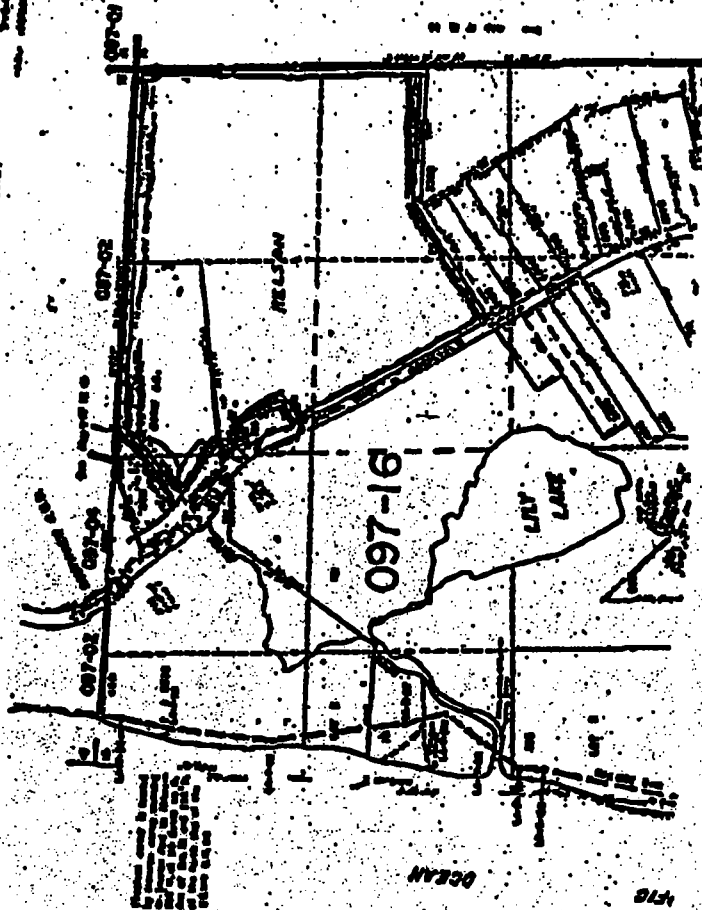


EXHIBIT A

Beginning at a General Land Office Brass Cap marking the 1/4 corner common to Sections 10 and 15, Township 17 South, Range 12 West, Willamette Meridian; thence along the Section line common to Sections 10 and 15, North 89°35'22" East a distance of 180.00 feet to a 5/8 inch rebar, thence leaving said Section line, South 41°40'45" West a distance of 120.38 feet to a 5/8 inch rebar; thence South 48°03'48" West a distance of 198.29 feet to a 5/8 inch rebar and the TRUE POINT of BEGINNING; thence South 47°56'20" West a distance of 350.00 feet to a 5/8 inch rebar on the easterly margin of U.S. Highway 101 (Roosevelt Highway); thence along said easterly margin, South 38°28'55" West a distance of 20.00 feet to a 5/8 inch rebar; thence continuing along said easterly margin and along the arc of 604.93 foot radius curve right (chord bears North 49°36'33" West 28.18 feet) an arc distance of 28.18 feet; thence leaving said easterly margin, North 47°56'20" East a distance of 375.17 feet; thence South 42°03'40" East a distance of 25.00 feet to the TRUE POINT of BEGINNING, all in Lane County, Oregon and containing 8,369 square feet (0.22 acres).

Bearings for this description are based on Lane County Survey File No.'s 28425 to and through 28430

ARNOLD GALLAGHER SAYDACK
PERCELL ROBERTS & POTTER
A Professional Corporation

ATTORNEYS AT LAW

800 U.S. Bank Center
800 Willamette Street
Eugene, OR 97401

Telephone: (541) 484-0188
Facsimile: (541) 484-0536
E-Mail: wpotter@agsprp.com
www.agsprp.com

Correspondence:
P.O. Box 1758
Eugene, OR 97440-1758

PA05-5986

WILLIAM R. POTTER

August 17, 2005

Lane County Land Management Division
125 East Eighth Avenue
Eugene Oregon 97401

08-17-05P03:03 RCVD

RE: Davidson Industries, Inc. Measure 37 Claim
Our File No. 15010-0001

To Whom It May Concern:

We previously filed a Measure 37 claim for Davidson Industries, Inc. sent with my letter of July 13, 2005. Enclosed to supplement that claim is an appraisal by Voronaeff & Company. This establishes that the value of the property subject to current regulations is \$260,000 and the value of the property without regulations adopted since the date the property was acquired by Davidson Industries, Inc. is \$8,550,000, resulting in Measure 37 damages of \$8,290,000. Please supplement our application with the enclosed appraisal.

Yours truly,



WILLIAM R. POTTER

WRP:mab

Enclosure

cc: Davidson Industries, Inc. (with enclosure)

N:\A - E\Davidson Industries 15010\Southview II 15010-42\Correspondence\Ltr Lane County 081705.doc

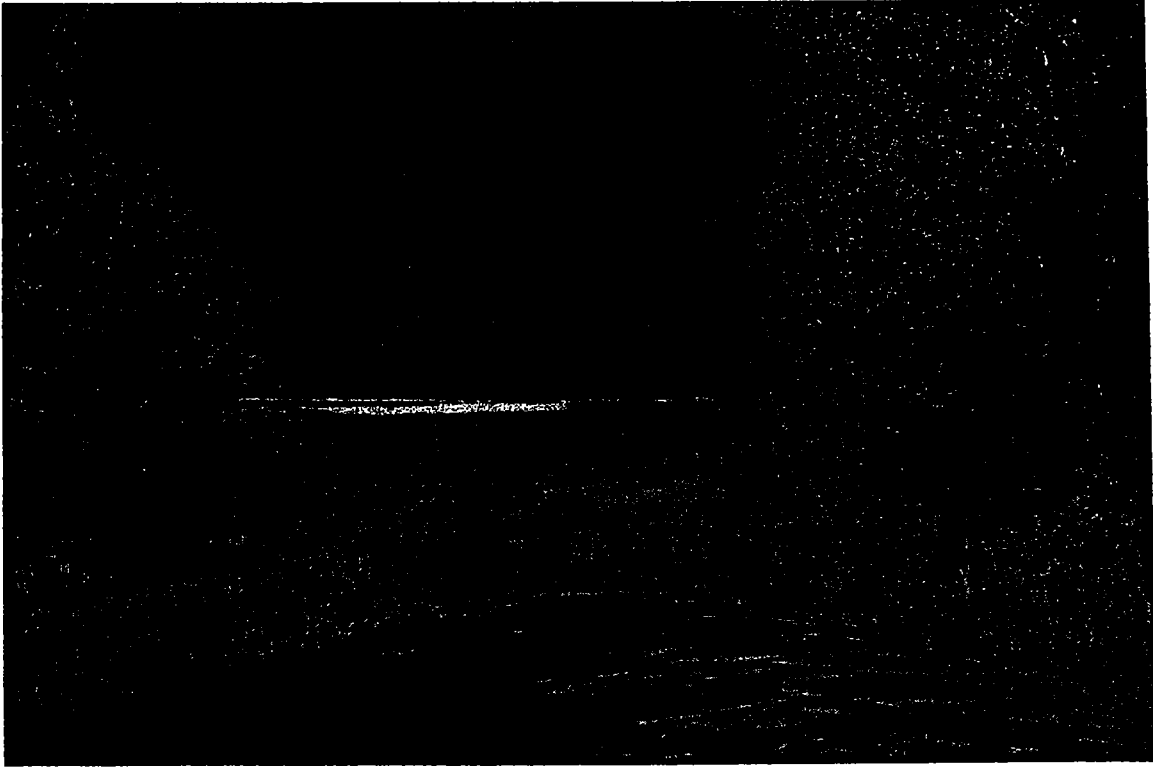
RESTRICTED USE APPRAISAL REPORT
114 Acre Vacant F-1 Zoned Parcel
90515 Highway 101
Florence, Oregon

Date of Report:
August 5, 2005

Prepared For:
Phil Davidson
Davidson Industries
P.O. Box 7
Mapleton, Oregon

Date of Value:
July 23, 2005

Prepared By:
Kent D. Voronaeff, MAI, CCIM
Voronaeff & Company
P.O. Box 50567
Eugene, Oregon 97405



Subject Property
114 Acre Vacant F-1 Zoned Parcel
90515 Highway 101
Florence, Oregon

August 5, 2005

Phil Davidson
Davidson Industries
P.O. Box 7
Mapleton, Oregon

Re: 114 Acre Vacant F-1 Zoned Parcel
90515 Highway 101
Florence, Oregon

Dear Mr. Davidson:

In accordance with your request, I am submitting this limited appraisal, in a restricted use report format, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2^o of the Uniform Standards of Professional Appraisal Practice. The report has been limited to a value conclusion based exclusively on the Sales Comparison Approach. As such, it presents no discussions of the data, reasoning, and analysis that were used in the appraisal process to develop the opinion of value. The supporting documentation concerning the data, reasoning, and analysis has been retained in the office file. The depth of discussion contained in this report is specific to your needs and for the intended use stated below. Voronaeff & Company is not responsible for unauthorized use of this report. It has been mutually agreed and understood that this report is intended for your use only and is not to be conveyed or relied upon by any third parties.

The principles of the Federal Home Loan Bank Board Regulation 563.17-1a and Office of Thrift Supervision 12 CFR Part 34 of the Office of the Comptroller of the Currency titled Real Estate Appraisals as revised in the Federal Register Volume 59, Number 108, dated June 7, 1994, have been taken into consideration in the completion of this appraisal. This report has been made in conformance with the Uniform Standards of Professional Appraisal Practice ("USPAP") adopted by the Appraisal Standards Board of the Appraisal Foundation. The departure provisions of the USPAP standards apply to this appraisal.

CLIENT: Phil Davidson
Davidson Industries

APPRAISER: Kent D. Voronaeff, MAI, CCIM
Voronaeff & Company

Restricted Use Appraisal Report

The client understands and is in agreement with this limited appraisal being transmitted in a restricted use report format. This restricted use report sets forth only the appraiser's value conclusion. Supporting documentation is retained in the office file.

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:

- a. buyer and seller are typically motivated;
- b. both parties are well informed or well advised, and acting in what they consider their best interests;
- c. a reasonable time is allowed for exposure in the open market;
- d. payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
- e. 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.¹

PROPERTY HISTORY:

There have been no sales of the subject during the past five years.

PRESENT USE:

The subject property is currently vacant.

¹ USPAP, 2005 edition

Restricted Use Appraisal Report

REAL ESTATE APPRAISED: The subject property is a 114 acre vacant F-1 zoned parcel. The parcel is situated on a hillside, with a topography ranging from steep to level. There is a graveled road, with a gated entry, which runs almost to the top of the property. The majority of the site has ocean views looking to the west. *It should be noted that there is timber situated on the subject site, but at the request of the client the value of the timber is not included in this appraisal report.*

HIGHEST AND BEST USE: Forest Use with One Home Site (with existing F-1 zoning)

Residential Development (based on a hypothetical condition that the zoning has been changed to allow single-family and multi-family residential development)

VALUE CONCLUSIONS-

Prospective Value based on a hypothetical condition that the zoning has been changed to allow single-family and multi-family residential development: **\$8,550,000**

"As-Is" Market Value with existing F-1 zoning: **\$260,000**

EXPOSURE TIME: 6 months

MARKETING TIME: 6 months

CERTIFICATION

I, Kent D. Voronaeff, MAI, CCIM, do hereby certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
8. Kent D. Voronaeff, MAI, CCIM, made an inspection of the property that is the subject of this report.
9. No one provided significant real property appraisal assistance to the person signing this certification.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review of their duly authorized representatives.
11. As of the date of this report, Kent D. Voronaeff, MAI, CCIM, has completed the requirements under the continuing education program of the Appraisal Institute.

Restricted Use Appraisal Report

12. Based upon my investigation and analysis of market data, and subject to the definitions, certifications, and limiting conditions set forth in the attached report, it is my opinion that the subject property's values are as follows:

(Prospective Value based on a hypothetical condition that the zoning has been changed to allow single-family and multi-family residential development - 09/01/05)

EIGHT MILLION FIVE HUNDRED FIFTY FIVE THOUSAND DOLLARS

\$8,550,000*

***It should be noted that this is a prospective value based on a hypothetical condition. A hypothetical condition is contrary to what exists, but supposed for the purpose of analysis.**

It is an extraordinary assumption of this appraisal report that approximately 75.00% of the subject property (or 85.50 acres = 114 acres x 0.75) has a slope of less than 22.5 degrees. This is based on topography maps and general information provided by the client. However, it should be noted that the appraiser is not an expert in determining the slope of hillside site or the potential buildable area of a hillside parcel. If less than 75.00% of the subject property (or 85.50 acres = 114 acres x 0.75) has a slope of less than 22.5 degrees, then the prospective value conclusion based on the hypothetical condition in this appraisal report would not be considered valid. It is strongly advised that the client obtain a survey by a qualified engineer to more accurately determine the slope of the site.

(“As-Is” Market Value with existing F-1 zoning - 07/23/05)

TWO HUNDRED SIXTY THOUSAND DOLLARS

\$260,000

By



Kent D. Voronaeff, MAI, CCIM

State Certification # C000303

ASSUMPTIONS AND LIMITING CONDITIONS

1. No responsibility is assumed for legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated in this report.
2. The property is appraised free and clear of any or all liens and encumbrances unless otherwise stated in this report.
3. Responsible ownership and competent property management are assumed unless otherwise stated in this report.
4. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
5. All engineering is assumed to be correct. Any plot plans an illustrative material in this report are included only to assist the reader in visualizing the property.
6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
7. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in this report.
8. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in this appraisal report.
9. It is assumed that all required licenses, certificates of occupancy or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report are based.
10. Any sketch in this report may show approximately dimensions and is included to assist the reader in visualizing the property. Maps and exhibits found in this report are provided for reader reference purposes only. No guarantee as to accuracy is expressed or implied unless otherwise stated in this report. No survey has been made for the purpose of this report.

Restricted Use Appraisal Report

11. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless otherwise stated in this report.
12. The appraiser is not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraiser that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The appraiser's value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value unless otherwise stated in this report. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraiser's descriptions and resulting comments are the result of the routine observations made during the appraisal process.
13. Unless otherwise stated in this report, the subject property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities Act. The presence of architectural and communications barriers that are structural in nature and would restrict access by disabled individuals may adversely affect the property's value, marketability, or utility.
14. It is an extraordinary assumption of this appraisal report that approximately 75.00% of the subject property (or 85.50 acres = 114 acres x 0.75) has a slope of less than 22.5 degrees. This is based on topography maps and general information provided by the client. However, it should be noted that the appraiser is not an expert in determining the slope of hillside site or the potential buildable area of a hillside parcel. If less than 75.00% of the subject property (or 85.50 acres = 114 acres x 0.75) has a slope of less than 22.5 degrees, then the prospective value conclusion based on the hypothetical condition in this appraisal report would not be considered valid. It is strongly advised that the client obtain a survey by a qualified engineer to more accurately determine the slope of the site.

This appraisal report has been made with the following general limiting conditions:

1. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.

Restricted Use Appraisal Report

2. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event only with proper written qualification and only in its entirety.
3. The appraiser, by reason of this appraisal, is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.
4. The Americans with Disabilities Act (ADA) became effective January 26, 1992. I have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the act. If so, this fact could have a negative effect upon the value of the property. Since I have no direct evidence relating to this issue, I did not consider possible non-compliance with the requirements of ADA in estimating the value of the property.
5. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser.

QUALIFICATIONS OF KENT D. VORONAEFF, MAI, CCIM

PROFESSIONAL DESIGNATIONS

| | |
|---|------|
| Appraisal Institute - MAI <i>Member Number 10,919</i> | 1996 |
| Certified Commercial Investment Member Institute - CCIM <i>Member Number 7,902</i> | 1997 |

FORMAL EDUCATION

| | |
|---|------|
| Masters of Business Administration, Finance University of Southern California Los Angeles, California | 1990 |
| Bachelor of Science, Finance University of Oregon Eugene, Oregon | 1988 |

REAL ESTATE/APPRaisal EDUCATION

| | |
|--|------|
| Real Estate Appraisal Principles - (American Institute of Real Estate Appraisers) | 1988 |
| Basic Valuation Procedures - (American Institute of Real Estate Appraisers) | 1988 |
| Residential Valuation - (American Institute of Real Estate Appraisers) | 1989 |
| Capitalization Theory & Techniques, A - (American Institute of Real Estate Appraisers) | 1989 |
| Capitalization Theory & Techniques, B - (American Institute of Real Estate Appraisers) | 1989 |
| Case Studies in Real Estate Valuation - (Appraisal Institute) | 1991 |
| Wetlands Evaluation Issues - (Appraisal Institute) | 1992 |
| Report Writing & Valuation Analysis - (Appraisal Institute) | 1993 |
| Americans with Disabilities Act - (Appraisal Institute) | 1993 |
| Financial Analysis for Commercial Investment Real Estate - (CCIM Institute) | 1996 |
| Market Analysis for Commercial Investment Real Estate - (CCIM Institute) | 1997 |
| Decision Analysis for Commercial Investment Real Estate - (CCIM Institute) | 1997 |
| Condemnation Appraising: Basic Principles & Applications - (Appraisal Institute) | 1999 |
| Condemnation Appraising: Advanced Topics & Applications - (Appraisal Institute) | 1999 |
| Standards of Professional Practice A & B - (Appraisal Institute) | 1999 |
| General Applications - (Appraisal Institute) | 2003 |

LICENSES

| | |
|--|-----------|
| State Certified Appraiser - State of Oregon <i>License Number C000303</i> | 1992-2005 |
| Real Estate Broker - State of Oregon <i>License Number 940900082</i> | 1995-2005 |

Qualifications of Kent D. Voronaeff, MAI, CCIM

EXPERIENCE

| | |
|--|-----------|
| Owner Voronaeff & Company Eugene, Oregon | 1996-2005 |
| Commercial Appraiser Duncan & Brown, Inc. Eugene, Oregon | 1992-1995 |
| Commercial Appraiser Cushman & Wakefield of California, Inc. Los Angeles, California | 1991-1992 |

PROFESSIONAL MEMBERSHIPS/AFFILIATIONS

Appraisal Institute
Certified Commercial Investment Member (CCIM) Institute
International Right of Way Association
National Association of Realtors
State of Oregon Appraisal Review & Advisory Committee

CLIENT LIST

Financial:

| | |
|--|----------------------------|
| Bank of America | Pacific Continental Bank |
| Bank of the West | SELCO Credit Union |
| Century Bank | Siuslaw Bank |
| CIT Small Business Lending Corporation | Sterling Savings Bank |
| CitiBank | Summit Bank |
| Citizens Bank | Temecula Valley Bank |
| GE Capital | Umpqua Bank |
| Key Bank | Union Bank of California |
| Liberty Bank | U.S. Bank |
| MetLife Capital Financial | Washington Mutual Bank |
| National Mortgage Company | Washington Federal Savings |
| Oregon Pacific Banking Company | Wells Fargo Bank |

Governmental:

| | |
|---------------------------------------|-------------------------------------|
| Bureau of Land Management | Lane County |
| City of Eugene | Lane Transit District |
| Eugene Water & Electric Board | Oregon Department of Transportation |
| Federal Deposit Insurance Corporation | |



LANE COUNTY RECEIPT

RECEIPT NUMBER: **R05005718**

07-14-2005

PLANNING ACTION #: **PA055986**

TYPE: Measure 37 Claim
SITE ADDRESS: 90515 HWY 101 FLO
PARCEL: 17-12-15-00-00100
APPLICANT: POTTER WILLIAM R
PO BOX 1758
EUGENE OR

97440
541-484-0188

| Type | Method | Description | Amount |
|---------|--------|-------------|--------|
| Payment | Check | 16670 | 850.00 |

| Description | Current Pymt |
|----------------------------|--------------|
| 3040 Planning Hrg Official | 850.00 |

PAID BY: **ARNOLD, GALLAGHER, SAYDACK/PERCELL, ROBERTS AND POTTER PC**